

Federal Government Covid-19 Measures – Info for EFCC Churches

Last updated: May 25, 2020.

Measure	Who's eligible?	Brief description	To apply / More information
Deferral of T3010 filing	Registered charities	2019 T3010 returns are not due until December 31, 2020, regardless of organization's normal filing deadline.	https://www.canada.ca/en/services/taxes/charities.html
Extension of the Work Sharing Program	All employers	Maximum duration of work-sharing arrangements extended from 38 weeks to 76 weeks.	https://www.canada.ca/en/employment-social-development/services/work-sharing/eligibility.html
Canada Emergency Wage Subsidy (CEWS)	<p>All employers who saw a 15% drop in revenue in March and a 30% drop in revenue in April and May.</p> <p>The CEWS has been extended for a further 12 weeks and will now cover periods up to and including August 29, 2020. The revenue loss requirement may be revisited for the June, July, and August periods.</p>	<p>Government will subsidize 75% of employee wages to a maximum of \$847 per week per employee.</p> <p>Subsidy is up to 24 weeks (March 15 – August 29, 2020).</p> <p>No cap on how much an employer can receive.</p> <p>Employers are expected to make their best effort to top up employees' salaries to bring them to pre-crisis levels. The top-up is not mandatory, though.</p> <p>Applies to active employees and well as those who have been furloughed because of a lack of work.</p> <p>To measure their revenue loss, it is proposed that all employers have the flexibility to compare their revenue of March, April and May 2020 to that of the same month of 2019, or to an average of their revenue earned in January and February 2020 -- whichever is more advantageous.</p> <p>Charities and non-profit organizations can choose to either include or exclude revenue from government when calculating their revenues -- whichever is more advantageous.</p>	<p>https://www.canada.ca/en/department-finance/economic-response-plan/wage-subsidy.html</p> <p>https://www.canada.ca/en/revenue-agency/services/subsidy/emergency-wage-subsidy/cews-how-apply.html</p> <p>https://www.canada.ca/en/department-finance/news/2020/05/government-extends-the-canada-emergency-wage-subsidy.html</p>

		<p>Organizations can calculate their revenues using either accrual or cash accounting -- whichever is more advantageous.</p> <p>Organizations that qualify for the wage subsidy will be able to furlough staff to keep them on payroll, if there is a lack of work for them to do, and receive a full refund of employer contributions towards CPP, EI, QPP and other such programs.</p> <p>Wage subsidies will be retroactive to March 15.</p> <p>Employers must use TWS (Temporary Wage Subsidy) first, and eligible TWS amount will be deducted from the CEWS.</p> <p>Applications will be through a web portal accessible through organizations' CRA MyBusiness accounts.</p>	
<p>Temporary Wage Subsidy for Employers (TWS)</p>	<p>Charities, nonprofits, Canadian controlled private corporations eligible for the small business deduction.</p>	<p>Up to 10% of payroll costs incurred between March 18 and June 19.</p> <p>Maximum claim of \$1375 for each employee.</p> <p>Maximum claim of \$25,000 per employer.</p> <p>Employer calculates the subsidy, subtracts from the personal income taxes it remits to the federal government on behalf of employees.</p>	<p>https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update/frequently-asked-questions-wage-subsidy-small-businesses.htm</p> <p>https://www.canadiancharitylaw.ca/blog/charities-and-non-profits-may-be-able-to-get-a-wage-subsidy-under-canadas-covid-19-economic-response-plan/</p>

<p>Canada Emergency Response Benefit (CERB)</p>	<p>Workers:</p> <p>Residing in Canada, who are at least 15 years old;</p> <p>Who have stopped working because of COVID-19 and have not voluntarily quit their job or are eligible for EI regular or sickness benefits;</p> <p>Who had income of at least \$5,000 in 2019 or in the 12 months prior to the date of their application; and</p>	<p>If you have stopped working because of COVID-19, the Canada Emergency Response Benefit (CERB) may provide you with temporary income support. The CERB provides \$500 a week for up to 16 weeks.</p> <p>You cannot have earned more than \$1,000 in employment and/or self-employment income for each 4-week benefit claim period.</p> <p>You can apply for the CERB through either Service Canada or the Canada Revenue Agency (CRA) – not both.</p>	<p>https://www.canada.ca/en/services/benefits/ei/cerb-application.html</p>
<p>Canada Emergency Student Benefit (CESB)</p>	<p>Post-Secondary students and recent post-secondary and high school graduates who are unable to find work due to COVID-19.</p>	<p>This benefit is for students who do not qualify for the Canada Emergency Response Benefit (CERB) or Employment Insurance (EI).</p> <p>From May to August 2020, the CESB provides a payment to eligible students of \$1,250 for each 4-week period – OR - \$2,000 for each 4-week period, if you have dependents or a disability.</p>	<p>https://www.canada.ca/en/revenue-agency/services/benefits/emergency-student-benefit.html</p>

