

Justwealth Advisor Partnership Program Monthly Advisor e-Newsletter for April 2020

Part II.

Dear Advisor Partners -

Please see part II of our Advisor e-Newsletter for April 2020 below. This focuses on the Government of Canada's COVID-19 Economic Response Plan. If you missed Part I, which focused on Justwealth's 1st Quarter 2020 market commentary, it can be found [here](#).

Please join us all at Justwealth in encouraging your family, friends and neighbours to stay safe, maintain physical-distancing and above all, look after one another.

1. Summary of Government of Canada COVID-19 Economic Response Plan

As of early April, the Government of Canada has announced a number of measures to support Businesses, Individuals and specific Industries deal with the economic impact of the COVID-19 pandemic.

While every detail of each program has not been fully released as of April 9th, the government is making details public as they become available in real time.

There is a number of 3rd parties who are producing useful summaries of the Economic Response Plan; however, given the somewhat real-time nature of the release of specifics, the Government of Canada has put together an informative webpage where detailed information, summaries and FAQs are available:

www.canada.ca/en/department-finance/economic-response-plan.html#businesses

Here are some highlights of the programs that are likely more relevant to yourself and your clients.

A. Support for Businesses

i. Canada Emergency Wage Subsidy. Provides a subsidy up to 75% on remuneration paid up to \$847 per week or 75% of the employee's pre-crisis weekly remuneration, whichever is less. Note, the subsidy covers a series of 4-week periods retroactive to March 15th, with eligibility for each period based on a revenue test. As currently structured, the last 4-week period would end June 6th. Businesses can apply at the CRA's *My Business Account Portal*.

For more information www.canada.ca/en/department-finance/economic-response-plan/wage-subsidy.html

ii. Extending the Work-Sharing Program. The work-sharing program now allows for 76 weeks for employers impacted by COVID-19, up from the normal 38 weeks.

For more information www.canada.ca/content/dam/esdc-edsc/documents/corporate/notices/coronavirus/overview-presentation-e.pdf

iii. Income Tax Filing & Payment Dates. The due date for Corporations is extended to June 1st (Self-Employed due date remains June 15th). Payment dates of any amounts outstanding have been extended to September 1st.

For more information www.canada.ca/en/revenue-agency/campaigns/covid-19-update/covid-19-filing-payment-dates.html

iv. Business Credit Availability Program. The BCAP will provide \$65 billion of direct lending and financial support to Canadian businesses via Export Development Canada (EDC) and Business Development Bank of Canada (BDC).

Loan guarantees and incremental credit amounts of up to \$6.25 million will be made available to small and medium enterprises. Interested businesses should contact their financial institutions who can guide their application process.

For more information refer to EDC and BDC, respectively
www.edc.ca/en/campaign/coronavirus-covid-19.html
www.bdc.ca/en/pages/special-support.aspx?special-initiative=covid19

v. Canada Emergency Business Account. Interest free loans of up to \$40,000 will be provided to small businesses to cover operating costs, with eligibility based on a revenue test. This program will roll out in mid-April. Interested businesses should contact their financial institutions for more information.

vi. Deferral of GST/HST Tax Remittances. The date by which monthly/ quarterly filers of GST/HST returns must collect and remit the GST/HST has been extended to June 30th for monthly filers of February, March and April returns, as well as quarterly filers whose reporting period ended March 31st.

Annual filers with a return date in March, April or May have also had their remittance date extended to June 30th. Note, the requirement for businesses to file has not been deferred.

For more information www.canada.ca/en/revenue-agency/campaigns/covid-19-update/frequently-asked-questions-gst-hst.html

B. Support for Individuals and Families

i. Canada Emergency Response Benefit. The CERB becomes accessible online as of April 6th for eligible workers who have lost their income due to COVID-19. A taxable benefit of \$2,000 per month is available for up to 4 months. Note, the CERB is also available to self-employed individuals.

For more information and to apply www.canada.ca/en/services/benefits/ei/cerb-application.html

ii. Mortgage Support. Canadian banks have committed to work with their customers to defer up to six monthly mortgage payments (principal & interest) on a case-by-case basis. Please consult your financial institution for their COVID-19 related support measures.

iii. Income Tax Filing & Payment Dates. Due dates for individuals have been extended to June 1st for filing. Payment of any amounts outstanding has been extended to August 31st.

For more information www.canada.ca/en/revenue-agency/campaigns/covid-19-update/covid-19-filing-payment-dates.html

iv. Reduced Minimum Withdrawals for Registered Retirement Income Funds. The minimum required withdrawals from RRIFs has been reduced by 25% for 2020.

For more information www.canada.ca/en/revenue-agency/services/tax/individuals/topics/registered-retirement-income-fund-rrif.html

v. Suspend Repayment and Interest on Canada Student and Apprentice Loans. All student loan borrowers will automatically have their loan repayments and interest suspended for six months through September 30th. This will apply to the Federal portion of student loans; however, a number of Provincial bodies have followed suit.

For more information www.csnpe-nslsc.canada.ca/en/what-is-new

vi. Special Goods and Services Tax Credit Payment. A one-time special payment of \$400 for single individuals and \$600 for couples will be made starting April 9th through the GST credit for low- and modest-income families. No application is required for this payment that will automatically be made to eligible individuals and families.

For more information www.canada.ca/en/revenue-agency/services/child-family-benefits/gsthstc-eligibility.html

vii. Increasing the Canada Child Benefit. The CCB will pay an extra \$300 per child for 2019-20, as part of the scheduled CCB payment in May. If you already receive the CCB, you will automatically receive this.

To apply for the CCB www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-child-benefit-overview/canada-child-benefit-apply.html

This is just a summary of some programs of the available program at the Federal level; there are a number of commensurate programs that are also being offered at the Provincial level. We encourage you to be diligent, follow online sources, both Federal and Provincial, and consult your tax Advisors as well.

2. Feedback

We value your feedback! Please follow this link and answer a few short questions to help us refine our offering.

[Click here for the survey](#)

Until Next Month Happy Investing!