



March 22, 2020

1) In order to provide greater flexibility to Canadians who may be experiencing hardships during the COVID-19 outbreak, the CRA will defer the filing due date for 2019 tax returns of individuals. The return filing due date will be deferred until June 1, 2020. (a one month extension from April 30th)

2) For individuals, the CRA will allow all taxpayers to defer until after Aug. 31, 2020, the payment of any income tax amounts that become owing on, or after March 18, 2020, and before September 2020. This relief would apply to tax balances due, as well as instalments, under Part I of the Income Tax Act. No interest or penalties will accumulate on these amounts during this period. Note that taxes owed prior to March 18, 2020 and all payment plans are not changed by this deferral, they are still due.

3) For low and modest income families, the Government will provide a one-time special payment by early May 2020 through the GSTC. This will double the maximum annual GSTC payment amounts for the 2019-20 benefit year. The average boost to income for those benefitting from this measure will be close to \$400 for single individuals and close to \$600 for couples. In order to qualify for this credit, you must file the 2019 income taxes in a timely fashion,

4) The Government will be waiving the one-week waiting period for those individuals in imposed quarantine that claim Employment Insurance (EI) sickness benefits. This temporary measure is in effect as of March 15, 2020. The requirement to provide a medical certificate to access EI sickness benefits will be waived as well.

5) The Government has introduced **the Emergency Care Benefit** providing up to \$900 bi-weekly, for up to 15 weeks. This flat-payment benefit would be administered through the Canada Revenue Agency (CRA) and provide income support to:

- a) Workers, including the self-employed, who are quarantined or sick with COVID-19 but do not qualify for EI sickness benefits;
- b) Workers, including the self-employed, who are taking care of a family member who is sick with COVID-19, such as an elderly parent, but do not qualify for EI sickness benefits;
- c) Parents with children who require care or supervision due to school closures, and are unable to earn employment income, irrespective of whether they qualify for EI or not.

6) For Canadians who lose their jobs or face reduced hours as a result of COVID's impact, the Government is introducing an **Emergency Support Benefit** delivered through the CRA to provide funds in support to workers who are not eligible for EI and who are facing unemployment.

IMPORTANT re 5) and 6) above: Applications for benefits will open in April, at a date still to be determined. When that happens, Canadians will be able to apply through [CRA MyAccount](#) or [My Service Canada Account](#) or by calling a toll-free number that has not yet been made public.

You can access links to apply below:

### **Employment and Insurance Benefits and Leave**

<https://www.canada.ca/en/services/benefits/ei.html>

### **Self Employed**

<https://www.canada.ca/en/services/benefits/ei/ei-self-employed-workers.html>

### **Employment and Social Development Canada - EI Sickness Benefits**

<https://www.canada.ca/en/services/benefits/ei/ei-sickness/apply.html>

7) To support businesses facing revenue losses and to help prevent lay-offs, the government is proposing to provide eligible small employers a temporary wage subsidy for a period of three months. The subsidy will be equal to 10 per cent of remuneration paid during that period, up to a maximum subsidy of \$1,375 per employee and \$25,000 per employer. Businesses will be able to benefit immediately from this support by reducing their remittances of income tax withheld on their employees' remuneration. Employers benefiting from this measure will include corporations eligible for the small business deduction, as well as non-profit organizations and charities.

8) Although there was speculation about extending the corporate filing deadline, no formal pronouncements were made by the Government in respect of corporate filing deadlines.

9) For businesses, the CRA will allow **all** businesses to defer, until after Aug. 31, 2020, the payment of any income tax amounts that become owing on or after today and before September 2020. This relief would apply to tax balances due, as well as instalments, under Part I of the Income Tax Act. No interest or penalties will accumulate on these amounts during this period. This is for self-employed businesses and incorporated businesses.

10) The CRA will not initiate any new audits for the next 4 weeks. For any ongoing audits that our office is currently working on, the CRA is suspending all activity as well.

11) The Government is proposing to increase the maximum annual Canada Child Benefit (CCB) payment amounts, only for the 2019-20 benefit year, by \$300 per child. This will be based on the 2019 income tax return,

12) The Government will be placing a six-month interest-free moratorium on the repayment of Canada Student Loans for all individuals currently in the process of repaying these loans.

13) Effective immediately, Bank of Montreal, CIBC, National Bank of Canada, RBC Royal Bank, Scotiabank and TD Bank have made a commitment to work with personal and small business banking customers on a case-by-case basis to provide flexible solutions to help them manage through challenges such as:

- pay disruption due to COVID-19;
- childcare disruption due to school closures; or
- those facing illness from COVID-19.

This support will include up to a six-month payment deferral for mortgages, and the opportunity for relief on other credit products.

More information is available at [Canada's Six Biggest Banks Take Decisive Action To Help Customers Impacted by COVID-19](#)

14) Ontario's Minister of Finance will release an economic and fiscal update on March 25, 2020, instead of a full budget. This update will include a realistic one-year outlook based on current economic projections and will aim to provide certainty to hospitals, schools, municipalities, and other government partners for the year to come.