

# COVID-19 Newsletter

## Tax and cash flow relief for individuals and businesses

For clients and friends of Baker Tilly SNT LLP

Version 1 – Information current as of March 22, 2020

To our clients and friends:

During these trying times, we want to help by being a resource for all significant tax relief and other assistance being made available to you. This newsletter covers the significant measures by the Federal, Ontario, and North-Eastern Ontario municipal governments as well as major financial institutions to date. You may be able to benefit from some of the relief being offered.

Now more than ever, managing your cash flow is of paramount importance. As updates and additional relief are provided in the coming days, weeks, and months, we will update this resource as required. Feel free to share this with anyone who may benefit.

If you have any questions regarding your particular circumstances, please **contact us**.

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# INCOME TAX FILING DEADLINES

## Individual tax filing deadline (for T1 tax returns)

The normal April 30 deadline has been extended<sup>1</sup> to **June 1, 2020**.

- This extension is automatic. There is no need to apply for it.
- The deadline for forms and elections due with your return is also extended.
- The deadline for self-employed individuals remains unchanged: June 15, 2020.
- The deadline for a deceased individual will be the later of:
  - June 1, 2020; or
  - 6 months after the date of death.

Despite the extension, you may still want to **file early** because:

- if you are entitled to a refund, you'll get it earlier;
- if you receive government benefits, they will continue uninterrupted;
- just because you file early doesn't mean you need to pay any balance owing immediately (see [Interest relief](#)).

## Corporation tax filing deadline (for T2 tax returns)

**No extensions** have been announced for filing your corporate income tax returns.

However, you may be able to pay any balance owing later than usual (see [Interest relief](#)).

## Trust tax filing deadline (for T3 tax returns)

Most trusts have a December 31 year end and the T3 return is due 90 days after year end.

- For 2019, the due date would have been March 30, 2020.
- This deadline has been extended<sup>2</sup> to **May 1, 2020**.
- There is currently no extension for trusts (some estates) with other year end dates.

## Registered charities filing deadline (for T3010 returns)

Registered charities must normally file form T3010 within six months of their year end. The deadline has been extended<sup>3</sup> to **December 31, 2020** for all T3010 forms due between March 18, 2020 and December 31, 2020 as illustrated in the following table.

Registered charity year end	T3010 due date
Years that end before September 18, 2019	Six months after year end
Years that end in between September 18, 2019 and June 30, 2020, inclusive	December 31, 2020
Years that end after June 30, 2020	Six months after year end

## Tax filing deadlines that have not been extended yet

Based on Canada Revenue Agency guidance<sup>4</sup>, the following deadlines have not been extended:

Corporate income tax returns (T2)

- Due 6 months after year end

Partnership returns (T5013)

- Due May 31 if all members are corporations
- Otherwise, due the earlier of March 31 or five months after year end

GST/HST

- Still due based on your existing filing requirements

Payroll

- Source remittances (tax/ CPP/EI) are still due based on your filing requirements
- T4 slips were due February 28, 2020

Ontario EHT

- Annual return was still due March 15, 2020

- Monthly instalments may still be required, dependent on your facts
- More information: [www.fin.gov.on.ca/en/guides/eh/foremployers.html](http://www.fin.gov.on.ca/en/guides/eh/foremployers.html)

#### WSIB

- Due dates: [www.wsib.ca/en/businesses/premiums-and-payment/reporting-and-payment-frequency](http://www.wsib.ca/en/businesses/premiums-and-payment/reporting-and-payment-frequency)
- COVID-19 update: [www.wsib.ca/en/novel-coronavirus-covid-19-update](http://www.wsib.ca/en/novel-coronavirus-covid-19-update)

#### CT Insurance Premium

- Filing and instalment dates are based on your year end
- More information: [www.fin.gov.on.ca/en/guides/premium/2011.html](http://www.fin.gov.on.ca/en/guides/premium/2011.html)

Elections, such as capital dividend elections, transfers under section 85, and others are still due on their normal deadlines (speak to us for assistance).

## U.S. individual tax filing deadline

For U.S. citizens and green card holders (including those living in Canada), U.S. residents, or anyone earning U.S. wages subject to withholding:

- The normal filing and payment deadlines for the individual income tax return (IRS form 1040 or 1040NR) return are April 15.
- The filing deadline has been automatically extended<sup>5</sup> to **July 15, 2020**. Additional, extensions can be requested in writing by filing form 4868 with the IRS by the filing deadline. (The form can be found here: [www.irs.gov/pub/irs-pdf/f4868.pdf](http://www.irs.gov/pub/irs-pdf/f4868.pdf))
- The payment deadline has been extended<sup>6</sup> by three months, to **July 15, 2020** for amounts owing up to \$1 million USD. Interest and penalties will begin to accrue on any remaining unpaid balances as of July 16, 2020 as long as you file on time or request an extension to file on time.

