

COVID-19 ECONOMIC RELIEF FOR BC SMALL BUSINESS OWNERS

The Vancouver Chinatown Foundation has compiled a summary of certain support programs for BC small business owners as of July 16, 2021. If you have further questions, we recommend you contact your legal or accounting professional advisor.

You may also contact info@chinatownfoundation.org. We will make every effort to connect you with an accounting professional to provide you with more information.

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Highly Affected Sectors Credit Availability Program (HASCAP) Guarantee

Businesses heavily impacted by COVID-19 can access guaranteed, low-interest loans of \$25,000 to \$1,000,000 to cover operational cash flow needs

How the program works

- Guaranteed loans ranging from \$25,000 to \$1,000,000 to qualifying businesses
- Low-interest (4%) loans and repayment terms of up to 10 years
- Up to a 12-month postponement on principal repayments at the start of the loan
- You can apply for a loan under the HASCAP Guarantee for each legal entity you own, up to a maximum combined amount of \$6,250,000

Eligibility criteria

Your primary financial institution will determine your eligibility based on the criteria established by the Government of Canada. Qualifying businesses must...

- Be Canadian based
- Have been financially stable and viable prior to your current economic situation
- Have received payments from either the Canada Emergency Wage Subsidy (CEWS) or the Canada Emergency Rent Subsidy (CERS) by having demonstrated a minimum of 50% revenue decline for at least three months (does not have to be consecutive) within the eight-month period prior to the date of the HASCAP Guarantee Application
 - If your business does not qualify for CEWS or CERS but meets all of the HASCAP eligibility criteria, you must provide financial statements that reflect three months (does not have to be consecutive) in which monthly year-over-year revenue decreased by at least 50% within the eight-month period prior to the date of the HASCAP Guarantee Application
- Must use the loan to continue or resume operations
- Must not use the loan to pay or refinance existing debts
- Other conditions may also apply

How to apply:

- Contact your primary financial institution to find out whether the HASCAP Guarantee is a good choice for your business and how to apply
- **Deadline:** December 31, 2021

Canadian Emergency Rent Subsidy (CERS)

For renters and commercial property owners (CPOs) who meet eligibility requirements, including a decrease in revenue.

The federal government will provide relief to individuals, partnerships, taxable corporations, non-profit organizations, and registered charities. This subsidy starts on September 27, 2020, and runs until September 25, 2021.

Eligibility criteria

To be eligible to receive the rent subsidy, you must meet **all four** of the following criteria:

1. Renters must meet one of the following requirements:

- a. Had a CRA business number as of September 27, 2020, and provide records and other information to the Minister to support the application, or
- b. Had a payroll account as of March 15, 2020, or had been using a payroll service provider, or
- c. Purchased the business assets of another person or partnership who meets (b) condition above, and have made an election under the special asset acquisition rules, or
- d. Meet other conditions that may be prescribed in the future.

2. Are an eligible business, charity, or non-profit (eligible entity)

- a. To check which type of businesses are eligible, [click here](#)
- b. If your business, charity, or non-profit is related to another eligible entity, you may be considered an 'affiliated entity'. This may affect your calculations for the subsidy. To learn more about affiliated entities, [click here](#)

3. Experienced a drop in revenue

- a. Your drop in revenue is calculated by comparing your eligible revenue during the reference period with your eligible revenue from a previous period
- b. To calculate your revenue drop online, please [click here](#)

4. Have eligible expenses

- a. To apply for CERS, you must have a qualifying property. Only certain expenses you pay for qualifying properties are eligible for CERS
- b. To learn about qualifying properties and which expenses you can claim, [click here](#)

There is also an additional top-up subsidy of 25% for organizations that are temporarily forced to close or have their business activities significantly restricted due to a mandatory public health order issued by a qualifying public health authority.

How to apply:

- Via an [online application process](#).
- **Deadline:** September 25, 2021

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Canada Emergency Wage Subsidy (CEWS)

The federal government will provide up to 75% of an employee's wage (max. \$847 per week) from March 15, 2020 to September 25, 2021.

Eligibility criteria

To be eligible to receive the wage subsidy, you must meet **all three** of the following criteria:

1. Have had a CRA payroll account on March 15, 2020

- a. Even if you didn't have a payroll account on March 15, you may still qualify if
 - i. another person or partnership made remittances on your behalf or
 - ii. you purchased all of another person's or partnership's business assets

2. Be one of the following types of employers:

- a. Individuals
- b. Corporations (or trust) that are not exempt from income tax
- c. Organizations that are exempt from income tax
- d. Registered charities
- e. Partnerships consisting of eligible employers
- f. Prescribed organizations
- g. To read more about who is an eligible employer, please [click here](#)

