

MEMO

March 27th, 2020 – Federal Government Economic Support Announcement for Employers/Employers –

HST, WAGE SUBSIDY, AND SMALL BUSINESS LOAN UPDATE

FEDERAL UPDATE

This information is from monitoring the government announcements. We wanted to update you on the stimulus funding announcements to make sure we are aware of all requirements and opportunities for support during this crisis. The government will update all materials by Monday.

OUR PRIMARY ADVICE IS TO GET EMPLOYEES TO BEGIN THE EI PROCESS AND TO SET UP DIRECT DEPOSIT WITH THE CRA.

We will provide details on each of these measures to support your businesses as they become available. **The main items that will be to Employers/Employees are:**

1. HST and GST payments will be deferred until June.
2. Small-business owners/Employers/Not-for-profits are eligible to receive a temporary wage subsidy from Ottawa that THE GOVERNMENT JUST INCREASED THE SUBSIDY TO 75% FROM 10% of salary paid to employees if they are able to maintain payroll. This subsidy is reduced from your income tax remittance effective immediately. The tool to calculate is here: (this link will be updated by Monday.)<https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update/frequently-asked-questions-wage-subsidy-small-businesses.html#h3>
3. There will be a new small loan program of up to \$40,000 for small businesses/employers that will be zero interest for one year.