



## Covid-19 Canada Emergency Wage Subsidy

### WHAT IS IT?

The Canada Emergency Wage Subsidy (CEWS) is a program that provides eligible employers with potentially a 75% wage subsidy for up to 12 weeks. The CEWS goal is to encourage employers to retain and re-hire workers previously laid off as a result of COVID-19.

### EMPLOYER QUALIFICATION

Eligible employers are those that see a drop of at least 15% of their revenue in March 2020 and 30% for the following months in chart below.

### BENEFITS

- A wage subsidy of the greater of **either**
  - i. 75% of wages paid during claim period, capped at \$847 per employee per week
  - ii. 75% of employee’s weekly pre-crisis wages, capped at C\$847 per week.
- Employers must make good faith effort to pay their employees at least their pre-crisis amount of wages.
- All wages qualify whether the employee was working or not providing services for the employer.
- Employers may apply for a refund of certain employer-paid contributions to insurance and pension plans for employees being compensated while on paid leave.

### TIMING OF BENEFITS

	Claiming Period	Required Reduction in Revenue	Reference Period for Eligibility
<b>Period 1</b>	March 15 to April 11	15%	March 2020 over <ul style="list-style-type: none"> <li>• March 2019 or</li> <li>• Average of January &amp; February 2020</li> </ul>
<b>Period 2</b>	April 12 to May 9	30%	Eligible for Period 1 OR April 2020 over <ul style="list-style-type: none"> <li>• April 2019 or</li> <li>• Average of January &amp; February 2020</li> </ul>
<b>Period 3</b>	May 10 to June 6	30%	Eligible for Period 2 OR May 2020 over <ul style="list-style-type: none"> <li>• May 2019 or</li> <li>• Average of January &amp; February 2020</li> </ul>

### ABOUT TCC

TCC is an industry leader in employment tax credit administration services. With over 24 years helping companies identify, quantify and substantiate federal and state tax credit programs, TCC has the experience and expertise to deliver maximum returns, while minimizing the time and effort required of our clients to obtain incentives.

### CONTACT

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