

COVID-19

Financial Assistant Programs For Businesses

The government of Canada has announced multiple programs to help Canadians during the COVID-19 pandemic. The programs are designed to ease off the pain and suffering of citizens and businesses.

75% Wage Subsidy

This subsidy replaces the 10% wage subsidy announced earlier in March. The 75% wage subsidy is available for qualifying businesses for up to 3 months, retroactive to March 15, 2020. More detail are coming soon

ELIGIBLE EMPLOYERS

The following information was about the former 10% wage subsidy and may change in the coming days.

- ✓ Canadian Controlled Private Corporations (CCPC) eligible for small business deduction
- ✓ Non-profit organizations and registered charities
- ✓ Pay salary, wages, or other remunerations to an employee

ELIGIBLE PERIOD

For salaries paid between March 18 and June 20, 2020

HOW MUCH IS THE SUBSIDY?

The subsidy is 10% of gross salaries paid to employees. Subsidy limit is \$1,375 per employee and \$25,000 per employer for the 90 days period.

HOW TO RECEIVE THE SUBSIDY?

You can reduce your remittance of federal and provincial income tax that you send to the CRA by the amount of the subsidy.

For more details, see the [FAQ](#) from the CRA

Canada Emergency Business Account

A new loan program for government guaranteed loans available through eligible financial institutions.

HOW MUCH IS THE LOAN?

Up to \$40,000 one-year interest free loan to small businesses and non-profits to help cover operating costs during a period where revenue have been temporarily reduced

HOW TO QUALIFY TO RECEIVE THE LOAN?

- To qualify, a business must demonstrate they paid between \$50,000 to \$1-million in total payroll in 2019
- If a business repays the balance of the loan on or before December 31, 2020, the business will receive a loan forgiveness of 25% (up to \$10,000)

HOW TO APPLY FOR THE LOAN?

A business can apply to an eligible financial institutions

Additional details on accessing this program will be available soon

[Click here](#) for more up to date information

Loan Guarantee for Small and Medium-Sized Enterprises

Export Development Canada (EDC) is working with financial institutions to facilitate issuing credit and cash flow loans of up to \$6.25 million to SMEs

Businesses should contact their financial institution to determine if this program is a good fit for their needs

Co-Lending Program for Small and Medium-Sized Enterprises

Offered in collaboration through Business Development Bank (EDC) and financial institutions to co-lend term loans to SMEs to support their operational cash flow requirements

Businesses should contact their financial institution to determine if this program is a good fit for their needs

Income Tax Payment

Businesses can defer their income tax payment until after August 31, 2020 for any taxes owing between March 18, 2020 and September 2020.

GST/HST and Duties

- GST/HST remittances for February, March, and April are deferred until June 30, 2020
- GST and Duty payments for imported goods due for March, April, and May are deferred until June 30, 2020

Reducing Electricity Charges

Electricity prices for residential, farm and small business will be set at the off-peak price for 45 days

Extending the Work-Sharing program

The Canadian government is extending the maximum duration of the Work-Sharing program from 38 weeks to 76 weeks

WHO IS ELIGIBLE?

Offered to workers who agree to reduce their normal working hours because of circumstances beyond the control of the employer

Employer Health Tax (EHT)

Ontario government is proposing a temporary increase to the Employer Health Tax (EHT) exemption from \$490,000 to \$1-million

Workplace Safety & Insurance Board (WSIB)

6-months deferrals with no interest or penalty for WSIB premiums starting March 25, 2020

Additional Information

As the programs and government help is changing daily, we are doing our best to provide you with up to date information.

You can also learn more about government programs:

- ✓ [Canada's COVID-19 Economic Response Plan](#)
- ✓ [Ontario's Emergency Assistance Program to COVID-19](#)


CONTACT US

MMS ACCOUNTING & BOOKKEEPING

Staying at home should not stop you from filing your income tax return, we can prepare your tax return remotely and exchange documents with you online in a secure way. Documents requiring signature will be sent to you securely for e-signature and your tax return will be filed electronically with CRA.



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MMS Accounting & Bookkeeping is a cloud-based accounting firm, we act as a remote extension of your office with the proper set up to exchange and store documents securely in the cloud thus providing you with the ability to access your financial and accounting records from any where, any time, by using your phone, tablet, or computer.

We provide you with the tools to make sending us your invoices, receipts, and statements as easy as snapping a picture on your phone.

We are always available to help you understand your business financial reports, so you are better equipped to run your business efficiently and allowing you to concentrate on growing your business and reaching your goals.