

Home > News > Ontario Government Introduces New Supports For Businesses In Response To Additional COVID...

News

Ontario Government Introduces New Supports For Businesses In Response To Additional COVID Restrictions

 By **Pamela Vanmeer** December 22, 2021



Downtown Lindsay Courtesy- City of Kawartha Lakes

KAWARTHA LAKES-The Ontario government is introducing new supports for many of the businesses that are most impacted by public health measures in response to the Omicron variant. These supports include a new Ontario Business Costs Rebate Program and a six-month interest- and penalty-free period to make payments for most provincially administered taxes.

“Ontario businesses have already contributed so much to the province’s fight against COVID-19,” said Peter Bethlenfalvy, Minister of Finance. “We recognize that these necessary capacity limits to reduce the transmission of the virus will impact businesses, and that’s why we are introducing these new supports, which will put money directly into the hands of business and free up their cash flows during this critical time.”

Officials say through the new Ontario Business Costs Rebate Program, eligible businesses will receive rebate payments equivalent to 50 per cent of the property tax and energy costs they incur while subject to the current capacity limits. This will provide support to businesses that are expected to be most impacted financially by the requirement to reduce capacity to 50 per cent. Examples of businesses that will be eligible for the Ontario Business Costs Rebate Program include restaurants, smaller retail stores and gyms. A full list of eligible business types will be made available through a program guide in mid-January 2022.

Online applications for this program will open in mid-January 2022, with payments to eligible businesses provided retroactive to December 19, 2021. Businesses will be required to submit property tax and energy bills as part of the application process.

“I commend business owners for pivoting quickly as we respond to the Omicron variant in our continued fight against COVID-19,” said Todd Smith, Minister of Energy. “It is essential that we support them during their time of need, and that’s why our new rebate program will provide them with the support they need right now on their energy bills.”

The province is also providing additional support to help improve cash flows for Ontario businesses by providing a six-month interest- and penalty-free period to make payments for most provincially administered taxes, supporting businesses in the immediate term while capacity restrictions are in place while providing the flexibility

Ontario businesses will need for long-term planning. The six-month period will begin January 1, 2022 and end July 1, 2022.

With this help, approximately 80,000 businesses will have the option to delay their payments for the following provincially administered taxes, helping them free up cash flow during these challenging times:

- Employer Health Tax
- Beer, Wine & Spirits Taxes
- Tobacco Tax
- Insurance Premium Tax
- Fuel Tax
- International Fuel Tax Agreement
- Gas Tax
- Retail Sales Tax on Insurance Contracts & Benefit Plans
- Mining Tax
- Race Tracks Tax

Ontario is also calling on the federal government to strengthen federal support programs to ensure businesses and workers have the support they need to weather this new challenge. This includes adjusting the eligibility requirements for the Government of Canada's Tourism and Hospitality Recovery Program and the Hardest-Hit Business Recovery Program to ensure more impacted businesses can apply, while also ensuring that businesses experiencing partial capacity restrictions can qualify for the Local Lockdown Program.

Ontario is also inviting the federal government to work together with the province to further help businesses that are struggling with cash flow challenges, by developing a program that would allow hard hit businesses to temporarily defer the remittance of HST, starting with a commitment to allow eligible businesses to defer HST collected in December, interest-free, for a period of up to six months.

