

# Canada Revenue Agency (CRA) and Federal Support Program Guidance

*Last updated April 16, 2020*

With thanks to our wonderful accounting professionals in our community that have been providing a regular feed of information, interpretation and guidance with respect the federal support programs for small business.

## **CRA MY ACCOUNT REGISTRATION**

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Individuals and business owners will be required to apply for federal support programs through the My Account portal.

**STEP 1: Business owners MUST first register as an individual here: [MY ACCOUNT](#).**

You will require:

- Your Social Insurance Number (SIN)
- Your 2018 Tax Return
- A **security code** will be sent via mail within 10 business days

If you already have a My Account registered, you can log in through that portal and then register your business account.

- You will require your Business Number (BN)

**STEP 2: [REGISTER FOR MY BUSINESS ACCOUNT](#)**

## **Federal Wage Subsidy Program**

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This program enables you to receive a subsidy equal to 75% (up to \$847/week/employee) of the pre-crisis wages paid to eligible employees for a prescribed period and 100% of the employer paid contributions of EI and CPP if the employee is on leave with pay.

**NOTE:** If the employee has received the CERB benefit for being off for 14 days you will not qualify for that employee.

### **Who is Eligible?**

Eligible Employers (must have had a payroll account prior to March 15, 2020): Individuals, taxable corporations, partnerships, non-profits, and registered charities who drop 15% of their revenues for the months of March and 30% for the months April and May 2020.

### **STEP 1 – Determining if you Qualify**

Compare March revenues (cash or accrual) to one of 2 options: (whichever option you choose you must maintain throughout the program)

1. March of 2019
2. An average of January and February 2020

If you see a 15% drop in March, you qualify for March and April. If you do not qualify, you can apply the same calculation to April and if you see a 30% drop you qualify for April and May.

**STEP 2 - Once you have determined that you qualify, we need to calculate your benefit.**

Access the website dealing with the intricacies of calculating the benefit [HERE](#).

**STEP 3 - How to Apply (not available for 2-6 weeks)**

There will be 2 ways to apply:

1. Through the [MY BUSINESS ACCOUNT](#) Portal
  - a. Follow the instructions on the linked webpage.
2. A web-based application
  - a. *No details at this time*

## **Canadian Emergency Business Account (CEBA)**

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<https://www.canada.ca/en/department-finance/programs/financial-sector-policy/business-credit-availability-program.html#a1>

### **What is it?**

- \$40,000 interest free loan for small business and non-profits.
- If the loan is repaid by **December 31, 2022** 25% will be forgiven.
- If not repaid the remaining balance will be converted to a 3-year term loan at 5% interest

### **Who Qualifies?**

Businesses operating March 1, 2020 and have paid between \$20,000 and \$1,500,000 in payroll in 2019.

### **How to apply?**

Through your bank or Credit Union! What you will need your 2019 T4 summary (on hand).

## **Canada Emergency Commercial Rent Assistance (CECRA) for Small Business**

### ***NEW PROGRAM, DETAILS TO COME***

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The program will seek to provide loans, including forgivable loans, to commercial property owners who in turn will lower or forgo the rent of small businesses for the months of April (retroactive), May, and June. Implementation of the program will require a partnership between the federal government and provincial and territorial governments, which are responsible for property owner-tenant relationships.