

# Employment Insurance Refund Package



Your guide to navigating the EI refund process



**GRANTS INTERNATIONAL INC.**  
THE EI REFUND EXPERTS

FOR COMPANIES THAT EMPLOY FAMILY MEMBERS

[www.GrantsInternational.com](http://www.GrantsInternational.com) • Toll Free 1.888.999.2221

# Employment Insurance (EI) Refunds as Easy as 1-2-3

## Getting Started

- Step 1.** Read this information to determine if you qualify for a refund
- Step 2.** Fill out the Service Agreement on the last page
- Step 3.** Fax back to 204.989.5660

## The Grants International (GI) 1 Hour Refund Process

Fill out and fax back our Service Agreement on the last page.	15 minutes
Sign letters and applications going to the government. We prepare these for you.	10 minutes
Review the circumstances of your employment with a GI Customer Support Specialist.	15 minutes each
Participate in a telephone interview. We prepare you for this.	10 minutes each
Sign final application to get your EI refund. We prepare this for you.	10 minutes

***Your total commitment over the next 3-9 months is: 1 HOUR!***

## What You Get

- An in-depth understanding of the process – we ensure this.
- All the necessary paperwork completed, submitted and tracked for you.
- Refund cheques for both the company and each related employee.
- An exemption in writing from the government from ever having to pay EI premiums again.

**Get an EI refund of nearly \$8,000 per family member plus future EI savings of nearly \$2,000 per year.**

**Our Guarantee to You...  
“If You Don’t Save, You Don’t Pay!”**

# Save Thousands in EI Payments

*Don't wait until you are unemployed... if it is determined that your employment is not insurable, then you should not be paying premiums.*

*– Service Canada brochure titled: “If you work for a relative”*

Many people who work for or employ a relative don't know that they can't receive EI until the day they need it most – when they apply for it.

## Retroactive Refunds

To save you the most money possible, GI needs to receive your application this year. The law only allows for a refund up to 3 years from the year your application is submitted, plus the current year for a total of 4 years (nearly \$8,000 per family member). You must continue to make EI payments while we work through the process for you. By the time we are completed, you will recover all premiums paid subsequent to your application in addition to your refund. The gross recovery will be for close to 5 years of savings plus interest for both the company and all related employees.

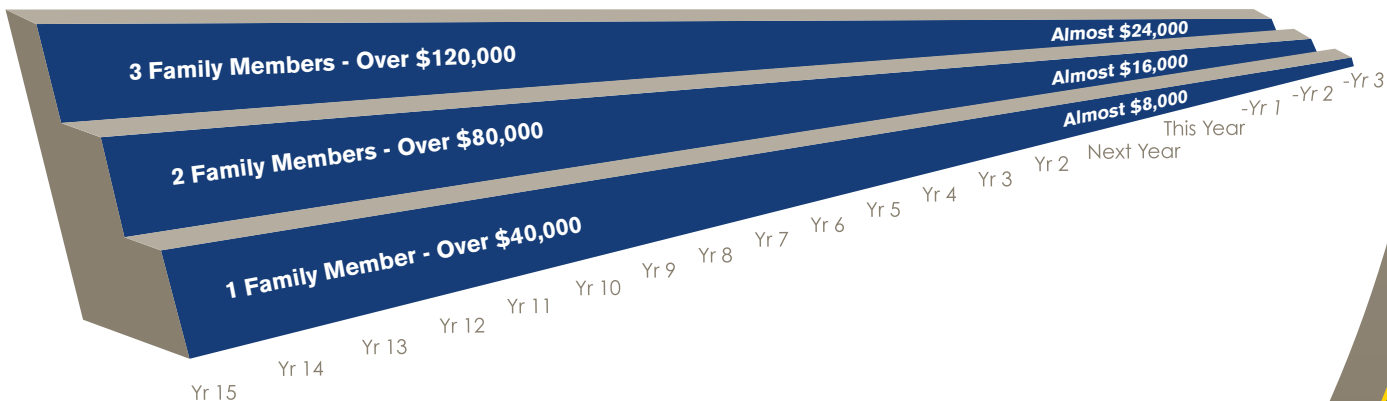
## Future Yearly Savings

EI rates are increasing. Savings generated from future payment exemption could total over \$40,000 per related person\* over the next 15 years.

