



Stakeholder Technical Briefing: Ontario Business Costs Rebate Program and Ontario COVID-19 Small Business Relief Grant

January 17, 2022

COVID 19 and Other Business Supports

- Providing up to \$7.5 billion through a six-month interest- and penalty-free period starting January 1, 2022 for Ontario businesses to make payments for most provincially administered taxes.
- Cutting wholesale alcohol prices to provide approximately \$60 million in annual support to restaurants, bars and other businesses licensed to serve alcohol.
- Making it easier for business to create and extend patios and permanently allowing licenced restaurants and bars to include alcohol with food as part of a takeout or delivery order.
- Supporting a reduction in Workplace Safety and Insurance Board (WSIB) premiums.
- Allowing businesses to accelerate write-offs of capital investments for tax purposes.
- Reducing the small business Corporate Income Tax rate to 3.2 per cent.
- Providing the Digital Main Street program, which helped more than 20,000 businesses across the province to increase their digital presence in 2020-21.
- Providing targeted COVID-19 support through the Ontario Tourism and Travel Small Business Support Grant.
- Lowering high Business Education Tax (BET) rates for job creators.
- Increasing the Employer Health Tax (EHT) exemption from \$490,000 to \$1 million.
- Providing targeted COVID-19 support through the Ontario Small Business Support Grant, which delivered \$3 billion in urgent and unprecedented support to over 110,000 small businesses across the province.
- Providing businesses impacted by public health restrictions with 100 per cent of their reported property tax and energy bills through the Property Tax and Energy Cost Rebates Program (October 2020 to July 2021).

\$10.1 billion in cost savings and support to Ontario businesses in 2021.

\$6.3 billion going to small businesses

24/7 Off-Peak Electricity Rates

- Starting January 18th residential, small business and farm customers will be billed at the off-peak rate for all electricity usage.
- All TOU and Tiered rates will be set to the off-peak rate of 8.2 ¢/kWh, less than half the current on-peak rate.
- This will last for 21 days, in line with the duration of public health measures.
- The average family will save 13% on their energy bills while in effect, saving the most during the morning and early evening.

Time of Day	Rate
Off-Peak (7pm – 7am)	8.2 ¢/kWh
Mid-Peak (11am – 5pm)	11.3 ¢/kWh
On-Peak (7am – 11am, 5pm-7pm)	17.0 ¢/kWh

Ontario Business Costs Rebate Program

Ontario Business Costs Rebate Program

The Ontario Business Costs Rebate Program (OBCRP) was announced on December 22, 2021 to provide support for property tax and energy costs to businesses that are most impacted by recently announced public health measures in response to the Omicron variant of COVID-19.

- OBCRP will support eligible businesses that are required to close or reduce capacity to 50% or lower (including a requirement to temporarily close) due to provincially-mandated public health measures.
- Eligible businesses will receive rebate payments for a portion of the property tax and energy costs they incur while subject to capacity limits/temporary closures. The rebate amount will be 50 or 100 per cent of these costs depending on the degree to which the business is subject to public health restrictions.
 - Eligible businesses required to **reduce capacity** to 50 per cent, such as smaller retail stores, will receive **rebate payments equivalent to 50 per cent** of their property tax and energy costs.
 - Eligible businesses required to **close** for indoor activities, such as restaurants and gyms, will receive **rebate payments equivalent to 100 per cent** of their property tax and energy costs.

Online applications open January 18, with payments to eligible businesses retroactive to December 2021 when restrictions first came into effect.

Who's eligible? Businesses that:

- are subject to a provincially mandated capacity limit of 50 per cent or lower (including a requirement to temporarily close);
- pay commercial (non-residential) property taxes and/or non-residential energy costs – either directly or through the property owner (as detailed in their lease); and
- are expected to be most impacted by the provincially-mandated capacity limit of 50 per cent or lower.