3. Experienced a drop in revenue

- a. Your drop in revenue is calculated by comparing your eligible revenue during the reference period with your eligible revenue from a previous period
- b. To calculate your revenue drop online, please [click here](#)

Eligible Employees

When applying for CEWS, you will need to know which of your employees can be included in your calculation. You will also need to know how much their pay was. To see a full breakdown of eligible employees, please [click here](#)

How to apply:

- Via an [online application process](#).
- To calculate the amount of subsidy you will receive, please see a full breakdown on the [CEWS subsidy page](#)
- **Deadline:** September 25, 2021

Canada Recovery Benefit (CRB)

The federal government will provide \$600 per week for up to 50 weeks. For employees and self-employed individuals who are not eligible for EI, who have been laid-off or are experiencing at least a 50% reduction in their average weekly income due to COVID-19.

Eligibility criteria:

To be eligible to receive the wage subsidy, you must meet **all** of the following criteria:

- You were not employed or self-employed for reasons related to COVID-19 or you had a 50% reduction in your average weekly income compared to the previous year due to COVID-19
- You did not apply for the following: CRSB, CRCB, EI, QPIP, and short-term disability benefits
- You were not eligible for EI
- You reside and are currently present in Canada
- You are at least 15 years old
- You have a valid SIN
- You earned at least \$5,000 in 2019, 2020, or in the 12 months before the date you apply from any of the following sources:
 - employment income
 - net self-employment income
 - maternity and parental benefits from EI or QPIP benefits
- You did not quit or reduce your hours voluntarily
- You were seeking work during the period, either as an employee or self-employment (Note: You may work while receiving the CRB)
- You have not turned down reasonable work during the 2-week period you're applying for

NOTE: The government has announced changes to the eligibility criteria that may deny individuals who traveled internationally from claiming CRB

How to apply:

- Via an [online application process](#)
- To see a breakdown of all the periods you can apply for, please [click here](#)

Note: If your net income is above \$38,000 (excluding CRB), you must reimburse \$0.50 of the benefit for every dollar of net income that you earned above \$38,000.

Canada Recovery Sickness Benefit (CRSB)

The federal government will provide \$500 per week for up to 4 weeks.

For employees and self-employed individuals who have contracted COVID-19, have underlying conditions that make them more vulnerable to COVID-19, or have been advised to self-isolate.

Eligibility criteria

To be eligible to receive the wage subsidy, you must meet **all** of the following criteria:

- You are unable to work at least 50% of your scheduled work week because you are self-isolating for one of the following reasons:
 - You are sick with COVID-19 or may have COVID-19
 - You are advised to self-isolate due to COVID-19
 - You have an underlying health condition that puts you at greater risk of getting COVID-19
- You did not apply for the following: CRSB, CRCB, EI, QPIP, and short-term disability benefits
- You were not eligible for EI
- You reside and are currently present in Canada
- You are at least 15 years old
- You have a valid SIN
- You earned at least \$5,000 in 2019, 2020, or in the 12 months before the date you apply from any of the following sources
 - employment income
 - net self-employment income
 - maternity and parental benefits from EI or QPIP benefits
- You are not receiving paid leave from your employer for the same period

NOTE: The government has announced changes to the eligibility criteria that may deny individuals who traveled internationally from claiming CRSB

How to apply:

- Via an [online application process](#)
- To see a breakdown of all the periods you can apply for, please [click here](#)
- **Deadline:** September 25, 2021

***A medical practitioner, nurse practitioner, person in authority, the government, and your public health authority can advise you on these reasons.**

Canada Recovery Caretaker Benefit (CRCB)

The federal government will provide \$500 per week for up to 42 weeks. If you are eligible for the CRSB, you can receive \$500 (\$450 after taxes) for a 1-week period. If your situation continues, you will need to apply again. You may apply up to a total of 2 weeks between September 27, 2020, and September 25, 2021

For employees and self-employed individuals who are unable to work because they need to take care of a family member due to COVID-19.

Eligibility criteria

To be eligible to receive the wage subsidy, you must meet **all** of the following criteria:

- You are unable to work at least 50% of your scheduled work week because you are caring for a family member
- You are caring for your child under 12 years old or a family member who needs supervised care because they are at home for one of the following reasons:
 - Their regular care services are unavailable due to COVID-19
 - The person under your care is:
 - Sick with COVID-19 or has symptoms of COVID-19
 - At the risk of serious health complications if they get COVID-19, as advised by a medical professional
 - Self-isolating due to COVID-19
- You did not apply for the following: CRSB, CRCB, EI, QPIP, and short-term disability benefits
- You were not eligible for EI
- You reside and are currently present in Canada
- You are at least 15 years old
- You have a valid SIN
- You earned at least \$5,000 in 2019, 2020, or in the 12 months before the date you apply from any of the following sources
 - employment income
 - net self-employment income
 - maternity and parental benefits from EI or QPIP benefits
- You are not receiving paid leave from your employer for the same period

NOTE: The government has announced changes to the eligibility criteria that may deny individuals who traveled internationally from claiming CRB.