*\* Based on maximum insurable earnings including company portion at 1.4x. Amounts are lower in Quebec due to QPIP.*

**Future Projected Savings**  
(over \$40,000/family member)

**Retroactive Refund**  
(almost \$8,000/family member)



# Read all about it...

## Don't get caught in EI snag

*Fanny Suissa learned the hard way that often people who've worked for family businesses can't claim employment insurance; fortunately, there are ways they can stop paying premiums*

"My mother was leaving work for personal reasons and when she applied for EI benefits, she was refused because she was a part owner of the company. No one in our family has ever benefited from EI." said her son, Sam Suissa whose mother discovered she wasn't eligible for EI despite paying premiums for 32 years.

Stephanie Whittaker, **The Gazette, Montreal**

## UI deductions yield nothing

Member of Parliament... says employers who employ family members in their businesses... are often instructed by Revenue Canada or by accountants to make employee deductions, even if it is questionable whether the employee would be eligible for Unemployment Insurance benefits.

Larry Kusch, **Winnipeg Free Press**

## Problems all relative

*Anne Howland says family businesses often pay EI premiums for no reason.*

Across Canada, companies that employ family members contribute close to \$1 billion dollars annually to the government's \$46-billion EI surplus.

But the Employment Insurance Act says insurable employees do not include relatives.

Unfortunately many businesses and employees don't know they are not eligible. The government has rules in place to avoid fraud in the system, but it's up to family businesses to know where they stand, because the government isn't going to turn their money down.

Anne Howland, **Ottawa Sun**

## Firm navigates bizarre EI maze

I suppose that...hiring a company like Grants International is analogous to having an accountant help with your taxes.

This (recovering EI premiums) ought to be a simple procedure. If the feds were to write a clear-cut rule, and if bureaucrats could be trusted to interpret it fairly, it would save a lot of time and expense.

But the rules aren't clear cut, and bureaucrats are by no means invariably helpful. Some seem too interested in collecting money for their employer, or finding ways to avoid paying it out.

Don Cayo, **Calgary Herald**

## No longer having to pay a premium

*Firm specializes in getting EI refunds for family businesses*

...the siblings heard about a company that specialized in collecting overpaid EI premiums for family-run firms. They hired it and got a refund, along with an exemption for paying future premiums.

Ellen Roseman, **Toronto Star**

## Company helps with EI refunds

Family members employed by the company are ineligible for EI if their terms and conditions of employment differ from those of a regular employee.

...bureaucrats often use the same arguments to ensure people contribute and then to deny them benefits.

Michael Kane, **The Vancouver Sun**

# Who is Eligible and Why?

## The Law

Here is the law from the Employment Insurance (EI) Act and the Income Tax Act as it relates to this recovery. We have condensed Part 1, Paragraph 5, Subsection (2)(i) of the EI Act into layman's terms as follows:

***“Insurable Employment does not include... related people.”***

The government has identified people with close family ties as trying to take advantage of the employment insurance system. This law is in place to prevent fraudulent EI claims.

***“...Quite clearly the purpose of this legislation is to safeguard the system from having to pay out a multitude of benefits based on artificial or fictitious employment arrangements”***

Judge Porter, Tax Court of Canada  
Crawford & Co. Ltd. v. M.N.R.

## What This Means to You

Paying EI premiums does not guarantee your family will be eligible for EI benefits. Relatives of business owners are being denied EI benefits simply because they are related to the owner. Therefore, the related employees and the business may both be entitled to receive an EI refund and an exemption from ever having to pay EI again!

## Who are “Related People”?

People (employees) related to the owner of the business by blood, marriage, or adoption are qualified to apply for an EI refund and exemption. According to Part XVII, Paragraph 251, Subsection (6) of the Income Tax Act, this includes all of the following relations:

<b>Sons and Daughters</b>	Including son/daughter in-laws, step-children, and grand-children
<b>Wives and Husbands</b>	Including Common-Law partners filing tax returns together
<b>Mothers and Fathers</b>	Including mother/father in-laws, step-parents, and grand-parents
<b>Brothers and Sisters</b>	Including brother/sister in-laws, step-brothers and step-sisters

Related employees DO NOT have to own any shares in the business to qualify for this recovery.