For those filing U.S. individual tax returns for other reasons (for example, due to U.S.-source income such as rental income in the U.S. or a capital gain on a condo sale), the filing and payment deadline is **June 15, 2020** which has not yet been extended.<sup>7</sup>

Each individual state has no responsibility to provide the same relief as the U.S. Federal government, but may grant its own separate relief. Links to each U.S. state tax or revenue department can be found here: [www.taxadmin.org/state-tax-agencies](http://www.taxadmin.org/state-tax-agencies).

## FEDERAL INTEREST AND OTHER RELIEF

### Interest relief

Special interest relief has been announced<sup>8</sup> for all taxpayers, including individuals, corporations, and trusts, at the Federal level.

So far, relief is limited to interest and penalties on income tax amounts that became owing **on or after March 18, 2020 and before September 2020**. This applies to balances due with a return as well as instalment payments. Interest on any such amounts will only start accruing on September 1, 2020.

Relief is limited to ordinary income tax on your taxable income, such as business income, rental income, and most investment income and capital gains. (in technical terms, Part I tax under the Income Tax Act).

Relief has not yet been extended to:

- GST/HST balances due or instalments
- Payroll amounts
- Certain investment income earned by private corporations (Part IV tax)
- Certain tax owing by non-residents

The following table illustrates some common examples of situations where relief may or may not apply.

Scenario	Result
File your individual tax return (T1) any time, if you have a refund due	No interest or penalties apply when a refund is due
File your individual tax return (T1) by April 30, 2020 and pay any balance owing by August 31, 2020	Covered by relief (no interest or penalty)
File your individual tax return (T1) by June 1, 2020 (extension) and pay by August 31, 2020	Covered by relief (no interest or penalty)
File your individual tax return (T1) by June 1, 2020 and pay any balance owing <b>after</b> August 31, 2020	Interest starts accruing September 1, 2020
File your individual tax return (T1) <b>after</b> June 1, and there is a balance owing	Late-filing penalty may apply, but interest only starts September 1, 2020
Individual instalment payment due March 15, 2020	Not covered by relief (before March 18, 2020)
Individual instalment payment due June 15, 2020	No interest or penalty if paid by August 31, 2020
File your corporation income tax return (T2) that had a balance due February 28, 2020	Not covered by relief (before March 18, 2020)
File your corporation income tax return (T2) that has a balance due March 31, 2020	Interest starts accruing September 1, 2020

Effectively, any amounts due between March 18, 2020 and August 31, 2020 (inclusive) can be deferred to August 31, 2020 without interest consequences.



## Penalties

Although payments for certain amounts are due only by August 31, 2020, you may still face a late-filing penalty for filing a return after the extended deadlines. We recommend that you aim to file your returns as soon as possible, and not wait until the extended deadline.

## Other ways to obtain interest and penalty relief on taxes

The Canada Revenue Agency has a formal taxpayer relief program in place at all times, not just during the current events surrounding COVID-19. Taxpayers can request relief from interest and penalties for many reasons, notably, due to:

- financial hardship / inability to pay;
- death / serious illness;
- natural disaster; and
- civil disturbance or disruptions in services.

Should you be unable to meet your tax filing and payment obligations beyond the current extensions being provided, this relief is available to you and we expect the Canada Revenue Agency will be lenient, if your inability to file or pay is related to COVID-19.

Application for relief can only be made if the Canada Revenue Agency actually assesses you interest and penalties, not in advance. Therefore, there is no action required at this time.

Detailed information on the taxpayer relief provisions is published here:

[www.canada.ca/content/dam/cra-arc/formspubs/pub/ic07-1/ic07-1r1-17e.pdf](http://www.canada.ca/content/dam/cra-arc/formspubs/pub/ic07-1/ic07-1r1-17e.pdf)

Application for relief is made by filing form RC4288, here:

[www.canada.ca/en/revenue-agency/services/forms-publications/forms/rc4288.html](http://www.canada.ca/en/revenue-agency/services/forms-publications/forms/rc4288.html)

## Electronic signatures

Starting March 18, 2020, the Canada Revenue Agency will temporarily accept<sup>9</sup> electronic signatures on form T183 for T1 (individual) and T2 (corporation) income tax returns. This will allow you to sign these forms using digitally, such as with DocuSign, and eliminate the need to meet with us to file your return, so that you can practice social distancing.