The following businesses are not eligible for the OBCRP:

- Businesses that do not pay business property taxes and/or energy costs, such as those with a gross lease or businesses operated out of residential properties;
- Landlords that do not own or operate a business on the applicable property that meets the eligibility criteria; and
- Businesses owned by the federal, provincial, or municipal government, or those owned by a person holding federal or provincial office.

OBCRP - Examples of Eligible Businesses

Business types that are eligible to apply for the Ontario Business Costs Rebate Program include the following:

- **Restaurants and bars**
- Personal care services (for example, **hair salons** and **barbershops**)
- **Retailers** less than 50,000 sq ft
- **Small grocery stores** less than 5,000 sq ft (for example, corner stores)
- **Gyms** and other facilities used for indoor sports and recreational fitness activities
- **Places of worship**
- Indoor **concert venues, theatres and cinemas**
- Indoor museums, galleries, aquariums, zoos, science centres, landmarks, historic sites, botanical gardens and similar **attractions**

See OBCRP Program Guide for a complete list.

OBCRP - Application Requirements and Timelines

- The application portal will require businesses to have a **Canada Revenue Agency (CRA) business number** in order to apply. If a business does not have a CRA business number, they will be directed to apply for one before they can proceed with their application.
- Additional information required to complete an application include:
 - **Indoor square footage** occupied by the business (including areas used for storage)
 - **Photograph** of the exterior of the business
 - For the property tax component, a digital copy of the 2021 final commercial (non-residential) **property tax bill or proof of costs associated with 2021 property taxes**
 - For the energy cost component, a digital copy of all pages of applicable **energy bills** (for eligible costs such as electricity, natural gas, propane and/or heating oil)
- If an application is missing information, the applicant will be contacted via email for more details.
- If an application is approved, the applicant will receive an email with information regarding payment details. It takes approximately 10 business days to process your payment once approved.

OBCRP Payment Sample

RESTAURANT APPLICATION

- **Example Restriction Assumptions**
 - 50% capacity limit from December 19 to January 4
 - Required to close starting January 5

Property Taxes

Annual property taxes are \$30,000
Monthly property taxes are \$2,500 (\$30,000/12)

Payment Period	Rebate Amount (\$)	Calculation
December 2021	1,250	\$2,500 x 50%
January 2022	2,500	\$2,500 x 100%
Total	3,750	