## Incorporated or Not, All Businesses Qualify

<b>Every Industry</b>	Agriculture, Construction, Manufacturing, Retail, Service, Transportation, etc.
<b>Every Structure</b>	Incorporated, Limited, Sole-Proprietor, Partnerships, Public.

In the case of multiple owners, your family must have a combined ownership of greater than 50% of the company.



# No Refund, No Charge. Guaranteed.

- No hourly fees.
- No up-front fees.
- No hidden costs.
- No recoveries for disbursements.

We won't charge you a cent until you have your refund cheque in hand.



Our Guarantee to You...

**If You Don't Save,  
You Don't Pay!**

# The Problem with the EI System

The rules are unfair. Business owners are instructed by the government to pay Employment Insurance premiums on related employees because they may be eligible. The government then uses the fact that there are family ties to deny benefits to these same people.

***“...the fact that the power is partly discretionary makes it quite unfair in a self-assessing system. Persons must decide whether to pay premiums and risk that the Minister will refuse benefits.”***

Justice Woods, Tax Court of Canada  
C&B Woodcraft Ltd. v. M.N.R.



Businesses need to be aware that paying EI premiums on related employees does not make them eligible for EI benefits.

Typically, related employees only find out they're not eligible for benefits when they apply for EI. Worse yet, some related employees pay into the EI system for their entire careers without ever knowing whether or not they were ever eligible for benefits.

## Grants International...we make it easy!

If your employment situation should be exempt from paying EI premiums, you qualify for a refund. However, getting an EI refund is a difficult, complex and time-consuming task. Enduring this process without experienced professional assistance is like going to court without a lawyer.

At Grants International, we specialize in Employment Insurance refunds. We know and completely understand all of the intricacies involved in the process of getting you an EI refund. GI deals with the government on your behalf, saving you valuable time and money. We handle all of the paperwork and details involved in the recovery process to ensure that everything is done properly the first time. At Grants International, we make getting your EI refund easy!

***Since 1991, we have saved over 15,000 Canadian family businesses and related employees more than \$75,000,000 in EI premiums.***



# Frequently Asked Questions

For more FAQs visit [www.GrantsInternational.com](http://www.GrantsInternational.com)

## What happens if I just stop paying the premiums?

**DO NOT STOP PAYING!** The consequences of stopping deductions without following the correct procedures may include additional assessments, interest, penalties, and the loss of your refund.

We will not only maximize your refund of past payments as far back as the law will allow, but we will also get you a written decision from the government ensuring that you will not have to make these unfair deductions and payments in the future.

## What if I am a minority shareholder of the business. Does it still apply?

Yes, it may still apply if more than 50% of the voting shares are controlled by people who are related to each other – forming what is called a related group. This situation must be reviewed to ensure there are no unnecessary premiums being paid. Employees who are related to anyone in the related group of shareholders (even the minority shareholders) should also find out if they qualify for a refund.

## I don't think it's worth pursuing, why should I bother?

It may seem small if you look at the EI premiums paid by one individual for one pay period. However, the retroactive refund for the individual and the company can add up to almost \$8,000. If the related employee works there for another 15 years, the future projected savings can add up to over \$40,000. If there are three (3) related employees in the business, that's a combined savings of over \$120,000 that stays in your family's pocket!

## Why did my Accountant not know about this or do it for me?

Accountants are experts at interpreting and applying the Income Tax Act and may not be familiar with or have the time or experience to fully commit to dealing with the unfair bureaucratic process involved in successfully obtaining an EI refund. Unlike the black and white nature of most income tax rules, the section of the EI Act that deals with eligibility is quite subjective and the bureaucrats involved often interpret it in an arbitrary fashion. Without a tremendous amount of experience with the process, it is very easy to be misled or misunderstood. In fact, several accountants refer their clients to us for our expertise in this area and to ensure their clients get the best available service.

## My Accountant said this doesn't apply in our situation and you say it does. Who's right?

If you are related to the owner of the business or if you are the owner and you employ any relatives, our service does indeed apply if you are deducting or paying EI premiums. The law states: "Insurable Employment does not include... related people." Any time you work for or employ family you owe it to yourself to find out whether or not you need to be paying EI premiums. If this sounds like it applies to your situation give us a call and speak to one of our Refund Specialists for expert advice. You have nothing to lose and everything to gain.