<p>Business Credit - Canada Emergency Business Account</p>	<p>All employers with total 2019 payrolls between \$20,000 and \$1.5 million</p> <p>Organizations must have filed either a T3010 (for registered charities) or a T2 (for nonprofit corporations)</p> <p>Organizations need to derive part of their revenue from the sale of goods or services.</p>	<p>Interest-free loans of up to \$40,000.</p> <p>25% of loan will be forgiven if the loan is repaid by December 31, 2022.</p> <p>Loans are arranged through organizations' regular financial institutions.</p>	<p>https://ceba-cuec.ca/</p>
<p>Business Credit - SME Loan and Guarantee Program (BDC Co-lending Program)</p>	<p>Primarily social enterprises that meet the lending criteria</p>	<p>Loans of up to \$6.25 million for eligible businesses.</p> <p>Business Development Bank is the co-lender, but loans are arranged through organizations' financial institutions.</p>	<p>https://www.canada.ca/en/department-finance/news/2020/03/additional-support-for-canadian-businesses-from-the-economic-impact-of-covid-19.html</p>

<p>Support for food banks and local food organizations</p>	<p>National, regional, and local food banks and local food organizations across Canada</p>	<p>Funding will be delivered through the Government of Canada's Local Food Infrastructure Fund.</p> <p>\$100 million investment divided as follows:</p> <ul style="list-style-type: none"> • \$50 million to Food Banks Canada • \$20 million divided evenly between Salvation Army, Second Harvest, Community Food Centres Canada, and Breakfast Club of Canada • \$30 million for local-level organizations who serve people experiencing food insecurity <p>Eligible activities for this new funding include the purchase of food, support for the transportation and distribution of food, hiring temporary help to fill volunteer shortages, and activities to implement biosecurity measures, such as the purchase of personal protective equipment, to reduce the spread of COVID-19 among volunteers and clients.</p>	<p>https://pm.gc.ca/en/news/news-releases/2020/04/03/prime-minister-announces-support-food-banks-and-local-food</p>
<p>Support for vulnerable Canadians</p>	<p>Women's shelters and sexual assault centres</p>	<p>The government will provide up to \$50 million to women's shelters and sexual assault centres, including facilities in Indigenous communities, to help with their capacity to manage or prevent an outbreak.</p> <p>The government is currently working to ensure organizations receive the funding as soon as possible. Eligible organizations will be contacted directly the first week of April.</p>	<p>https://cfc-swc.gc.ca/fun-fin/shelters-refuges-en.html</p>

<p>Support for vulnerable Canadians</p>	<p>Local organizations supporting Canadian seniors</p>	<p>The Government of Canada will contribute \$9 million through United Way Canada for local organizations to support practical services to Canadian seniors. These services could include the delivery of groceries, medications, or other needed items, or personal outreach to assess individuals' needs and connect them to community supports.</p> <p>The funding for seniors will be delivered through the New Horizons for Seniors Program. The Program supports projects that help improve the well-being and quality of life of seniors, and fosters social inclusion and engagement of Canadian seniors in their communities.</p>	<p>https://pm.gc.ca/en/news/news-releases/2020/03/29/prime-minister-announces-support-vulnerable-canadians-affected-covid</p>
<p>Emergency Community Support Fund</p>	<p>Charities and nonprofits that deliver essential services to those in need</p>	<p>The federal government announced an investment of \$350 million to support vulnerable Canadians through charities and non-profit organizations that deliver essential services to vulnerable populations.</p> <p>It will support a variety of activities, such as:</p> <ul style="list-style-type: none"> • Increasing volunteer-based home deliveries of groceries and medications • Providing transportation services, like accompanying or driving seniors or persons with disabilities to appointments • Scaling up help lines that provide information and support • Helping vulnerable Canadians access government benefits • Providing training, supplies, and other required supports to volunteers so they can continue to make their invaluable contributions to the COVID-19 response • Replacing in-person, one-on-one contact and social gatherings with virtual contact through phone calls, texts, teleconferences, or the Internet 	<p>Nonprofit organizations can apply through the Red Cross portal.</p> <p>Registered charities and other qualified donees can apply through the Community Foundations of Canada national portal or through their local United Way Centraide Canada.</p>

		Applications are open as of May 19, 2020.	
Canada Emergency Commercial Rent Assistance	<p>Small businesses, including nonprofits and charities</p> <p>Organizations that own properties are landlords themselves and would like to provide rent reductions</p>	<p>This program will lower rent by 75% for small businesses that have been affected by COVID-19.</p> <ul style="list-style-type: none"> • The program will provide forgivable loans to qualifying commercial property owners to cover 50% of three monthly rent payments that are payable by eligible small business tenants who are experiencing financial hardship during April, May, and June. • The loans will be forgiven if the mortgaged property owner agrees to reduce the eligible tenants' rent by at least 75% for the three corresponding months under a rent forgiveness agreement, which will include a term not to evict the tenant while the agreement is in place. The small business tenant would cover the remainder, up to 25% of the rent. • Impacted tenants are organizations paying less than \$50,000 per month in rent (per location) and who have temporarily ceased operations or have experienced at least a 70% drop in pre-COVID-19 revenues. • Charities and nonprofits can choose whether to include or exclude revenues from governments when calculating their revenue drop. • Tenants' consolidated financial statements (in the case of multiple locations) must show annual revenues less than \$20 million <p>Applications open on May 25, 2020.</p>	<p>https://www.cmhc-schl.gc.ca/en/finance-and-investing/covid19-cecra-small-business</p>

See for more details Canada's COVID-19 Economic Response Plan <https://www.canada.ca/en/department-finance/economic-response-plan.html>

KPMG, our auditors, have been a great reference during this time, keeping us informed. Here's their website that is being continually updated:

<https://home.kpmg/ca/en/home/insights/2020/03/the-business-implications-of-coronavirus.html>

See also EFCC Website: www.efcc.ca

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