You will still have the option to print, sign, and scan these forms to us, as was the case in the past.

# FEDERAL GRANTS AND SUBSIDIES

## Wage subsidy

The Federal government has announced<sup>10</sup> a temporary wage subsidy available to employers for a period of three months. This subsidy will be taxable to the recipient.

### Eligible employers:

- Canadian-controlled private corporations (CCPCs) eligible for the small business deduction (includes many corporations with an active business, but only if taxable capital employed in Canada and adjusted aggregate investment income for the preceding taxation year, calculated on an associated group basis, is less than \$15 million<sup>11</sup> and \$150,000, respectively)
- Non-profit organizations
- Registered charities

### Not eligible at this time:

- Self-employed individuals, partnerships, and trusts (other than charities/NPOs)
- Taxpayers without a payroll account<sup>12</sup> on March 18, 2020

- Taxpayers without wages paid in the period from March 18, 2020 and before June 20, 2020

#### Limits:

- Up to 10% of remuneration (including: salary, wages, and taxable benefits) paid on or after March 18, 2020 and before June 20, 2020
- Maximum of \$1,375 per employee
- Maximum of \$25,000 per employer (it is worthwhile noting that associated CCPCs will not be required to share the maximum subsidy of \$25,000 per employer<sup>13</sup> – there can potentially be multiple employers and therefore multiple \$25,000 subsidies across a corporate group)

There is no need to apply for the subsidy. It is granted automatically by allowing an eligible employer to reduce the remittance to the Canada Revenue Agency for income tax deducted at source (note: you can reduce income tax withheld only, but not CPP and EI<sup>14</sup>).

#### Example:

- An eligible employer pays wages on March 27, 2020 for work performed by an employee from March 9 to March 20, 2020. This payment is on or after March 18, 2020, and before June 20, 2020, and so the amount is eligible.
- The employee is paid \$1,800 in wages and receives \$200 of taxable benefits (total remuneration = \$2,000).
- Assume the income tax withheld at source for this employee (again, excluding CPP and EI) to be sent to the Canada Revenue Agency would otherwise be \$500 for this employee.
- When the employer remits the source deductions on their next due date, they claim the subsidy of \$200 (10% of \$2,000) by reducing payroll remittance to the Canada Revenue Agency, and therefore only remit \$300 (\$500 - \$200) of income tax withheld, plus any CPP and EI.

- If total subsidies are greater than the total income tax withheld for all employees, the excess can be carried forward and applied to another remittance, or a refund can be requested at the end of 2020.

The most current information on the subsidy as of this date is provided by the Canada Revenue Agency here: <https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update/frequently-asked-questions-wage-subsidy-small-businesses.html>

If you use a third-party payroll service provider, check with them to ensure they have the information they need in order to process this subsidy.

## Emergency Care Benefit

The Federal government has announced<sup>15</sup> a bi-weekly benefit of up to \$900 to help those whose earnings have been affected as a result of COVID-19.

### Eligible individuals:

- workers, including the self-employed, who are quarantined or sick with COVID-19 but do not qualify for EI sickness benefits;
- workers, including the self-employed, who are taking care of a family member who is sick with COVID-19, such as an elderly parent, but do not qualify for EI sickness benefits; and
- parents with children who require care or supervision due to school closures, and are unable to earn employment income, irrespective of whether they qualify for EI.

This benefit will be available for up to 15 weeks, starting in April 2020. Application is not automatic and must be made through:

- Canada Revenue Agency's My Account service ([link to registration](#));
- Service's Canada's My Service Canada Account ([link to registration](#));
- a toll-free number (not yet published)

The government will require eligible individuals to attest every two weeks that they continue to meet one of the three eligibility criteria above in order to continue receiving the benefit. At this time, it is unclear whether the benefit will be decreased based on family income.

## Employment Insurance

The Federal government has announced<sup>16</sup> that the one-week waiting period for EI applications will be waived for those in quarantine due to COVID-19. Service Canada will not require these individuals to provide a medical certificate to access EI sickness benefits.

