



March 19, 2020

On March 18, 2020 the federal government announced a number of measures to support the Canadian economy and both business and individuals. The section, dealing with businesses that is likely to have the widest application to our clients, is Helping Businesses Keep Their Workers. This section allows employers a subsidy of 10% of an employee's wages to a maximum of \$1,375 per employee and \$25,000 per employer. Businesses will have access to this subsidy quickly since they will be able to deduct this amount from their source deduction remittances. The subsidy will be in effect for a three month period.

There is another section dealing with flexibility for businesses filing taxes. The CRA will allow all businesses to defer the payment of any income tax amounts that become owing on or after March 18, 2020 and before September 2020. This amount is a **DEFERRAL** not a reduction. No interest or penalties will be incurred on these amounts until after September 2020. This deferral covers any payments of income tax amounts due including instalments or balances due on corporate tax payable. CRA is also temporarily suspending audit interaction with tax payers and their representatives for the vast majority of businesses.

We have attached a copy of the Department of Finance Release which discusses other matters to support Canadian's during this Covid-19 outbreak. It is important to note that a number of these proposals will require the approval of Parliament but I believe you should proceed to utilize these benefits immediately.

Our office is open. However, we are not having any in-person appointments. You can reach us by phone or email. We have also set up a drop box system where you can drop off your information for either corporate or personal income tax matters. We are here to help in any way we can. Please follow the government guidelines for dealing with the virus and stay healthy.

The owners and staff of Durand and Associates Professional Corporation