

# Quick Guide for Businesses: COVID-19 Response Plan

The **Government of Canada** has released an \$83 billion stimulus package in order to ensure that Canadians can weather the impending recession in the wake of COVID-19. We will be updating this information as the federal government releases more details regarding accessing the funding, etc. Here is the main information that is useful for businesses:

## Helping Businesses Keep their Workers

- A wage subsidy to eligible small employers (including corporations eligible for small business deduction, non-profits and charities) of 10% of remuneration paid during a period of three months, up to a maximum of \$1,375 per employee and \$25,000 per employer.
- Employers can immediately benefit from this by reducing their remittances of income tax withheld on their employees' remuneration.

## Flexibility for Businesses Filing Taxes

- CRA will allow all businesses 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. No interest or penalties will apply during this period.
- CRA will not contact any small or medium businesses to initiate any post assessment GST/HST or Income Tax audits for the next four weeks. For most, CRA will temporarily suspend audit interaction with taxpayers and representatives.

## Ensuring Businesses Have Access to Credit

- The Business Credit Availability Program (BCAP) will allow the Business Development Bank of Canada and Export Development Canada to provide \$10 billion+ of additional support, mainly for small and medium-sized businesses.

## Supporting Financial Market Liquidity

- Government announced on March 16 that it is launching an Insured Mortgage Purchase Program (IMPP). Under this program, the government will purchase up to \$50 billion of insured mortgage pools through the Canada Mortgage and Housing Corporation (CMHC).

Please contact BCAFN Economic Development Policy Analyst, Maggie Mills at: [margaret.mills@bcafn.ca](mailto:margaret.mills@bcafn.ca) if you have any questions that we may be able to assist with.

TO APPLY AND FOR MORE INFORMATION: <https://www.canada.ca/en/department-finance/economic-response-plan.html>