For more information, Service Canada has published COVID-19-specific information here: [www.canada.ca/en/employment-social-development/corporate/notices/coronavirus.html](http://www.canada.ca/en/employment-social-development/corporate/notices/coronavirus.html)

You can apply for EI here: [www.canada.ca/en/services/benefits/ei/ei-sickness/apply.html](http://www.canada.ca/en/services/benefits/ei/ei-sickness/apply.html)

## Emergency Support Benefit

Not to be confused with the Emergency Care Benefit discussed above, this benefit is intended to assist workers who are facing unemployment and who are not eligible for EI. It will actually be administered by the Canada Revenue Agency, and not by Service Canada, which is the department that administers EI.

So far, the details are:

- Up to \$5 billion in support in total
- For workers facing unemployment who are not eligible for EI
- Application process will be open in April

Many details are missing from the government releases. For example, it is unclear whether this support will cover both self-employed individuals and shareholders who are employed

by their own private corporations. We expect more clarification to come in the coming days and weeks.

## CASH FLOW MANAGEMENT

### General information

***Now, more than ever, managing your cash flow is of paramount importance.***

If you or your business are impacted by COVID-19:

- ***Focus on billing and collections.*** Do not delay. Your customers may also be experiencing reduced cash flow.
- ***Call your lenders and financial institutions.*** Many are offering relief in the form of deferred payments, reduced interest charges, and additional financing at this time. Asking for a temporary increase in your line of credit may be prudent. Important links and contact information for each major financial institution can be found below.
- ***Review your lease obligations.*** Speak to your suppliers of leased equipment, your landlord, and auto finance companies about all options available to you.
- ***Delay capital expenditures.*** Consider whether investment in new equipment, vehicles, information technology, and real property are a necessity at this time, depending on the nature of your business.
- ***Call your suppliers.*** Discuss any possible deferred payment arrangements with them. Consider whether you should or should not take advantage of any early payment discounts.
- ***Consider staffing requirements.*** Review which staff are essential to your current level of activity and consider whether temporary layoffs for others are possible. Before you do, read our discussion on [Labour Matters](#) and consult with a labour lawyer.

## Bank financing

Banks will have an additional \$300 billion of new funds available to lend as a result of measures announced<sup>17</sup> by the Federal government, and may provide flexible repayment terms on existing credit. Furthermore, Business Development Bank of Canada (BDC) and Export Development Canada (EDC) have been provided with an additional \$10 billion to lend specifically to small and medium businesses. Credit Unions have also committed to providing flexible repayment terms. Before deferring any debt repayments personally or for your business, we caution you to consider the long-term implications and additional cost of borrowing that will result. Details on each major institution in our service area are below.

### Bank of Montreal (BMO)

[www.bmo.com/main/personal/bmo-branches-coronavirus-update/](http://www.bmo.com/main/personal/bmo-branches-coronavirus-update/)

- Up to 6-month deferrals on mortgages, loans, credit cards, and lines of credit (interest will continue to accrue)
- Contact your branch or send a secure message through online banking



### Bank of Nova Scotia (Scotiabank)

[www.scotiabank.com/ca/en/about/relief-and-support/coronavirus-covid-19.html](http://www.scotiabank.com/ca/en/about/relief-and-support/coronavirus-covid-19.html)

- Relief is considered on a case-by-case basis
- Contact your branch or 1-800-4-SCOTIA



## Canadian Imperial Bank of Commerce (CIBC)

[www.cibc.com/en/personal-banking/advice-centre/covid-19.html](http://www.cibc.com/en/personal-banking/advice-centre/covid-19.html)

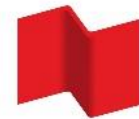
- Up to 6-month deferrals on mortgages (interest will continue to accrue)
- Toll-free number: 1-877-454-9030
- Dedicated online form to request financial assistance: [www.cibc.com/en/personal-banking/advice-centre/covid-19/requesting-financial-assistance.html](http://www.cibc.com/en/personal-banking/advice-centre/covid-19/requesting-financial-assistance.html)



## National Bank of Canada

[www.nbc.ca/personal/notice.html](http://www.nbc.ca/personal/notice.html)

- Details to come next week
- For now, contact your branch or send a secure message through online banking



## Royal Bank of Canada (RBC)

[www.rbc.com/covid-19/index.html](http://www.rbc.com/covid-19/index.html)

