Your association or organization has been identified as a key stakeholder of the Canada Revenue Agency (CRA). We hope you will share the following information with your membership.

COVID-19 Update: Additional measures from the Canada Revenue Agency for businesses

The Canada Revenue Agency (CRA) understands that businesses might be dealing with difficulties filing their returns, and could experience cash-flow challenges in the coming months. This message provides more information for businesses on COVID-19 measures being implemented by the CRA.

More time to pay income taxes: We are allowing all businesses to defer, until September 1, 2020, the payment of any income tax amounts that become owing on or after March 18, 2020 and before September 2020. This relief would apply to tax balances due, as well as instalments, under Part I of the Income Tax Act.

More time to remit GST/HST payments: The CRA will allow all businesses to defer, until June 30, 2020, any GST/HST payments or remittances that become owing on or after March 27, 2020, and before June 30, 2020. This means that no interest will apply if your payments or remittances are made by June 30, 2020.

The deadline for businesses to file their GST/HST returns is unchanged. Those who are able to, should continue to file their GST/HST returns on time reporting their net tax for the reporting period to help facilitate tax compliance and administration. However, recognizing the difficult circumstances faced by businesses, the CRA won’t impose penalties where a return that was due to be filed between March 27, 2020 and June 30, 2020 is filed by June 30th, 2020.

T2 Corporation Income Tax Returns: The CRA will allow all businesses to defer T2 corporation income tax returns due after March 18, 2020 and before June 1, 2020 to June 1, 2020.

Trusts, Partnerships and NR4 Information Returns: The deadlines for trusts, partnership and NR4 Information returns are all extended to May 1, 2020. This is in coordination with the administrative extension for filing of the individual income tax and benefit returns by June 1st deadline.

Part XVIII and XIX Information Returns: The CRA will allow filers to defer, until September 1, 2020, the filing of information returns under Part XVIII and Part XIX of the Income Tax Act. No interest or penalty will be assessed during this period.
In addition, no penalty will apply for failure to obtain a self-certification on financial accounts opened before January 1, 2021. The CRA is updating its Guidance on the Canada-U.S. Enhanced Tax Information Exchange Agreement and its Guidance on the Common Reporting Standard to reflect this change and expects to publish the guidance within the coming weeks.

**Other filing deadlines:** In addition to the [income tax filing and payment deadline extensions](https://www.canada.ca/en/revenue-agency/services/tax-individuals/tax-return-deadlines.html) announced, unless otherwise noted, taxpayers may defer a number of other tax actions required under the *Income Tax Act* (ITA) that are due after March 18, 2020, until June 1, 2020. These include the filing of returns, forms, elections, designations, and responses to information requests. Please note that:

- This measure does not apply in respect of a prescribed form, receipt or document, or prescribed information, that is required to be filed with the Minister on or after the day specified, in respect of the form, receipt, document or information, in subsection 37(11) or paragraph (m) of the definition *investment tax credit* in subsection 127(9) of the ITA.
- Payroll deductions and all related activities (except to the extent they relate to the reduction of remittances related to the temporary wage subsidy) must continue to be done on time.

**10% Temporary wage subsidy for employers** : The Government announced a 10% temporary wage subsidy for employers for a period of three months.

Eligible employers (individuals - excluding trusts, certain partnerships, non-profit organization, registered charity, or certain Canadian-controlled private corporations - including cooperative corporations) who pay salary, wages, or taxable benefits to employees, between March 18, 2020 and June 19, 2020, can reduce payroll remittances of federal, provincial, or territorial income tax by the amount of the subsidy. This measure is only applicable to remittances made to the CRA.

Learn more: [FAQs for temporary wage subsidy for employers](https://www.canada.ca/en/revenue-agency/services/tax-individuals/tax-return-deadlines.html)

**Canada Emergency Wage Subsidy** : The Government announced a new Canada Emergency Wage Subsidy (CEWS). This new 75% wage subsidy will soon be available to eligible employers. Please refrain from calling our call centres at this time. Details about the application process, eligibility and other additional information will be made available shortly.

Learn more: [The Canada Emergency Wage Subsidy](https://www.canada.ca/en/revenue-agency/services/tax-individuals/tax-return-deadlines.html)

**Objections:** Any objections related to Canadians' entitlement to benefits, credits, GST/HST refund claims, and Scientific Research and Experimental Development claims, have been identified as a critical service which will continue to be delivered during COVID-19. As a result, there should not be any delays associated with the processing of these objections.

With respect to objections related to other tax matters filed by individuals and businesses, the CRA is currently holding these accounts in abeyance. No collection action will be taken with respect to these accounts during this period of time.
Extending the deadline for filing an objection: for any objection due between March 18, 2020 and June 30, 2020, the deadline is effectively extended until June 30, 2020.

Appeals: For appeals before the Tax Court of Canada (TCC), the TCC has ordered the extension of timelines prescribed by the rules of that Court while it is closed for business until May 1st, 2020. More information can be obtained directly from the TCC.

Taxpayer relief requests: As part of government actions taken in dealing with the effects of the COVID-19 pandemic, tax filing and payment deadlines have been extended. Penalties and interest will not be charged if the new deadlines are met.