How to apply:

- Via an [online application process](#)
- To see a breakdown of all the periods you can apply for, please [click here](#)
- **Deadline:** September 25, 2021

Transition from CERB to Employment Insurance (EI)

Note: As of December 2, 2020, CERB is closed to retroactive applications. You can no longer apply for this benefit

The Government of Canada announced changes to the Employment Insurance (EI) program and new recovery benefits that will better support Canadians.

If you were receiving CERB, you may be eligible for one of the new recovery benefits retroactive to September 27, 2020, and available until September 25, 2021.

- **Canada Recovery Benefit (CRB)**

- The Canada Recovery Benefit (CRB) provides eligible workers with \$500 per week (taxable, deducted at source) for up to 26 weeks for those who are not employed or self-employed due to COVID-19 and not eligible for EI. This also applies to those who had their employment/self-employment income reduced at least 50% due to COVID-19. Learn more about the Canada Recovery Benefit [here](#)

- **Canada Recovery Caregiving Benefit (CRCB)**

- The Canada Recovery Caregiving Benefit (CRCB) will provide \$500 per week (taxable, deducted at source) for up to 26 weeks per household for workers unable to work because they must care for children under 12 or a family member. Learn more about the Canada Recovery Caregiving Benefit [here](#)

- **Canada Recovery Sickness Benefit (CRSB)**

- The Canada Recovery Sickness Benefit (CRSB) will provide \$500 per week (taxable, deducted at source) for a maximum of two weeks, for workers unable to work because they contracted COVID-19, self-isolated for reasons related to COVID, or have underlying conditions. Learn more about the Canada Recovery Sickness Benefit [here](#)

If you received the CERB through Service Canada

After you receive your last CERB payment, continue completing reports. In most cases, you do not need to apply for EI benefits. They will automatically review your file and Record of Employment (ROE), then start a claim for EI regular benefits if you qualify.

If you received the CERB through Canada Revenue Agency (CRA)

You need to receive all your CERB payments before applying for EI benefits. You can apply after the end of your last CERB eligibility period. Visit [EI benefits and leave](#) to determine the correct benefit for your situation and apply online

REDUCED EXPENSES

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Reduced School Tax Rate

The province will reduce school tax rates by 50% for commercial properties (Class 4, 5, 6) for the 2020 tax year to allow for landlords to immediately pass savings onto their tenants in triple-net leases.

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EI Premium Rate Freeze

The federal government is freezing the EI Premium Rate for employees at the 2020 level of \$1.58 per \$100 of insurable earnings for two years.

Employers pay 1.4 times the employee rate. For 2021, the premium rate for employers will also remain unchanged at \$2.21 per \$100 of insurable earnings.

Warning: The above is general information and is not tax or legal advice. The above summary does not provide information on all programs available for BC business owners and does not provide all relevant details of the above programs. You should consult your accounting and legal professional advisors for advice appropriate to your situation. No individual or organization involved in either the preparation or distribution of this content accepts any contractual, tortious, or any other form of liability for its contents or for any consequences arising from its use.

The Vancouver Chinatown Foundation is here for you

Please do not hesitate to email info@chinatownfoundation.org with the subject line "COVID-19 Relief".

Thank you to Baker Tilly Canada Cooperative and KPMG for assisting us in compiling resources and summarising the above information.

Program support from:

華埠基金
VANCOUVER
CHINATOWN
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Helpful Resources:

Summary of all federal relief from Baker Tilly

<https://www.bakertilly.ca/en/btc/publications/table-support-for-businesses>

MNP COVID-19 Business Advice Centre

<https://www.mnp.ca/en/covid-19>

COVID-19 Business Resources by Vancouver Economic Commission

<https://www.vancouvereconomic.com/covid-19-business-resources/>

COVID-19: Support for Small Businesses by the BC Government

https://www2.gov.bc.ca/assets/gov/employment-business-and-economic-development/business-management/small-business/covid-19_small_business_supports.pdf

Additional Support for Canadian Businesses by CRA

<https://www.canada.ca/en/department-finance/news/2020/03/additional-support-for-canadian-businesses-from-the-economic-impact-of-covid-19.html>

Top 10 Questions Businesses are asking about the New Canada Emergency Rent Subsidy (CERS) from RBC

<http://click.website.rbc.com/?qs=e1bd6edf8689580220f4c50d7133bee11de8f26fb20102799f8e6ba0551d90831917f33bf1e194eb4e999b5cdbff2fd02113e2305cc99704>

You can call an advisor at Small Business BC at [1-800-667-2272](tel:1-800-667-2272). Services are available in Cantonese, Mandarin, and Vietnamese.