- One-month extensions on most personal products are available in online banking
- Up to six-month deferrals can be arranged by discussing options with RBC
- There is an online appointment booking tool ([link here](#))
- Businesses should contact 1-800-ROYAL-20
- Dedicated site for businesses: [www.rbc.com/covid-19/business.html](http://www.rbc.com/covid-19/business.html)





## Toronto-Dominion Bank (TD)

[www.td.com/ca/en/personal-banking/covid-19/](http://www.td.com/ca/en/personal-banking/covid-19/)

- Relief is considered on a case-by-case basis
- Contact your branch or 1-888-720-0075



## Caisse Alliance

[www.caissealliance.com/en/uncategorized/financial-relief-measures-coronavirus-march-19-2020/](http://www.caissealliance.com/en/uncategorized/financial-relief-measures-coronavirus-march-19-2020/)

- Relief is considered on a case-by-case basis
- Individuals and businesses should contact their branch or advisor by phone or e-mail



## Desjardins

[www.desjardins.com/ca/covid-19/index.jsp](http://www.desjardins.com/ca/covid-19/index.jsp)

- Relief is considered on a case-by-case basis
- Individuals should call 1-800-224-7737
- Businesses should call 1-888-233-2473



## Northern Credit Union

[www.northerncu.com/true-north-strong/media-centre/member-notice-covid-19/](http://www.northerncu.com/true-north-strong/media-centre/member-notice-covid-19/)

- Relief is considered on a case-by-case basis
- Call your branch or 1-866-413-7071



## Sudbury Credit Union

[sudburycu.com/AboutUs/NewsAndEvents/MessageToMembers/](https://sudburycu.com/AboutUs/NewsAndEvents/MessageToMembers/)

- Relief is considered on a case-by-case basis
- Call your financial advisor or account manager



## Business Development Bank of Canada (BDC)

[www.bdc.ca/en/pages/special-support.aspx](https://www.bdc.ca/en/pages/special-support.aspx)

- Existing clients should call their account manager
- New clients should call 1-877-232-2269 or visit the site above
- Working capital loans up to \$2 million with flexible repayment
- Postponements of up to 6 months and reduced interest rates
- Small business loans up to \$100K, 100% online application
- They are offering a webinar on March 25 at noon ([link here](#))



## Can Export

[www.tradecommissioner.gc.ca/funding-financement/canexport/sme-pme/index.aspx?lang=eng](https://www.tradecommissioner.gc.ca/funding-financement/canexport/sme-pme/index.aspx?lang=eng)

- Up to \$75K of funding specifically for export assistance
- No COVID-specific relief, but is an additional source of funds



## Export Development Canada (EDC)

[www.edc.ca/en/campaign/coronavirus-covid-19.html](https://www.edc.ca/en/campaign/coronavirus-covid-19.html)

- Existing clients should call their account manager
- Contact 1-888-220-0047 or [tradeadvisor-conseiller@edc.ca](mailto:tradeadvisor-conseiller@edc.ca)
- Convenient on-line inquiry: [www.edc.ca/en/form/inquiry.html](https://www.edc.ca/en/form/inquiry.html)



## Farm Credit Canada

[www.fcc-fac.ca/en/covid-19.html](http://www.fcc-fac.ca/en/covid-19.html)

- Near term credit available to farmers and the agri-food sector will be increased
- Call your account manager or 1-888-332-3301



## FedNor

[fednor.qc.ca/eic/site/fednor-fednor.nsf/eng/fn04590.html](http://fednor.qc.ca/eic/site/fednor-fednor.nsf/eng/fn04590.html)

- Businesses suffering due to the economic impact of COVID-19 are encouraged to call:
  - Sudbury: Françoise Nadon, 705-562-6581
  - North Bay: Ron Bégin, 705-499-5314
  - Timmins: Kim Lefebvre, 705-267-4934



# OTHER PERSONAL TAX MEASURES

## GST credit enhancement

The Federal government has announced a one-time bump to the GST credit of up to \$400 for individuals and \$600 for couples. If you qualify, the payment will be sent to you by cheque or direct deposit in May. This is automatic – there is no application process if you qualify.

## **Child Care Benefit enhancement**

The Federal government has also announced a one-time bump to the Child Care Benefit of up to \$300 per child.

If you qualify, the payment will be sent to you by cheque or direct deposit in May. This is automatic – there is no application process if you qualify.

## **Student loan interest**

The Federal government has announced a six-month interest-free moratorium on Canada Student Loans. If you qualify, the interest-free period is automatic – there is no application required.

