



October 10 2020

Just before the long weekend, the federal government announced new pandemic financial relief measures and changes to existing programs. Please see below for a brief outline of some of the new and modified programs. It is important to note that most of these programs/details have been announced but not yet passed into law. We are bringing them to your attention so that you can look further into those programs that may assist your business to navigate through the continued pandemic-related challenges.

Finance Minister Freeland specifically noted that the proposed changes target those businesses that have been affected by covid and are “not for everyone”; with this in mind please keep all documentation to support claims.

Full program details will be released over the coming weeks and will be available online. If you have any questions or concerns, please contact us. Happy Thanksgiving weekend!

BUSINESSES

October 9 News Release: <https://www.canada.ca/en/department-finance/news/2020/10/government-announces-new-targeted-support-to-help-businesses-through-pandemic.html>

Commercial Rent and Mortgage-Interest Subsidy (CERS) *NEW*

Proposed new commercial rent and commercial mortgage-interest relief program

Small businesses, charities, non-profits will apply for directly, unlike the prior program which required landlord to apply

Funding based on a sliding scale depending on revenue loss; eliminated required revenue loss of 70% or more

Based on a percentage of expenses, using a sliding scale up to a maximum of 65% of eligible expenses until Dec 19 2020

Retroactive to Sept 27 2020; program runs until June 2021

Announced as ‘simple and easy-to-access’ - that would be nice!

Enhanced subsidy for businesses mandated to close by government

Canada Emergency Business Account (CEBA)

CEBA \$40,000 existing loan program

Important! To benefit from the 25% forgivable portion, it's very important to transfer the full \$40,000 from the CEBA line of credit/visa to your business account before Dec 31 2020, at least for the \$40,000 loan (see CEBA increase below).

Please review the details in the loan document provided by your bank at the time the CEBA was granted

CEBA Program Extension *NEW*

Proposed increase of CEBA loans by \$20,000, to a maximum of \$60,000 from \$40,000

Half of additional financing forgivable if repaid by Dec 31 2022

Application deadline for CEBA extended to Dec 31 2020

Important! Requirement to attest to impact of covid on the business to access additional funding

Canada Emergency Wage Subsidy 75% (CEWS)

Proposed extension of CEWS to June 2021

Freezing the wage eligibility at 65% until Dec 19 2020, instead of being reduced to 45% for Nov wages

INDIVIDUALS

Canada Recovery Caregiving Benefit (CRCB) *NEW*

Income support to employed/self-employed individuals unable to work because they must care for their child under 12 years old or a family member who needs supervised care

Applies if their school/regular program/facility is closed/unavailable due to covid, or because they're sick, self-isolating, or at risk of serious health complications due to covid (as advised by a medical professional – important detail)

Household can receive \$500 (\$450 after taxes withheld) for each 1-week period

Applications open now, effective Sept 27 2020

If you think you may be eligible, review the details carefully and go through the checklist:

<https://www.canada.ca/en/revenue-agency/services/benefits/recovery-caregiving-benefit.html>

The preceding information is of a general nature only and has been abbreviated for simplicity. It is impossible to include all situations, circumstances and exceptions in a document such as this.