

## **Covid-19 Update - 27 March 2020**

Today the Federal Government announced further measures in their efforts to help support small and medium sized businesses. As we have all seen, various measures have already been released, however certain ones are being amended. Additionally, it is not clear how the administration of certain measures will occur.

### **The following were released today:**

- An increase to the wage subsidy to 75 per cent for qualifying businesses, up from the original 10 per cent; the new wage subsidy will be backdated to March 15,
- Deferring GST/HST payments, as well as duties and taxes owed on imports, until June; the latter is the equivalent of \$30 billion in interest-free loans to businesses. It is unclear whether GST/HST returns will have to be filed while the deferral is in effect and we are following up with the government.
- The launch of the Canada Emergency Business Account for banks to offer \$40,000 in government-guaranteed loans, which will be interest-free for the first year and \$10,000 will be forgivable

**With respect to the increase to the wage subsidy, further details are scheduled to be released on Monday 30 March 2020. We will all be monitoring these updates and be ready to assist with questions you may have.**

### **Other key releases in the past couple days:**

- **Filing due dates** - The federal government announced additional extensions to many tax-related deadlines. Most federal tax filing deadlines have been extended to June 1, 2020, including the March 31 deadline for T1134 forms and T2s. The filing deadline for the T5013 partnership return and other information that individuals will need to complete their T1 returns has been extended to May 1, 2020. The deadline for most T1 returns remains June 1, 2020.

Note that some returns and payments will still be due at the usual time.

- **Personal returns** — The deadline for filing T1 returns that were due on April 30, 2020 has been extended to June 1, 2020. Individuals expecting a refund or benefits should file sooner if possible, as the Canada Revenue Agency (CRA) will process refunds.
- **Trust returns** — For trusts having a taxation year ending on December 31, 2019, the return filing due date will be deferred until May 1, 2020.
- **Income tax payments for all taxpayers** — The CRA will allow all taxpayers to defer, until after August 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 income tax balances due, as well as instalments and no interest or penalties will accumulate on these amounts during this period.