Energy Costs

First eligible bill \$1,000 and Second eligible bill \$1,200

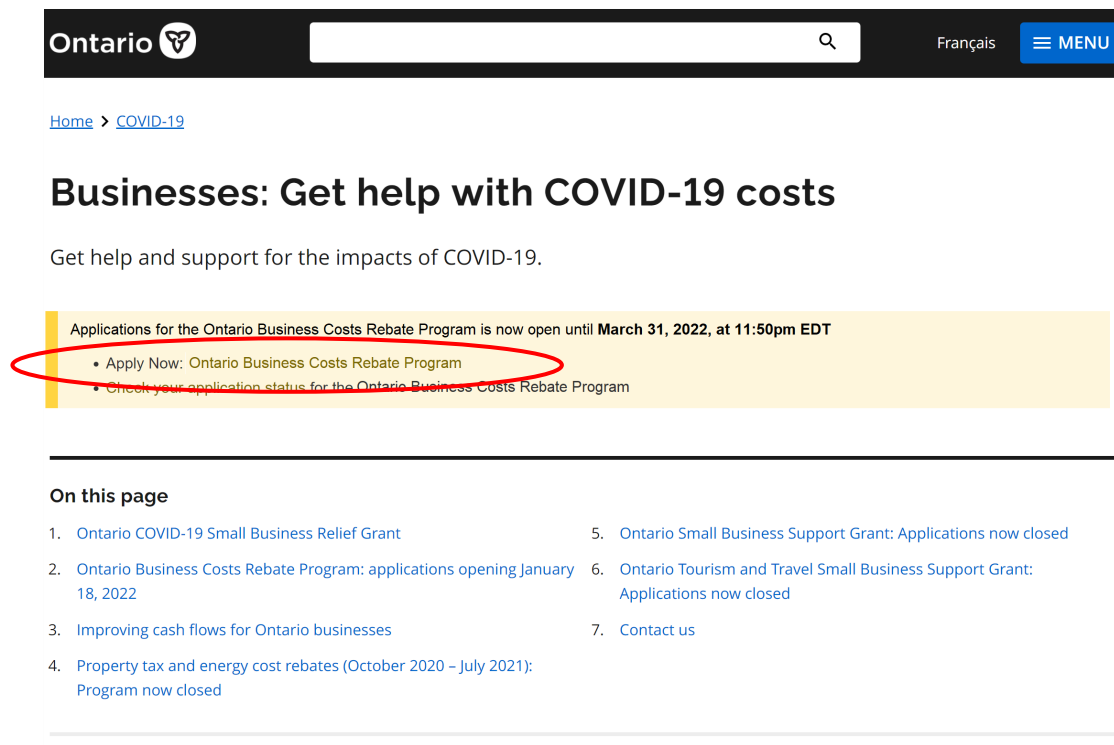
Billing Cycle	Rebate Amount (\$)	Calculation
First billing cycle	1,000	\$1,000 x 100%
2nd Billing cycle*	TBD*	
*Adding additional billing cycles take into account the number of days restaurants have capacity restrictions and the rate % capacity limits to approximate the total impact by business type		
Total	1,000	

OBCRP - Where To Find Program Information

- Program information will be posted on the Ontario.ca Covid-19 support site at the following link:

<https://www.ontario.ca/page/businesses-get-help-covid-19-costs>

- The page will have all the resources, including program guidelines and eligibility requirements
- Eligible business can apply by clicking the “**Apply Now**” link



Ontario

Français

Ontario Business Costs Rebate Program

Resume applicationGet help?

Apply for Ontario Business Costs Rebate Program

1

Business Information

2

Contact Information

3

Business Locations

4

Property Tax Details

5

Energy Cost Details

6

Review Information

7

Bank Details & Submit

Provide your business information

Legal Name of Applicant's Business (required)

Legal name of business must be identical to how it's registered with the Canada Revenue Agency (CRA). Ensure commas, periods, and/or symbols such as ampersands (&) are entered correctly.

Operating or Trade Name of Applicant's Business (required)

CRA Business Number (required)

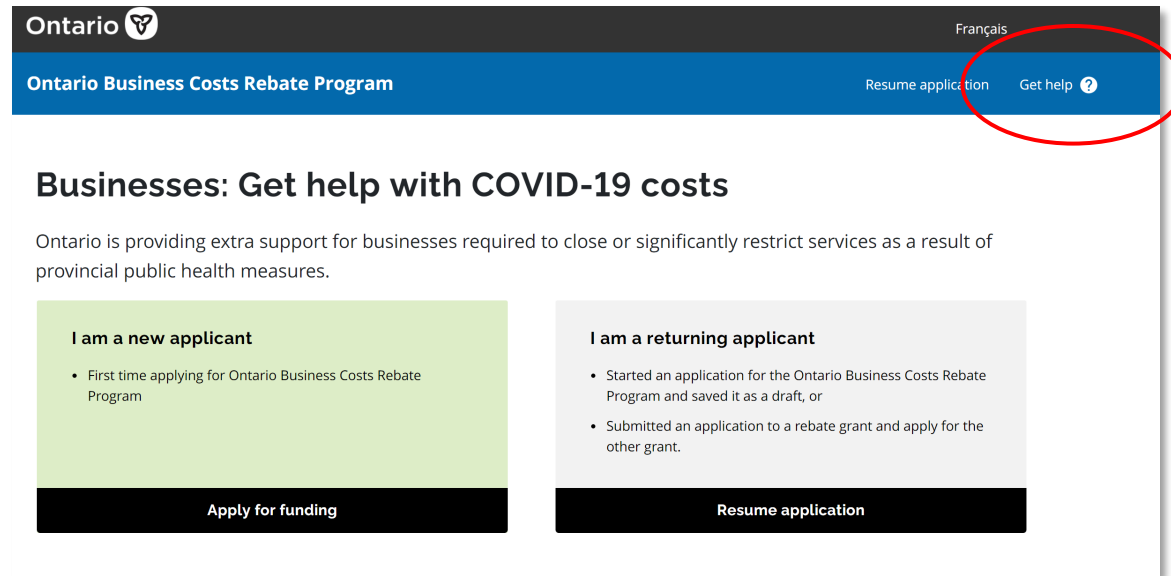
The first 9 digits of Applicant's Canada Revenue Agency (CRA) number