## **RRIF minimum withdrawals**

The Federal government has announced that the minimum withdrawal required for a Registered Retirement Income Fund for 2020 will be reduced in recognition of volatile market conditions and their impact on many seniors' retirement savings.

Individuals currently drawing on their RRIFs should consider the impact of these measures on their personal income tax and estate planning.

The minimum percent required to be withdrawn from a RRIF both before and after these measures is shown in the table below.

RRIF Minimum Withdrawals					
Age	2019	2020	Age	2019	2020
71	5.28%	3.96%	84	8.08%	6.06%
72	5.40%	4.05%	85	8.51%	6.38%
73	5.53%	4.15%	86	8.99%	6.74%
74	5.67%	4.25%	87	9.55%	7.16%
75	5.82%	4.37%	88	10.21%	7.66%
76	5.98%	4.49%	89	10.99%	8.24%
77	6.17%	4.63%	90	11.92%	8.94%
78	6.36%	4.77%	91	13.06%	9.80%
79	6.58%	4.94%	92	14.49%	10.87%
80	6.82%	5.12%	93	16.34%	12.26%
81	7.08%	5.31%	94	18.79%	14.09%
82	7.38%	5.54%	95+	20.00%	15.00%
83	7.71%	5.78%			

## CRA AUDITS, APPEALS, AND COLLECTIONS

The Canada Revenue Agency has announced<sup>18</sup> it will defer any contact to any small or medium business to initiate any post-assessment GST/HST or income tax audits until April 15, 2020. Most audits currently underway will also be temporarily suspended.

Objections and appeals relating to the receipt of benefits from the Canada Revenue Agency should see no delays. Other matters before the Canada Revenue Agency may see a delay.

Collection activity on new tax debts will be suspended until further notice, and flexible payment arrangements will be available. Existing tax debts may still be payable in full, but the Canada Revenue Agency will consider payment plans on a case-by-case basis. See [this link](#) for information on arranging a payment plan or call 1-800-675-6184.

## UTILITIES RELIEF

### Hydro One

Hydro One is offering a relief fund that is a combination of financial assistance and payment flexibility. Assistance is offered on a case-by-case basis depending on your specific circumstances. In addition, Hydro One is extending its “winter relief” program where they will not be disconnecting customers due to non-payment.

Call 1-888-664-9376 to see what options are available based on your circumstances.

See this link for more information:

[www.hydroone.com/savingmoneyandenergy/financialassistanceforresidents/Pages/Relief-Fund.aspx](http://www.hydroone.com/savingmoneyandenergy/financialassistanceforresidents/Pages/Relief-Fund.aspx)

### Greater Sudbury Hydro

Greater Sudbury Hydro will not be disconnecting residential or low-volume commercial customers for non-payment during this time. Although no assistance specific to COVID-19 has been announced, anyone experiencing financial difficulty is encouraged to contact Greater Sudbury Hydro early to discuss payment options:

- by phone: 705-675-7536 (Sudbury) or 705-753-2341 (West Nipissing); or
- by e-mail at [customerservice@gsuinc.ca](mailto:customerservice@gsuinc.ca).

See this link for more information: [sudburyhydro.com/shared\\_pages/covid-19-update/](https://sudburyhydro.com/shared_pages/covid-19-update/)

## **North Bay Hydro**

North Bay Hydro will not be disconnecting residential or low-volume commercial customers for non-payment during this time. Although no assistance specific to COVID-19 has been announced, anyone experiencing financial difficulty is encouraged to contact North Bay Hydro early to discuss payment options:

- by phone: 705-474-8100; or
- by e-mail at [customerservice@northbayhydro.com](mailto:customerservice@northbayhydro.com).

See this link for more information: [www.northbayhydro.com/covid-19-safety-measures/](https://www.northbayhydro.com/covid-19-safety-measures/)

## **Espanola Regional Hydro**

No specific information has been published at this time. Customers are encouraged to reach out:

- by phone: 705-869-2771; or
- by e-mail at [customerservice@erhydro.com](mailto:customerservice@erhydro.com).

## **Sault Ste. Marie PUC Services**

SSM PUC will not be disconnecting residential or low-volume commercial customers for non-payment until the end of July 2020. Although no assistance specific to COVID-19 has been announced, anyone experiencing financial difficulty is encouraged to contact SSM PUC early to discuss payment options:

- by phone: 705-759-6510; or
- by e-mail at [customer.care@ssmpuc.com](mailto:customer.care@ssmpuc.com)

See this link for more information: [www.smpuc.com](http://www.smpuc.com)

## **Ontario Electricity Support Program**

The Ontario Energy Board offers a support program to help lower-income households pay their electricity bills.

