

THE ANSWERS TO THE QUESTIONS FROM THE WEBINAR ARE PROVIDED BY CURLING CANADA BASED ON PROGRAM INFORMATION AS AT THE DATE OF THE PRESENTATION.

Joanne Penner: Is this taxable income to the business?

ANSWER: Yes, but very few curling rinks pay business tax. I only know of one privately-owned curling rink.

Stacey Dobbin: If you have already received the 75%, is there any sense in applying for the 10%?

ANSWER: No, the programs work as one and the maximum you can get is 75%.

Rand MacIntosh: What is the interest rate if not paid?

ANSWER: If not paid by the end of December of 2022, the loan will be converted to a 3 years loan at 5%. The full amount becomes payable (no balance is forgiven)

Michael Nieveszeruk: If we contract out our ice making services can we use that towards meeting \$25,000 minimum?

ANSWER: The wage subsidy (temporary or emergency) only covers amounts that are reported as salaries on a T4. Therefore, any self-employed contractor costs are not eligible for the subsidy.

Crystal Lawson: Do you have to apply for the full \$40,000?

ANSWER: You need to apply with your financial institution; the application is on-line.

Judy Galenza: Does it matter what the financial status is of the club? Do we have to prove we need the money?

ANSWER: Financial status does not matter for the application (meant to cover costs that you cannot eliminate). You do not need to prove you need the money but one club who did get the money, said they got a call from CRA to confirm the business.

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Josh Szajewski: In terms of the necessary payroll amount between 25k and 1.5 million, is that for the current tax year or last year?

ANSWER: 2019 calendar year (from your T4 summary of 2019).

Matt Schumacher: What is downside of not taking the loan if you know you can repay it? Would that mean \$10k in your pocket?

ANSWER: The downside is not being able to repay by the deadline date of December 2022. If you repay \$30,000 of the \$40,000 (interest free), you get to keep \$10,000 as it is forgiven.

Michel Vallieres: An update to the program was made on May 19. Clubs with less than \$25,000 in salary are also eligible based on recurrent operating expenses covers contract expenses.

ANSWER: At the May 19th announcements by the Prime Minister, the eligibility criteria were expanded to cover proprietorship, organizations with contract workers and private companies that pay their employees in dividends (see new slide in the deck).

Gary Albers: The application I looked at only seemed to allow operating costs through September, is that all we can request?

ANSWER: We are not aware of period limitation, this should be discussed with your financial institution.

Crystal Lawson: Do you have to show what you dispersed the funds on (for the \$40K loan)?

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ANSWER: Funds from CEBA loan only to be used by the Borrower to pay non-deferrable operating expenses (including, payroll, rent, utilities, insurance, property tax and regularly scheduled debt service).

Hugues Martel RRC: For the election under the cash method, is there a form to file? When and where to file?

ANSWER: No form to fill for the method chosen, you only need to document internally to have documentation should CRA does an audit.

Joanne Penner: How long after the periods do we have to apply?

ANSWER: Applications must be filed before October 2020.

Gord MacKay: Club Manager worked and was paid in full from March 18 to May 15 where his seasonal contract ended. Is the Curling Club eligible to collect a salary "loss" for the period March 19 to May 15? We lost more than 30% revenue

ANSWER: IF the club manager earned salaries (amount subject to source deduction) in the eligible period the amounts paid would be eligible if you meet the reduction in revenues.

Stacey Dobbin: If we qualified for the 1st claim period but had no wages in the 2nd, can we apply again for the 3rd?

ANSWER: Yes, each period is treated separately. Not applying for one does not disqualify you for another.

Scott Braley: What if you use a payroll service provider and don't have a PR #

ANSWER: if you have a payroll, even if it is through a service provider, you have a payroll number. I would recommend you looking on your 2019 T4 summary submitted to CRA.

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John Sexton: our curling club has contract employees: ice maker and bartender. are we eligible?

ANSWER: Eligible remuneration is limited to salaries. The compensation has to be subject to source deduction and reporting on a T4.

Kelly Moran: On the CEWS if an employee was on a WSIB claim during the 14-day period, do they qualify?

ANSWER: If an employee did not receive salary for a period of 14 days in the eligible period, the compensation paid is not eligible for CEWS.

Rand MacIntosh: We closed the club on Monday, March 16th. We paid out all employees for the next 2 weeks even though they didn't actually work. Would we be eligible?

ANSWER: CEWS - If you paid your employees for only those 2 weeks in the eligible period (March 15 to April 11), you are not likely to qualify as the employees would have 14 days without pay in that period. SBWS – IF the payments for those two weeks, you are likely eligible for the 10% subsidy.

Bob Lalonde: We have a custodian and a contractor ice tech. It sounds like we could apply for the CEWS, SBWS along with the Canada Emergency Business Account Loan. Is that correct?

ANSWER: First and most important is to determine if the employees are eligible. IF your employees are on payroll then you are likely eligible. However, please keep in mind that you can only claim up to 75% of the salaries (i.e. if you claim the 10% of SBWS your CEWS claim will have to be reduced by the amount received under SBWS). As for the loan, if you have a payroll account, you would be eligible.

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Daniel Marteinson: To be clear, for the CEBA loan, you must have employees?

ANSWER: Yes. However, from the May 19th announcements made by the Prime Minister; the eligibility criteria were expanded to cover proprietorship, organizations with contract workers and private companies that pay their employees in dividends (see new slide in the deck).

Bill Davis: CEBA - We just moved to employees from contractors in October of 2019. May we annualize our payroll to qualify?

ANSWER: NO, you have to use actual salaries from your 2019 T4 summary. However, see the new slide in the deck which provides eligibility criteria for businesses who used contractors to support their operations.

david: One contract worker, and no PR number. Can we get the 40,000 loan?

ANSWER: No. However, from the May 19th announcements made by the Prime Minister; the eligibility criteria were expanded to cover proprietorship, organizations with contract workers and private companies that pay their employees in dividends (see new slide in the deck).

Chris Hamblin: The Cargill Curling Training Centre has kept the ice in for the summer of 2020. We have lost significant revenue in March, April, May and June. We are hoping to open July 7. The CCTC is voluntarily managed - does the emergency funding cover loss revenue?

ANSWER: The programs are not meant to cover lost revenues but rather to support salaries that were paid by the business.

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Paul Cridland: Can we get CurlOn to send out example email to send to each local MP?

ANSWER: We will get a letter prepared you can use.

Matt Simms: Nothing listed for NL?

ANSWER: link for NL <https://www.cfib-fcei.ca/en/advocacy/employment-and-labour/newfoundland-and-labrador-covid-19-relief-measures-your-business>

Moose Gibson: Nothing for Saskatchewan on Provincial program?

ANSWER: link for SASK <https://www.saskatchewan.ca/government/health-care-administration-and-provider-resources/treatment-procedures-and-guidelines/emerging-public-health-issues/2019-novel-coronavirus/covid-19-information-for-businesses-and-workers>

Crestwood Curling: Is Curling Canada planning more of these Webinars?

ANSWER: Yes! We will do one on return-to-play guidelines and one on marketing in the weeks coming.

Chris Hamblin: can we help local BDO reps to help us

ANSWER: You can reach out to any BDO office in the country.

Here is a link to the BDO site for information on the COVID-19 Wage Subsidy Programs

<https://www.bdo.ca/en-ca/insights/tax/tax-alerts/covid-19-wage-subsidy-programs/#:~:text=This%2075%25%20emergency%20wage%20subsidy,for%20applications%20on%20April%2027.>

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