



TaxNewsFlash Canada

Alberta Offers COVID-19 Tax Relief for Businesses

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Businesses in Alberta will have more time to meet filing and payment deadlines for certain provincial taxes. The province recently announced plans to defer corporate income tax balances and instalment payments to August 31, 2020, cancel changes to education property tax and defer worker's compensation premium payments of some businesses to 2021, among other changes. Alberta is one of several provinces to defer taxation and payment deadlines in response to the COVID-19 situation.

Background

Alberta proposed several new tax measures in its 2020 provincial budget including changes to increase the education property tax rates by 3.1% in 2020-21. As a result, Alberta's residential/farmland rate would rise to \$2.64 per \$1,000 of equalized assessment (from \$2.56), while the non-residential rate would rise to \$3.88 per \$1,000 of equalized assessment (from \$3.76). For details see *TaxNewsFlash-Canada* 2020-06, "[Highlights of the 2020 Alberta Budget](#)".

Corporate income tax payments

Alberta announced that it will defer corporate income tax balances and instalment payments to August 31, 2020 (from March 19, 2020).

Education property tax freeze

Alberta has cancelled its changes to the education property tax rates that it previously announced in its 2020 provincial budget. As a result, these rates will be frozen at last year's level.

Alberta also announced that it will defer collection of non-residential education property tax for businesses for six months. Specifically, Alberta advises that it expects municipalities to set education property tax rates as they normally would, but defer collection. These deferred amounts will be repaid in future tax years.

WCB premium payment deferral

Alberta will allow private sector employers to defer Workers' Compensation Board (WCB) premium payments until 2021. Alberta advises that, for small and medium businesses, it will cover 50% of the 2020 premium when it is due in 2021. In addition, large employers will have their 2020 WCB premium payments deferred until 2021, at which time their premiums will be due.

Alberta notes that employers who have already paid premiums in 2020 are eligible for a rebate or credit.

Stay connected on the latest COVID-19 developments

We continue to watch tax and legal issues related to the evolving COVID-19 situation and will provide further information as it becomes available. For the latest developments, see our dedicated COVID-19 site, [The Business Implications of Coronavirus](#).

We can help

Your KPMG advisor can help you assess how COVID-19 may affect your tax obligations in light of these new announcements. We can also keep you abreast of any tax-related changes related to COVID-19 that you'll need to consider in the days and weeks ahead.

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