



COVID-19 ASSISTANCE FOR ALBERTA SMALL BUSINESSES

CANADA EMERGENCY WAGE SUBSIDY (CEWS)

The CEWS program provides a subsidy of up to 75% of employee's wages, up to **\$847** per week from March 15, 2020 to October 23, 2021. Eligible employers include businesses who have suffered a drop of gross revenues during the COVID-19 pandemic.

The base CEWS subsidy is calculated based on the actual revenue decline % (max. 50% & revenue decline % is reduced by 10% for claim periods 18 onwards) x base rate factor. Employers who experienced a revenue decline of 50% or more may be eligible for a top-up subsidy equal to their actual revenue decline less 50% x top-up factor up to a maximum 35%. Where the current period revenue decline percentage is less than the preceding month, you are deemed to have a revenue decline % equal to the preceding month. Claim period 18 onwards requires a min. 10% decline.

There is no overall limit on the subsidy amount that can be claimed. CEWS amounts received are included in the employer's taxable income. Gross revenues can be calculated under either the accrual method or the cash method on a consistent basis. For more information on eligibility of CEWS click [here](#).

Eligible (4-week) Claim Periods for CEWS and CERS

CEWS	CERS	Claiming Period	Reference Month *	Base Rate Factor	Top-up Factor	Application Deadline
1		Mar 15 to Apr 11	March	75%		Jan 31, 2021
2		Apr 12 to May 9	April	75%		Jan 31, 2021
3		May 10 to June 6	May	75%		Jan 31, 2021
4		June 7 to July 4	June	75%		Jan 31, 2021
5		July 5 to Aug 1	July	1.2 or 75%	1.25	Jan 31, 2021
6		Aug 2 to Aug 29	August	1.2 or 75%	1.25	Feb 25, 2021
7		Aug 30 to Sept 26	September	1.0	1.25	Mar 25, 2021
8	1	Sept 27 to Oct 24	October	0.8	1.25	Apr 22, 2021
9	2	Oct 25 to Nov 21	November	0.8	1.25	May 20, 2021
10	3	Nov 22 to Dec 19	December	0.8	1.25	Jun 17, 2021
11	4	Dec 20 to Jan 16	December	0.8	1.75/ 1.25	July 15, 2021
12	5	Jan 17 to Feb 13	January	0.8	1.75/ 1.25	Aug 12, 2021
13	6	Feb 14 to Mar 13	February	0.8	1.75/ 1.25	Sept 9, 2021
14	7	Mar 14 to Apr 10	March**	0.8	1.75/ 1.25	Oct 7, 2021
15	8	Apr 11 to May 8	April**	0.8	1.75/ 1.25	Nov 4, 2021
16	9	May 9 to June 5	May**	0.8	1.75/ 1.25	Dec 2, 2021
17	10	June 6 to July 3	June**	0.8	1.75/ 1.25	Dec 30, 2021
18	11	July 4, to July 31	July**	0.875	1.25	Jan 27, 2022
19	12	Aug 1 to Aug 28	August**	0.625	0.75	Feb 24, 2022
20	13	Aug 29 to Sept 25	September**	0.625	0.75	Mar 24, 2022
21	14	Sept 26 to Oct 23	October**	0.25	0.5	April 21, 2022

* Eligibility would generally be determined by the change in monthly revenues year over year. Under the alternative method the employer can elect to use the average of Jan & Feb 2020 as the prior reference month. The election must be consistently applied for claim periods 1 through 4, and periods 5 onwards.

**For periods 14 onwards under the general method the prior period reference month is in 2019 (pre-pandemic).

SMALL & MEDIUM ENTERPRISE RELAUNCH GRANT (SMERG)

The grant provided up to **\$30,000** to Alberta businesses, cooperatives, and non-profit organizations with less than 500 employees that were ordered to close or reduce operations, and that experienced a revenue reduction of at least 30% due to COVID-19 [public health order](#). Eligible organization's were able to apply for 15% of pre-COVID-19 monthly revenue to offset a portion of relaunch costs (i.e. physical barriers, PP&E, rent & employee wages, replacing inventory).