More information, including eligibility criteria, contact info, and application forms can be found here: [www.ontarioelectricitysupport.ca/FAQ](http://www.ontarioelectricitysupport.ca/FAQ)

## **Union Gas / Enbridge**

Ordinary relief measures continue to apply during this time.

The United way handles emergency funding requests to help pay gas bills. Call 1-855-487-5327 for assistance.

Union Gas will also consider payment plan requests. Call 1-888-774-3111.

For more information, see this link: [www.uniongas.com/newsroom/covid-19](http://www.uniongas.com/newsroom/covid-19)



# PROPERTY TAX AND MUNICIPAL RELIEF

## Greater Sudbury

Based on a CBC article<sup>19</sup>, the City of Greater Sudbury appears to have announced that “those who are unable to pay their municipal taxes on time will not be charged interest, until June 4.” It is unclear whether this measure would apply to balances in arrears as of March 2020 or whether there are criteria to meet in order to be eligible for relief. Residents should contact the Tax Department to see if they qualify for relief by calling 705-674-4455, ext. 2601 or by e-mailing [taxdepartment@greatersudbury.ca](mailto:taxdepartment@greatersudbury.ca).

## North Bay

The City of North Bay has announced<sup>20</sup> that beginning March 2020, interest and penalties for tax and water payments will be waived, as an initial step, and possible payment plans are being developed.

Residents can reach out to the City for assistance by calling 705-474-0400 or by e-mailing [propertytaxes@cityofnorthbay.ca](mailto:propertytaxes@cityofnorthbay.ca) (taxes) or [waterbilling@cityofnorthbay.ca](mailto:waterbilling@cityofnorthbay.ca) (water).

## West Nipissing

West Nipissing has announced<sup>21</sup> that tax due dates have been postponed to April 24 and May 22, 2020. Residents should contact the municipality to see whether they qualify for relief. All enquiries should be directed to the municipality at 705-753-2250 or by e-mail to [support@westnipissing.ca](mailto:support@westnipissing.ca).

## **Timmins**

No specific relief has been announced yet for tax and water bills. Residents should call 705-360-2633 or e-mail [collections@timmins.ca](mailto:collections@timmins.ca) for assistance.

## **Espanola**

The Town of Espanola has announced<sup>22</sup> that there will be no interest calculated on outstanding balances for the months of March and April on property tax and water accounts. Payments can be made online or by mail. A drop box has been set up just inside the town office and is available from 10:00 am to noon and 2:00 pm to 3:30 pm, Monday to Thursday. Residents are urged to check the town's website or Facebook page for changes. For information on these measures, contact Jeremiah Steele at [jsteele@espanola.ca](mailto:jsteele@espanola.ca) or by calling 705-869-1540 ext. 2107.

## **Sault Ste. Marie**

SSM has not made a formal announcement on deferred payments or interest relief, however the city has a dedicated COVID-19 page ([www.saultstemarie.ca/covid19](http://www.saultstemarie.ca/covid19)) and has also created a hotline for residents who require support. The hotline is available seven days a week, from 8:30 am to 4:30 pm, and can be reached by phone at 705-574-1220, or by e-mail at [hotline@cityssm.on.ca](mailto:hotline@cityssm.on.ca) .

# **ONTARIO GOVERNMENT RELIEF**

The Ontario government is extending<sup>23</sup> the validity of government driver, vehicle and carrier products and services that expired on or after March 1, 2020. These will continue to remain valid and legal past the expiry until further notice. This includes:

- drivers' licences expiration dates, temporary drivers' licences (TDL), driving instructor (DI) licence and driving schools, Ontario Photo Card (OPC)
- health cards<sup>24</sup>
- the Enhanced Driver's Licence (EDL) expiration date for driving purposes only (the expired EDL will not be valid as a travel document)
- driver training programs time limitations
- extending the requirement to register vehicles within six days
- the requirement to change address or vehicle modification within six days
- the Safety Standards Certificate and Structural Inspection Certificate
- the Commercial Vehicle Operator's Registration (CVOR), annual oversize / overweight permits and semi-annual and annual vehicle inspections
- amending the effective date for mandatory electronic emission test for heavy diesel commercial vehicles from July 1, 2020 to Oct 1, 2020
- if you are required to submit a medical or vision report to the Ministry of Transportation, your due date is extended by 60 days or more

These measures effectively result in a deferral of any applicable fees and allow you to avoid having to visit a Service Ontario location while practicing social distancing.

