



## Canadian tax alert

### COVID-19 – Latest fiscal developments

April 2, 2020

The federal and provincial governments continue to respond to the impact of COVID-19 on our economy. Over the past few days, some additional support measures were announced. Our Tax and Legal team is closely monitoring all government announcements and will remain available to support you during this unprecedented and uncertain time.

In this update, we highlight recent developments from the federal government as well as the governments of British Columbia, Ontario and Prince Edward Island.

#### **Contacts:**

**Philippe Bélair**

Tax & Legal Leader

Tel: 514-393-7045

**Albert Baker**

National Tax Policy Leader

Tel: 416-643-8753

**Atlantic Region**

**Katie Rogers**

Tel: 506-663-6728

## FEDERAL MEASURES – March 30-31, 2020

### March 30, 2020

#### Support for air transportation sector

- \$331.4M in financial relief is being provided to assist 21 Canadian airports and Ports Toronto by waiving rent payable to the federal government from March 2020 to December 2020.

#### Support for broadcasting industry

- \$30M in financial relief is being provided to more than 100 broadcasters by waiving Canadian Radio-television and Telecommunication Commission (CRTC) fees for the 2020-2021 fiscal year.

### March 31, 2020

#### Objections and appeals - deadlines

- The Canada Revenue Agency (CRA) has provided the following information regarding deadlines for tax objections and appeals:
  - The processing of objections that deal with individuals' benefits and credits is considered a critical service and will not be delayed during the COVID-19 pandemic.
  - Objections dealing with other tax matters are currently being held in abeyance. Accordingly, no related collection action will take place.
  - Objections that are due on or after March 18, 2020 are effectively granted an extension to June 30, 2020.

## BRITISH COLUMBIA MEASURES – April 1, 2020

- **New BC emergency benefit for workers**
  - This new benefit will provide a one-time \$1,000 payment to workers whose ability to work is affected by the crisis. This will be in addition to any federal benefits received.
- **BC Hydro relief**
  - BC Hydro is offering new, targeted bill relief to residential customers who have lost their jobs or are unable to work, and to small businesses that have been forced to close as a result of COVID-19.
    - There will be a non-repayable credit equal to three times the average monthly bill over the past year for residential customers.
      - Application forms will be available next week
    - Small businesses will have their power bill forgiven for three months.
  - BC Hydro rates will be reduced by 1% on April 1, 2020.
  - BC Hydro has halted all service disconnections for non-payment during COVID-19 and has cancelled all non-emergency planned power outages affecting its customers.
  - BC Hydro is offering up to \$600 for customers who heat their homes with electricity, and up to \$500 for customers with non-electrically heated homes, in the form of a non-repayable grant.
    - This grant goes towards an overdue balance, and the amount of funding varies depending on the amount owing (the balance must

### Quebec & Ottawa

**Patrick Bilodeau**

Tel: 613-751-5447

**Mohamed Sheibani**

Tel: 613-751-5320

### Ontario

**Gary Gluckman**

Tel: 416-601-6029

### Prairies

**Markus Navikenas**

Tel: 403-267-1859

### British Columbia

**David Mueller**

Tel: 604-673-2661

#### Related links:

[Deloitte Tax Services](#)

be \$1,000 or less). As well, customers must show that they have made attempts to make payments.

## **ONTARIO MEASURES – March 31 - April 2, 2020**

### **March 31, 2020**

#### **Student loan payment deferrals**

- The government of Ontario is temporarily suspending loan payments under the Ontario Student Assistance Program (OSAP) for six months without interest accruing until September 30, 2020.
- Students borrowers will still have the option to make one-time payments if they want to repay their loans sooner, and payments made during the six-month, interest-free moratorium would go entirely against their loan principal.

#### **Financial support for postsecondary institutions**

- \$25M in additional funding is being allocated for publicly-assisted colleges, universities and Indigenous institutes, to respond to COVID-19 challenges such as deep cleaning, procuring medical supplies and offering mental health support.

