

COVID relief and your annual return

Due to the variety of COVID relief benefit programs introduced since 2020, it may be challenging to determine which benefit is assessable earnings when completing your annual return.

Here's an overview of various relief programs and if they impact your assessable earnings.

	Assessable	Not assessable
Canada Emergency Response Benefit (CERB)		✓
Canada Emergency Rent Subsidy (CERS)		✓
Canada Emergency Student Benefit (CESB)		✓
Canada Emergency Wage Subsidy (CEWS)	✓	✓
Canada Recovery Sickness Benefit (CRSB)		✓
Canada Recovery Hiring Program (CRHP)	✓	
Tourism and Hospitality Recovery Program (THRP)	✓	
Hardest-Hit Business Recovery Program (HHBRP)	✓	
Frontline pay	✓	
Critical Worker Benefit		✓
Temporary Wage Subsidy (TWS)		✓

Programs for employers

What impacts an employer's assessable earnings?

CEWS is assessable if an employer pays a worker that was working at the time of the CEWS grant. If the worker was not actually working (being paid by the employer as part of the employer's shutdown or operating decisions), and the employer was using CEWS as part of the wages to the worker, then it is not assessable.

Frontline pay reflects the increase in wages that employers provided to frontline workers during the provincial shutdown. These amounts are assessable as they form part of the workers' wages from the employer during that period.

CRHP, TRHP, and HHBRP are assessable as an employer receives the wage subsidies for employees who are working.

What doesn't impact an employer's assessable earnings?

- The 10% Temporary Wage Subsidy (TWS) reduces the payroll deductions an employer owes the Canadian Revenue Agency (CRA).
- The Canada Emergency Rent Subsidy (CERS) covers part of commercial rent or property expenses for eligible employers.

Programs for employers - continued

- Canada Emergency Wage Subsidy (CEWS) enables employers to re-hire workers, help prevent further job losses, and ease businesses back into normal operations.
- TWS and CERS do not impact an employer's assessable earnings. These amounts are also not eligible as a *Qualifying government wage subsidies* deduction on the A300.

CEWS is not assessable if an employer pays a worker that is not working or is furloughed.

Programs for individuals

What impacts an employer's assessable earnings?

Some employers in the grocery, banking, food and retail sectors paid a temporary wage stipend to their frontline workers (commonly referred to as hero or frontline pay). This amount is assessable and reportable to WCB. As these were monies paid to the workers from the employers directly, then these amounts are part of the workers' earnings and are, therefore, assessable.

What doesn't impact an employer's assessable earnings?

The Canada Emergency Response Benefit (CERB), Canada Emergency Student Benefit (CESB), Canada Recovery Sickness Benefit (CRSB) are programs designed to provide financial support to individuals affected by COVID-19.

These amounts do not impact an employer's assessable earnings. The CRA pays the eligible individual directly and it issues a T4A to them. In other words, employers are not involved with these payments.

Critical Worker Benefit (CWB) does not impact an employer's assessable earnings. The \$1,200 benefit is funded by the Governments of Alberta and Canada, and it is paid to employers who then pay their workers. Deduct the CWB (maximum of \$1,200 per worker) you received from the worker's corresponding T4 Box 14 before calculating the Total Gross Worker Earnings in line G-1.