

ALBERTA COVID-19 SUPPORT

Albertans are feeling the hardships of COVID-19. Good news is The Alberta Government has announced support for people impacted financially by this pandemic.

More details can be found about each of these programs but here is a summary of the initiatives that may help your business and its employees.

For Employers

Contact your bank to see if you can apply for deferrals on loans and lines of credit. In some cases, additional working capital may be offered.

Corporate Income Tax Change

Starting March 19, 2020, corporate income tax balances and installment payments can be deferred until August 31, 2020.

It is expected that this will be adjusted to September 1, 2020, to match the date of the federal deferrals.

It is estimated that this will provide Alberta businesses access to \$1.5 billion to help with their short-term cash flow challenges.

Federal Corporate Tax Change

The income tax returns filing due date has been deferred until June 1, 2020. The CRA has more to announce on this topic but we understand that the CRA's extension to June 1, 2020, applies to all taxpayers, unless indicated otherwise.

Any corporation with a year-end of September 18th to November 30th has until June 1, 2020, to file. Corporations who have year-ends beyond November 30th still have the same 6-month deadlines.

Alberta has agreed to align these due dates to the federal government announcements.

Canada Emergency Response Benefits (CERB)

Beginning March 15th 2020, to October 3rd, 2020, Canadians are eligible for CERB. This is a taxable benefit payment of \$2000.00 monthly for up to 4months. Canadians experiencing loss of income due to sickness, quarantine, job loss, sick or home from school/daycare may apply. To qualify you must be a Canadian resident over 14 days years old and have earned \$5,000 in 2019 or 12 months before the application. Applications can be completed on CRA MyAccount, My Service Canada Account, or by telephone at 1-800-959-2041. Refer to <https://www.canada.ca/en/revenue-agency/services/e-services/e-services-individuals/account-individuals.html> to login or register for CRA MyAccount. There is a 7 day ID verification. If you



are calling the automated number have your SIN# ready. If your address or information has changed and is not up to date with the CRA you will need to update all information before applying.

Workers' Compensation Board (WCB) Premium Relief

Private-sector employers will have their 2020 WCB premiums deferred to 2021.

If you are a small-to-medium-sized private sector employee, you will have 50% of your 2020 premiums waived when invoicing resumes in 2021.

All private-sector employers are eligible, including businesses with coverage only in place for business owners and directors (personal coverage), as well as those in voluntary industries with coverage in place on or before March 23, 2020.

Employers who have already paid WCB premiums in 2020 are eligible for a rebate or credit. Reimbursements will only be before what employers have paid towards the 2020 premiums. The remainder 2020 premium balance will then be deferred to next year. No interest charges will apply to unpaid balances for 2020.

WCB will process refunds automatically or they may contact you to confirm.

Invoices will be sent out in or after February 2021 and will include the premium balance for 2020 in addition to any new balances owing for 2021.

For Employees

Utility Payment Holiday

Electric and gas can be deferred for up to 90 days. This was effective March 18, 2020, and will run till June 18, 2020. This is available for residential, farm and small Commercial customers of any Alberta service provider.

Albertans who are experiencing financial hardships as a direct result of COVID-19 are eligible for this program. Some examples may be, those who have lost their job or have had to leave work to care for an ill family member.

To apply, call the utility provider and arrange for a 90-day deferral on all payments. Have your account information ready and be advised that they are expecting higher-than-normal call volumes so patience is required.

Deferred utilities must still be paid in full.

The Alberta Utilities Commission and the province are working with utility companies to develop a payment system that allows customers a reasonable timeframe to pay back deferred payments.

Student Loans Repayment Holiday

An interest-free, six-month pause on student loan repayments began March 30th, 2020 for those who need it. There is no application required.

Job Protections

All employees regardless of the amount of time worked, will have their jobs protected if they are required to self-isolate or are caring for a dependent that must self-isolate. No medical note is required.

Job-Protected Leave

Changes have been made to the Employment Standards allowing full and part-time employees to take 14 days of job-protected leave if they are:

- Required to self-isolate
- Caring for a child or dependent adult who is required to self-isolate

Employees are not required to have a medical note and do not need to have worked for the employer for 90 days.

This leave covers the 14-day self-isolation period recommended by Alberta's Chief Medical Officer and may be extended if the advice of the Chief Medical Officer changes.

This leave does not apply to self-employed individuals or contractors.

Vacation Pay, Leave or Banked Overtime

Employers and employees may consider using other available leaves should an employee be required to self-isolate.

Employees can request using their vacation pay or banked overtime, but employers are not required to grant the request. Provincial employment rules only require employers to provide vacation pay, vacation leave or pay banked overtime within a year of it being earned.

Employers can request employees to voluntarily take vacation leave and/or use their vacation pay or banked over time but cannot force them to do so under provincial employment rules.

Employment Insurance Benefits

Employees could consider applying for federal Employment Insurance (EI) benefits which may last from 14-45 weeks.

EI sickness benefits will provide up to 15 weeks of assistance if a person cannot work due to medical reasons such as self-isolation.

Both EI and EI sickness have the same taxable payments of \$573 or 55% of average earnings.

Employment Insurance benefits have waived the one-week waiting period by the federal government, along with the requirement for a medical certificate to access EI sickness benefits.

Access to Credit

Many banks are allowing their customers to apply for their loans, lines of credit and mortgage payments to be deferred for up to six months.



STRATEGIC
Tax & Business Solutions Inc.

Provincially regulated credit unions, personal and business members will be offered various financial relief solutions to ease their burdens on a case-by-case basis.

This is a stressful time for everyone involved. We understand that fear comes from a lack of knowledge and understanding. If you are unsure about your financial standing, please reach out to the parties that can get you the right answers. It is always best to call your creditors and work with them on a plan that is fair and makes sense for you.

Still looking for help on where to begin with your personal situation during COVID-19? Strategic Tax & Business Solutions Inc. is offering a thirty-minute complimentary consultation. Speak with one of our Strategists and get the answers you need to navigate these uncertain times.

Call us at (403) 735-5055 or send us an email at marketing@strategictaxinc.com.

Regards,
Strategic Tax & Business Solutions Inc.