### **April 1, 2020**

#### **Launch of Ontario Together Fund**

- The Ontario Together program, previously announced on March 21, 2020, has now been provided a budget of \$50M, and will be renamed the Ontario Together Fund.
- The fund will help companies act quickly to retool, build capacity or adopt the technological changes needed to produce equipment and supplies for hospitals, long-term care homes and other critical public services.
- Interested companies should access the Ontario Together web portal to submit project ideas.

### **April 2, 2020**

#### **Victim services support**

- \$2.7M in emergency funding is being provided to support more than 50 community agencies in Ontario to continue providing services for victims of domestic violence and other violent crimes.

## **PRINCE EDWARD ISLAND MEASURES – March 27 - April 2, 2020**

### **March 27, 2020**

#### **Expansion of the PEI Broadband Fund (PEIBF) for businesses**

- The cost eligibility of the PEIBF has been expanded to support equipment and installation of Mi-Fi units and Wi-Fi signal boosters to enable businesses and the self-employed adapt to increased remote operations.

### **March 30, 2020**

#### **Launch of temporary rental assistance benefit**

- \$1M is allocated to provide immediate support to renters who have experienced income loss due to COVID-19.

- Eligible renters must be currently receiving or applying for Employment Insurance (EI) or the Canada Emergency Response Benefit (CERB).
- Eligible households will receive up to \$1,000 to help cover rent over a 3-month period (\$500 in the first month and \$250 in each of the next two months).
- The moratorium on evictions is extended until the end of June 2020.

#### **Launch of commercial lease rent deferral program**

- Landlords who defer rent payments from commercial tenants for three months (May-July) could be eligible for up to \$50,000 per landlord and \$15,000 per tenant if deferred rent is not recovered.
- Landlords must contact Finance PEI by April 15, 2020 to apply.

#### **April 1, 2020**

#### **Launch of COVID-19 income support program**

- The new program offers a one-time, taxable payment of \$750 to people who have lost their job, been laid off, have had their EI benefits expire with no job to return to, or are self-employed and have lost all revenues.
- Other eligibility requirements:
  - Age: 18 years or older
  - Resident of PEI as of December 31, 2019
  - Earned at least \$5,000 gross earnings in the last 12 months
  - Lost primary source of income due to COVID-19 and has no other income
  - Has applied for EI or the CERB.

#### **April 2, 2020**

#### **Launch of special situations fund**

- A \$1M fund is being established for people who do not qualify for existing support programs.
- Residents who have experienced income loss due to COVID-19 and are not eligible for other federal and provincial support will be eligible for up to \$1,000.
- The fund will be available until June 16, 2020.

#### **Launch of COVID-19 business adaptation advice program**

- Businesses and entrepreneurs will be eligible for 100% of the costs, up to \$2,500, to hire a professional to advise and provide support on how to adapt or recover from the impacts of COVID-19.

#### **Moratorium on evictions**

- Eviction orders will not be enforced during the COVID-19 pandemic.
- This moratorium replaces the March 30, 2020 announcement that evictions would not be enforced until after June 2020.

***For more information on COVID-19, see our [Canadian COVID-19 information hub](#) and our [global COVID-19 information hub](#)***

Deloitte LLP  
Bay Adelaide Centre, East Tower  
8 Adelaide Street West, Suite 200  
Toronto ON M5H 0A9  
Canada

This publication is produced by Deloitte LLP as an information service to clients and friends of the firm, and is not intended to substitute for competent professional advice. No action should be initiated without consulting your professional advisors. Your use of this document is at your own risk.

Deloitte provides audit & assurance, consulting, financial advisory, risk advisory, tax and related services to public and private clients spanning multiple industries. Deloitte serves four out of five Fortune Global 500® companies through a globally connected network of member firms in more than 150 countries and territories bringing world-class capabilities, insights and service to address clients' most complex business challenges. To learn more about how Deloitte's approximately 264,000 professionals—14,000 of whom are part of the Canadian firm —make an impact that matters, please connect with us on LinkedIn, Twitter or Facebook.

Deloitte LLP, an Ontario limited liability partnership, is the Canadian member firm of Deloitte Touche Tohmatsu Limited. Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Please note that Deloitte is prepared to provide accessible formats and communication supports upon request.

© Deloitte LLP and affiliated entities.