

Ontario Business Costs Rebate Program

On December 22, 2021, the Ontario Business Costs Rebate Program was announced to provide support for property tax and energy costs to businesses that are most impacted by recent public health measures.

- Eligible businesses that are required to close or reduce capacity will receive rebate payments for a portion of the property tax and energy costs they incur while subject to these measures.
- Eligible businesses required to reduce capacity to 50%, such as smaller retail stores, will receive a rebate payment equivalent to 50% of their property tax and energy costs.
- Eligible businesses required to close for indoor activities, such as restaurants and gyms, will receive a rebate payment equal to 100% of their costs.

This program is now **open for applications** and is retroactive to December 19, 2021, when the recent restrictions first came into effect.

Who's eligible? Businesses that:

- are subject to a provincially mandated capacity limit of 50% 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% or lower.

The following businesses **are not eligible** for the Ontario Business Costs Rebate Program:

- 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.

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

- Restaurants and bars
- Personal care services (i.e., hair salons and barbershops)
- Retailers less than 50,000 sq ft
- Small grocery stores less than 5,000 sq ft (i.e., corner stores)
- Gyms and other facilities used for indoor sports and recreational fitness activities

Click [HERE](#) to access the governments Program Guide for a complete list of eligible business types and instructions on how to apply, including application requirements.

Follow this link to apply – [Ontario Business Costs Rebate Program \(gov.on.ca\)](#)

NEW Ontario COVID-19 Small Business Relief Grant

On January 7, 2022, the Ontario government announced its intention to provide targeted relief for businesses and people impacted by the current public health measures surrounding the Omicron variant. As part of this plan, the government is introducing a \$10,000 grant for eligible businesses that are subject to closures under the modified Step Two of the Roadmap to Reopen.

Who's eligible? Businesses that:

- Were required to close indoor operations due to public health orders on January 5, 2022;
 - Have less than 100 employees at the enterprise level as of December 31, 2021; and
 - Be an active business as of January 14, 2022.
- **It is anticipated that there will be a need to demonstrate a revenue decline in order to meet the eligibility requirements. No official communication has been released as of yet noting the required decline, nor the relevant time period.

Eligible businesses that previously qualified for the Ontario Small Business Support Grant in spring 2021 will not need to apply to the new program. They will be pre-screened and will receive an email asking them to confirm their continued eligibility. Newly established and newly eligible small businesses will need to apply **once the application portal opens in the coming weeks**. Qualifying businesses can expect to receive their payment in February.

Improving cash flows for Ontario businesses

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. The six-month period will begin January 1, 2022 and end July 1, 2022.

Businesses will have the option to delay their payments for the following provincially administered taxes:

- 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

For a more detailed summary of the above programs, please visit the following website: [Businesses: Get help with COVID-19 costs | ontario.ca](https://www.ontario.ca/en/businesses/get-help-with-covid-19-costs)

To see this and our earlier correspondence concerning the economic relief measures enacted by the Government of Canada as well as the various provinces, please visit the [News and Highlights](#) section of our website.

Please continue to remain safe and healthy during this challenging time.