☐

I verify that the Legal Name and CRA Business Number I have provided are correct.

OBCRP - How to Get Help

- Applicants can click the “**Get help**” button for detailed FAQs or to reach out to the Contact Center with questions



- ServiceOntario contact centre:
Toll-free: 1-855-216-3090
TTY: 416-325-3408
Toll-free TTY: 1-800-268-7095
Monday to Friday from 8:30 a.m. to 5:00 p.m. (excluding government and statutory holidays).

Ontario COVID-19 Small Business Relief Grant

Ontario COVID-19 Small Business Relief Grant - Overview

Who gets it?

**Businesses with less than 100 employees
ordered to close indoor operations January 5**

How much do they get?

\$10,000

When can businesses apply?

**Qualified OSBSG recipients: pre-screened
late-January**

New applicants: early February

How soon could they see the money?

Qualified OSBSG recipients: early February

**New applicants: two weeks after approval
(late-February)**

Ontario COVID-19 Small Business Relief Grant - Details

Ontario will offer flat-rate grants of **\$10,000** to eligible small business owners impacted by the province's move to a modified Step Two of the Roadmap to Reopen.

The government recognizes that small businesses required to close indoor operations due to necessary provincial health measures will **need additional help**.

Small business owners can use this grant however makes the most sense for them: fixed costs, employee wages, maintaining their inventory.

Who's eligible? Businesses that:

- Were ordered to close indoor operations by the move to the modified Step Two of the Roadmap to Reopen on January 5, 2022.
- Have less than 100 employees at the enterprise level; and
- Can be expected to experience a revenue decline as a result of the restrictions.

~28,000 businesses will receive ~\$292 million

Ontario COVID-19 Small Business Relief Grant - Streams

Eligibility will be assessed in **two streams** to ensure funds are delivered quickly and efficiently.

Stream One: Eligible businesses that previously qualified under the Small Business Support Grant won't need to apply. Instead, they'll receive an email asking them to confirm their continued eligibility:

- Required to close January 5
- Still operational as of January 14th
- Still have less than 100 employees

Stream Two: Newly formed businesses or businesses that did not previously apply for OSBSG, or businesses that were previously ineligible need to provide information such as:

- A Master Business Licence
- Information about the business including sector, location, affiliations, number of employees
- Banking information
- Supporting documentation to demonstrate a 20% or greater revenue decline through revenue for December 2021 and revenue for January 2022

Funding application launches February, 2022

Ontario COVID-19 Small Business Relief Grant - Examples of Eligible Small Business Types

- Restaurants and bars
- Facilities for indoor sports and recreational fitness activities (incl. fitness centres and gyms)
- Racing venues, casinos, bingo halls and gaming establishments
- Meeting or event spaces
- Tour and guide services
- Performing arts and cinemas,
- Museums, galleries, aquariums, zoos, science centres, landmarks, historic sites, botanical gardens and similar attractions
- Conference centres and convention centres
- Driving instruction for individuals
- Before- and after-school programs