Taxpayers who are unable to file a return or make a payment by the new tax-filing and payment deadlines because of COVID-19 can request the cancellation of penalties and interest if they have been charged to their account.

While the CRA continues to accept requests for taxpayer relief during this period, there will be delays in processing requests. Once normal business operations resume, the Taxpayer Relief Program will review requests related to COVID-19 on a priority basis.

Our online submission methods remains the best option to submit a request at this time. For more information about how to submit a request to have penalties or interest cancelled, please go to Submitting your request.

CPP/EI appeals to the Minister: As part of government action taken in dealing with the effects of the COVID-19 pandemic, we are currently only processing appeals that are related to Employment Insurance benefits pending. These files will be treated on a priority basis. All other appeals will be processed when normal services resume. We apologize for the inconvenience and thank you for your patience.

Online appeal submissions are recommended as the most efficient method to submit your appeal. To submit an appeal online, go to CRA’s electronic services (My Account, My Business Account or Represent a Client) and select Register my formal dispute (appeal).

Suspending most audit activities: Generally, the CRA will not start new audits or ask taxpayers currently under audit for information until further notice.

Audits will only be finalized and reassessments issued in exceptional circumstances. These could include, for example, cases involving a significant compliance issue, cases approaching a major milestone (such as statute-barred or treaty-barred date) or cases where the taxpayer requests a reassessment.

Taxpayer-requested adjustments will be reviewed and processed on a priority basis, and may require interaction with the taxpayer to verify the request.
The GST/HST Refund Integrity Program will continue operating to make sure GST/HST credits are not delayed unnecessarily.

As noted above, most administrative income tax actions due after March 18, 2020, have been suspended until June 1, 2020, this includes requests for information made during the course of CRA audits. Compliance staff will contact taxpayers with a new due date in cases where the information is still needed.

**Reassessments:** In the very limited situations where the CRA intends to process a reassessment, the taxpayer may sign a [T2029 Waiver in respect of the normal reassessment period or extended reassessment period](https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/recent-corporate-finance-updates/coronavirus-covid-19-changes-to-cra-services.html) in order to provide representations, unless the reassessment would be affected by deadlines under a tax treaty.

**Requirements for information (RFI):** Generally, taxpayers who have received a RFI can choose to defer acting on the requirement until further notice.

**Transfer Pricing documentation:** For transfer pricing audits, requests for contemporaneous documentation made prior to April 1, 2020 having a deadline of March 18, 2020 or later will be considered cancelled and will be re-issued at a later date, providing the maximum amount of time of 3 months to submit the documentation.

**Advanced Pricing Arrangements (APA) and Mutual Agreement Procedures (MAP):** Taxpayers with APAs and MAPs may experience delays since the CRA’s efforts are focussed on critical workloads. If taxpayers ask for a pre-file APA meeting, the Competent Authority will look to schedule one at a later date.

**Suspending collections on new debt:** Collections activities on new debts will be suspended until further notice, and flexible payment arrangements will be available.

**Payment arrangements** are also available on a case-by-case basis if you can’t pay your taxes, child and family benefit overpayments, Canada Student Loans, or other government program overpayments in full.

If you have concerns and require contact with a Collections Officer, please contact our toll free number 1-800-675-6184 between 8:00 a.m. and 4:00 p.m. your local time.

**Scientific Research and Experimental Development (SR&ED):** The Scientific Research and Experimental Development Program is doing everything it can to ensure claimants receive the credits to which they are entitled, as soon as possible. For the time being, no new reviews/audits will be started and existing reviews/audits will be completed as soon as possible so that businesses have access to their credits faster. Most refundable claims will be processed as soon as possible with minimal burden on the claimant. Claims accepted at this time may be subject to review/audit at a future date to ensure eligibility.
Requirements to pay (RTP): Banks and employers do not need to comply or remit on existing RTPs until further notice.

Liaison Officer service: The CRA is adapting its Liaison Officer service to support small businesses and self-employed individuals during COVID-19. Normally, the CRA offers this service in person to help small business owners understand their tax obligations.

To meet critical business needs during this challenging time, the CRA is temporarily suspending the regular in-person service. Liaison Officers will be available exclusively by phone to provide the key information that small businesses and self-employed individuals need most urgently, including filing and payment deadlines and proactive relief measures.

Liaison Officers will be reaching out to taxpayers to explain these measures. Business owners and self-employed individuals can also fill out the Liaison Officer Service request form to have a Liaison Officer contact them by phone.

Chatbot: The CRA is piloting new technology in an effort to transform how it interacts with its clients by putting the diverse needs of Canadians first. Charlie, the new CRA Chatbot, can help you find quick answers to your tax related questions. Charlie’s knowledge-base also continues to be updated to answer your questions on the latest COVID-19 measures. Get the answers you need, when you need them, with Charlie!

For more information
We thank you all for your patience as we navigate through this situation together. To learn more about how the CRA is helping Canadians with the economic impact of the COVID-19 Pandemic, go to Changes to taxes and benefits: CRA and COVID-19. To get the latest information please bookmark this page as we update it often and follow us on our social media channels.

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