Click [here](#) for more information. Applications closed on June 30, 2021.

CANADA EMERGENCY RENT SUBSIDY (CERS)

The CERS is a program that replaced the Canada Emergency Commercial Rent Assistance ("CECRA") program. This rent subsidy will provide direct support of up to 65% of eligible expenses to qualifying renters and property owners that have experienced a decrease in revenue from Sept 27 until Oct 23, 2021. The calculation of revenues, base subsidy rate and qualifying reference periods will be determined in the same manner as the CEWS. Click [here](#) for more information.

Eligible entities must meet one of the following criteria:

- ⇒ Have a payroll account or have a payroll service provider as of Mar 15, 2020
- ⇒ Have a CRA business number as of Sept 27, 2020

Eligible expenses include commercial rent, property taxes, property insurance, and mortgage interest paid to arm's length parties under agreements entered into before Oct 9, 2020, up to **\$75,000** per location and subject to an overall cap of **\$300,000** that would be shared among affiliated entities.

Lockdown Support - A top-up of 25% is available for entities that temporarily shut - down or significantly limit their activities due to a mandatory health order. Click [here](#).

CANADA RECOVERY HIRING PROGRAM (CRHP)

The CRHP is a new hiring subsidy program that provides eligible employers with a subsidy of up to 50% of the **incremental** remuneration paid to eligible employees in respect of June 6, 2021 to November 20, 2021. The calculation of revenues, eligible employers/employees, qualifying reference periods, and application deadlines will be determined in a similar manner as the CEWS. However, a for-profit corporation would only be eligible for CRHP if it is a CCPC and furloughed employees are not eligible. The higher of the CEWS or CRHP may be claimed for a period, but not both.

The subsidy is calculated based on the incremental remuneration x hiring subsidy rate for that 4-week period. Incremental remuneration is determined by comparing remuneration paid with respect to the qualifying period to the base period (March 14 to April 10, 2021). The hiring subsidy rates for the following periods are as follows:

June 6 to August 28	50%
August 29 to September 25	40%
September 26 to October 23	30%
October 24 to November 20	20%

For more information on this program click [here](#).

FINANCIAL INSTITUTION ASSISTANCE

Canada Emergency Business Account (CEBA) - Closed on June 30, 2021

- Interest-free loans up to **\$60,000** to eligible borrowers, of which up to \$20,000 of the loan could be forgiven where the loan is repaid by Dec 31, 2022. Click [here](#).

Highly Affected Sectors Credit Availability Program (HASCAP)

- BDC guaranteed loans up to **\$1m** to eligible borrowers with 4% interest, repayment term of up to 10 years with postponement of principal payments of up to 12 months, available until December 31, 2021. Click [here](#) for more information.

Loan details are subject to change, contact your participating financial institution.

OTHER PROGRAMS

Regional Relief and Recovery Fund (RRRF) - \$60,000 interest-free repayable contribution for businesses that don't qualify for the CEBA. Applications closed.

Emergency On-Farm Support Fund - Cost-shared ratio, up to \$100,000 to cover eligible costs between Mar 15, 2020 & Feb 26, 2021. Click [here](#) for information.

Tourism Levy - Amounts collected from Mar 1, 2020 to June 30, 2021. Click [here](#).

KMSS IS HERE TO HELP Contact us at 403-233-7750

Please contact your KMSS advisor if you need assistance with:

- ⇒ Determining whether your business qualifies for any relief programs
- ⇒ Calculation of and submission of wage and rent subsidies
- ⇒ Interim financial statements required for financing, CEWS or CERS
- ⇒ Accounting for your business using Cloud-based Solutions to allow remote access when working from home

Last updated September 13, 2021 – For Most Current Version go to www.kmss.ca