Note that fines and penalties are not covered by these announcements. Any fines and penalties can be paid online by visiting [this website](#).

## LABOUR MATTERS

***Please Note: The information below is general in nature and is not intended to be legal advice. We are not licensed to provide legal advice. You should consult a labour lawyer for advice that is specific to your circumstances. We can refer you to a local labour lawyer.***

Businesses seeking to lower their costs during this time may consider temporary or permanent layoffs. Please note the following implications that we are aware of:

### Employment Standards Amendment Act (Infectious Disease Emergencies), 2020

- This is recent legislation that is retroactive to January 25, 2020.
- It provides job protection if an employee takes leave (paid or unpaid) for virtually anything related to COVID-19 for themselves or their family.
- Imposes certain obligations upon employers when an employee or their family contracts COVID-19.
- See this link for more information: [news.ontario.ca/opo/en/2020/03/employment-standards-amendment-act-infectious-disease-emergencies-2020.html](https://news.ontario.ca/opo/en/2020/03/employment-standards-amendment-act-infectious-disease-emergencies-2020.html)

### Temporary layoffs

- Temporary layoffs may be considered a “constructive dismissal”.
- This could trigger termination / severance pay.
- ***Please contact us prior to taking this action.***

### Record of Employment (ROE)

- If employee is sick or quarantined due to COVID-19:
  - Box 16 - Reason for issuing ROE: "**Code D** - Illness or injury"
- If your employee stops working due to shortage of work or shutdown:
  - Box 16 - Reason for issuing ROE: "**Code A** - Shortage of work"
- If your employee is not working due to other COVID-19 related reasons:
  - Box 16 - Reason for issuing ROE: "**Code E**: Quit" or "**Code N**: Leave of absence".
- **NOTE:** In any case, **do not add comments** unless absolutely necessary. Adding comments causes the ROE to be pulled from the automatic processing queue for review by a Service Canada agent, thus slowing down the process.

## CONTACT US

If you have questions on how any of these relief measures can apply to you, contact your Baker Tilly advisor.

If you do not currently deal with Baker Tilly, contact the author:



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Tax Partner

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# SOURCES

<sup>1</sup> <https://www.canada.ca/en/department-finance/economic-response-plan.html>

<sup>2</sup> *ibid*

<sup>3</sup> <https://www.canada.ca/en/services/taxes/charities.html>

<sup>4</sup> <https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update.html>

<sup>5</sup> <https://www.irs.gov/newsroom/tax-day-now-july-15-treasury-irs-extend-filing-deadline-and-federal-tax-payments-regardless-of-amount-owed>

<sup>6</sup> <https://www.irs.gov/newsroom/payment-deadline-extended-to-july-15-2020>

<sup>7</sup> <https://www.irs.gov/coronavirus>

<sup>8</sup> <https://www.canada.ca/en/department-finance/economic-response-plan.html>

<sup>9</sup> *ibid*

<sup>10</sup> *ibid*

<sup>11</sup> <https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update/frequently-asked-questions-wage-subsidy-small-businesses.html>

<sup>12</sup> *ibid*

<sup>13</sup> *ibid*

<sup>14</sup> *ibid*

<sup>15</sup> <https://www.canada.ca/en/department-finance/economic-response-plan.html>

<sup>16</sup> *ibid*

<sup>17</sup> *ibid*

<sup>18</sup> <https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update/covid-19-collections-audits-appeals.html>

<sup>19</sup> <https://www.cbc.ca/news/canada/sudbury/sudbury-municipal-services-covid-19-1.5503107>

<sup>20</sup> <https://www.cityofnorthbay.ca/news/city-waives-interest-and-penalties-for-tax-and-water-payments-due-to-covid-19/>

<sup>21</sup> <http://www.westnipissing.ca/en/municipal-services-e/community-services/news-and-notice/1969-covid-19-municipal-services-update-2-march-16-2020>

<sup>22</sup> <https://www.espanola.ca/component/k2/item/1551-covid-19-message>

<sup>23</sup> <https://www.ontario.ca/page/extended-validation-periods>

<sup>24</sup> <https://news.ontario.ca/mto/en/2020/03/ontario-extending-validation-periods-for-driver-vehicle-and-carrier-products-services-and-health-car.html>