

Questions and Answers

Saskatchewan Tourism Sector Support Program (STSSP)

1. What is the Saskatchewan Tourism Sector Support Program (STSSP)?

The STSSP provides financial assistance to eligible businesses within the accommodations, tourism and events sectors who have experienced a revenue decline of 30 per cent or more as a result of COVID-19.

The program provides a one-time payment to eligible businesses. The payment that can be used for any purpose such as paying fixed costs, making business improvements, supporting safe re-opening, marketing to new customers, etc.

2. What types of businesses are eligible?

Businesses in the accommodations, tourism and events sector that are experiencing a significant decline in revenue (30 per cent decline from 2019) as a result of COVID-19 are considered for eligibility. Specifically:

- **Accommodation sector businesses**, including hotels, motels, bed and breakfasts, outfitters that provide accommodation, and seasonal resort businesses, but does not include businesses in the sharing economy, oil and gas mining camps, home or condo rental businesses, RV parks, campgrounds, hostels, hospices, or businesses owned or controlled by Government of Saskatchewan entities.
- **Attraction or tour sector businesses**, which include travel agents, guided tours, houseboat rentals, outfitters that do not provide accommodation, minor event facilities or attractions that normally bring visitors from outside the community in which the attraction is located, but does not include restaurants or retail businesses.
- **Event sector businesses** that have had to cancel their 2020 event and have hosted a tourism or business event for more than one year that attracts attendees from 25 kilometres outside the community in which the event is located, but does not include charity fundraisers, anniversaries or reunions, Canada Day celebrations, homecomings, seminars or clinics, or religious and political gatherings.
- **Major event sector business facilities**, including Regina Performing Arts Centre, EA Rawlinson Centre, TCU Place, Persephone Theatre, Globe Theatre, Conexus Arts Centre, Affinity Place, Prairie Land Park, Innovation Credit Union Plex, Gallagher Centre, Mosaic Place, Evraz Place, SaskTel Centre, Dekker Centre for Performing Arts, Brandt Centre.

3. What are the eligibility criteria?

Applicants must meet the following criteria to be eligible:

- they are a tourism business (i.e., in the accommodation sector, attraction or tour sector, event sector, or are a major event sector business facility);
- they maintain a permanent establishment in Saskatchewan;
- they were eligible to carry on business in Saskatchewan on February 29, 2020;
- they have experienced or will experience a decline of sales revenue from 2019;
- they intend to carry on business operations; and

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- they do not receive core funding from the Government of Saskatchewan.

The decline in sales revenue is considered as follows:

- For year-round tourism businesses or event businesses, the applicant would compare June 2020 sales revenue to average monthly sales revenue in 2019.
- For a seasonal business, the applicant would attest that bookings or sales revenue are expected to decline 30% when compared to 2019 (for example, if a business typically operates in the Fall).
- For an event business, the applicant would attest that their planned event for 2020 has been cancelled.

4. How are payments calculated?

For an accommodation business or major event sector business facility, the payment is calculated by multiplying the greater of the 2018 or 2019 average monthly sales revenue by 30%. The amount of financial assistance for accommodations and major event participants is a minimum of \$10,000, up to a maximum amount of \$50,000.

For an attraction or tour sector business, the payment is calculated based on number of employees (including the owner operator) employed in the past year as follows:

- \$7,500 for a business with 1-4 employees;
- \$10,000 for a business with 5-10 employees; or
- \$15,000 for a business with more than 10 employees.

For an event sector business, the payment is calculated based on the number of attendees the event sector business has attracted to their canceled event in past years as follows:

- \$7,500 when the event has typically attracted less than 2,500 attendees;
- \$10,000 when the event has typically attracted between 2,500 and 5,000 attendees; or
- \$15,000 when the event has typically attracted more than 5,000 attendees.

Businesses that are newly owned or those that have been carrying on business for less than six months will be assessed on a case-by-case basis.

5. Why is average of annual monthly revenue for either 2018 or 2019 used to calculate payment amount for accommodations or major events participants?

Acknowledging that the industry sees a high level of fluctuation in revenues from year to year, this approach will assist business in using their best year to calculate a payment.

6. How will the GOS verify eligibility?

Applicants will complete an application form and attest they have experienced a 30% loss in revenue and plan to continue to operate.

Applications may be audited following payment. Any payments that are deemed to be ineligible will be considered a debt owing to the Government of Saskatchewan and subject to collection processes outlined in *The Financial Administration Act*.

7. Why are there caps for the program?

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The maximum payment amount will ensure as many businesses in this sector as possible can be assisted within the program budget.

8. How soon can businesses apply? How soon can a business expect to receive payment?

Applications will be accepted starting Monday, August 24, 2020 at 2:00pm. Applications will be processed on a first-come first-served basis. Completed applications with all required attachments will be given priority. Providing direct deposit bank information on the application form will allow for faster payments.

The goal is to make payments within five business days of receiving a completed application.

9. Who is responsible for administering the program?

The Ministry of Finance will process applications, field inquiries, make payments, and audit the program. The Ministry of Trade and Export Development in consultation with Tourism Saskatchewan is responsible for program development and policy.

10. Are not-for-profits eligible?

If a not-for-profit business meets all of the eligibility criteria, they are eligible for the program.

11. Are campgrounds eligible?

Campgrounds, including privately-owned campgrounds and trailer parks, are not eligible for this program.

12. Is this program open to businesses that operate in Saskatchewan but are located outside the province?

To be eligible for the program a person, partnership, corporation, or cooperative must maintain a “permanent establishment” in Saskatchewan and carry on business in Saskatchewan on February 29, 2020. Permanent establishment is defined in *The Income Tax Act, 2000* (Saskatchewan).

13. How will businesses with multiple operating locations be treated?

Where a business has multiple locations, each location may be eligible for a separate payment. The amount of the payment will be calculated based on revenue for the business by location. Where this is not available, revenue will be calculated based on the overall business revenue divided by the number of properties.

14. Are franchisee or franchisors eligible for the program?

Franchisors would not be eligible for the program regardless of location. Franchisees that have a permanent establishment in Saskatchewan will be eligible.

15. How will hotels that include accommodations (eligible) and restaurants and retail stores (ineligible) be assessed?

All revenue will be included and considered when evaluating the decline in businesses revenue and program payment.

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16. Is a business eligible for this program if it received payment from other provincial or federal programs, including the Saskatchewan Small Business Emergency Payment Program (SSBEP)?

Yes, this program is stackable with other provincial and federal programs unless otherwise noted. Payments from other programs; however, will be considered as part of overall income when the income decline is calculated.

17. Can an applicant receive benefits under both the “accommodations and major events” and “events, attractions and tours” portions of the STSSP?

No, an applicant may only receive one stream of funding under this program (e.g., an accommodation applicant cannot qualify under the tourism/events component and vice versa).

18. Are payments from this program considered taxable income?

Yes, any payments that a business receives from STSSP are taxable. The Government of Saskatchewan approached the federal government about exempting these types of payments but the federal government declined.