

Canadian Emergency Wage Subsidy

Eligible Employers

- Eligible employers would include individuals, taxable corporations, and partnerships consisting of eligible employers as well as non-profit organizations and registered charities.
- This subsidy would be available to eligible employers that see a drop of at least 15 per cent of their revenue from March 2019 or from January or February 2020. For subsidies for April or May the revenue drop will be required to be 30 per cent.
- In applying for the subsidy, employers would be required to attest to the decline in revenue.

Calculating Revenues

- An employer's revenue for this purpose would be its revenue from its business carried on in Canada earned from arm's-length sources.
- Revenue would be calculated using the employer's normal accounting method, and would exclude revenues from extraordinary items and amounts on account of capital.

Amount of Subsidy

- The subsidy amount for a given employee on eligible remuneration paid between March 15 and June 6, 2020 would be the greater of:
 - 75 per cent of the amount of remuneration paid, up to a maximum benefit of \$847 per week; and
 - the amount of remuneration paid, up to a maximum benefit of \$847 per week or 75 per cent of the employee's pre-crisis weekly remuneration, whichever is less.
- Employers will also be eligible for a subsidy of up to 75 per cent of salaries and wages paid to new employees.
- Eligible remuneration may include salary, wages, and other remuneration. These are amounts for which employers would generally be required to withhold or deduct amounts to remit to the Receiver General on account of the employee's income tax obligation. However, it does not include severance pay, or items such as stock option benefits or the personal use of a corporate vehicle.
- There would be no overall limit on the subsidy amount that an eligible employer may claim.

Eligible Periods

- Eligibility would generally be determined by the change in an eligible employer's monthly revenues, year-over-year, for the calendar month in which the period began or a comparison to revenues in January or February 2020.
- For example, if revenues in March 2020 were down 30 per cent compared to March 2019 or January or February 2020, the employer would be allowed to claim the Canadian Emergency Wage Subsidy (as calculated above) on remuneration paid between March 15 and April 11, 2020.

How to Apply

- Eligible employers would be able to apply for the Canada Emergency Wage Subsidy through the Canada Revenue Agency's *My Business Account* portal as well as a web-based application.
- Employers would have to keep records demonstrating their reduction in arm's-length revenues and remuneration paid to employees.