



IMPACT CPAs



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IMPACT CPAs LLP/ChimSeto CPAs LLP, Ontario limited liability partnerships

Dear Clients,

Update to federal governments' economic response to COVID-19 yesterday that may impact you or your business by the COVID-19 lockdowns:

- **Canada Emergency Response Benefit (CERB) extension:** The federal government announced that the CERB program will be extended for an additional 8 weeks to August 29, 2020. The government also announced its intention to make changes to the attestation included in the CERB application that will encourage those receiving the benefit to seek employment. No change to the CERB eligibility requirement. The CERB is a taxable benefit of \$2,000 over a four-week period for eligible workers who have stopped working or whose work hours have been reduced, due to COVID-19.

The CERB is available to workers who:

- live in Canada and are at least 15 years old
 - have stopped working because of reasons related to COVID-19, or are eligible for EI regular or sickness benefits, or have exhausted their EI regular or fishing benefits between December 29, 2019 and October 3, 2020
 - had employment and/or self-employment income of at least \$5,000 in 2019, or in the 12 months prior to the date of their application
 - have not earned more than \$1,000 in employment and/or self-employment income per benefit period while collecting the CERB
 - have not quit their job voluntarily
- **Canada Emergency Business Account (CEBA) expansion:** The expansion in eligibility for the CEBA to include businesses with a payroll of less than \$20,000 and eligible non-deferrable expenses of between \$40,000 and \$1.5 million, which was announced on May 19, 2020, will take effect on June 19, 2020. Following the initial application through your financial institution, applicants will be directed to a CEBA website to provide supporting documentation of the 2020 Eligible Non-Deferrable Expenses and to complete the application.

The Eligible Non-Deferrable Expense categories are the following:

- Wages and other employment expenses to independent (arm's length) third parties;
- Rent or lease payments for real estate used for business purposes;
- Rent or lease payments for capital equipment used for business purposes;
- Payments incurred for insurance related costs;
- Payments incurred for property taxes;
- Payments incurred for business purposes for telephone and utilities in the form of gas, oil, electricity, water and internet;
- Payments for regularly scheduled debt service;



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- Payments incurred under agreements with independent contractors and fees required in order to maintain licenses, authorizations or permissions necessary to conduct business by the Borrower.

<https://ceba-cuec.ca/>

As more details are made available, we will update our COVID-19 webpage:

<http://impactcpas.ca/index.php/covid-19/>

昨天，联邦政府公布了对加拿大应急回应补助（CERB）加长2个月到八月底，和对4万加币无息贷款的加拿大应急商业账户（CEBA）的放宽。对于工资总额小于2万加币的企业，6月19日可以通过银行申请，但要求1）有商业银行账户，2）2018或2019年有报税，3）有4万元以上不可避免的固定费用。

Thank you and take care!

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Partners