## Will this trigger an audit?

Not once since we started doing business in 1991, or among the thousands of applications we have submitted, has a customer ever told us our work has led to an audit.

## Why should I use Grants International?

Having a professional deal with the government for you saves you time and money. It's a very bureaucratic and time-consuming process. We fully understand how the process works and the rules involved in order to properly protect you. This is why we recommend you hire someone with expertise to get it done properly the first time. Grants International are the experts. We know how to get EI refunds and exemptions for family businesses, we've been doing this since 1991, and we've made thousands of applications on behalf of our customers to date. When you hire Grants International, we save you time by doing all the work for you and ensuring you understand the process so you get a successful outcome. Best of all, we guarantee that if you don't save, you don't pay.

## Why can I only go back 3 years on a refund?

**THAT'S THE LAW!** However, it is actually closer to 5 years that you will be getting back. The law only allows for a refund of the previous 3 years plus the current year which works out to a retroactive refund of 4 years. By the time the entire procedure is complete, we will also be recovering the EI payments you make next year giving you close to a 5 year refund.

## Does the company get their money back as well?

Yes. When we win, the company will get their portion back as well. Companies contribute 1.4x what each employee contributes and both will get their refund plus interest on the overpayments. Then neither will have to pay EI premiums in the future.



# No one says it better than our past customers!



**"Grants International is a wonderful service to business owners. There was no red tape or bureaucratic delays at all. The entire process was efficient, fast and painless. And best of all, they've enabled me to save thousands of dollars."**

– JoAnne Anderson,  
Narnia Books  
Vancouver, British Columbia

**"Wish we had learned of this 20 years ago!"**

– Fred A. Webb  
Webb Outfitting  
(NWT) Limited  
Pritchard, British Columbia

**"Straight forward and easy to do. A great service to the small business owner."**

– Walt Skrepyk  
Millwoods Dental Centre  
Edmonton, Alberta

**"It was very nice to have all avenues covered by Grants International, very little work had to be done by us. We received our refund quickly and are now set up for the future savings."**

– Dawn Wutzke  
Saskatoon Truck Parts  
Saskatoon, Saskatchewan

**"Grants International stood by what they said - If I don't save, I don't pay. They knew what to say, when to say it, and who to say it to. They got the job done quick and got me my money back."**

– Howard Raber  
Raber Glove  
Manufacturing Co. Ltd.  
Winnipeg, Manitoba

**"Grants International has been financially beneficial to all family members in our company. They looked after all the paperwork and helped us to recover old money as well as saving us money in the future."**

– Susan Tomowich, Creighton Rock Drill Ltd.  
Mississauga, Ontario

**"Our experience with Grants International was very positive. They walked us through all the stages and then looked after all the paperwork. They made life easy for us!"**

– Crystal Cummings  
Metalfab Ltd.  
Centreville, New Brunswick

**"Grants handled the process well and backed us along the way."**

– Ellen Kleinman  
Dr. Ezra Kleinman  
Laval, Quebec

**Visit [www.GrantsInternational.com](http://www.GrantsInternational.com) to read hundreds more testimonials and hear how we navigated the process of getting an EI refund for some of our past customers.**

# Who is Grants International?

Darren Earn, President and founder of Grants International, started the business in the early 90's after conceiving the idea for a university class project in 1989. The first grant he started with helped bakeries access a federal government subsidy for butter. As a result of this successful initiative, GI expanded its scope of activities to include other government grants.

The company started in 1991 when Darren entered thousands of government programs into a searchable database. GI had streamlined the bureaucratic application process for many grant applications and refund programs. In fact, as is the case with every application, GI clients only have to pull the receipts or other information that we request, sign the application forms that we prepare and submit, and then deposit the cheques that the government sends directly to them. It's that simple!

As GI continued to grow, they discovered Employment Insurance refunds and since the first application made back in the early 90's, GI has saved thousands of Canadian business owners and their related employees millions of dollars in EI premiums.

GI is devoted to saving companies money in ways that require minimal time input from its clients. GI has always worked on a percentage of the savings and has never charged a fee until the client has a refund cheque in hand. "I don't want people to have to pay me if we're not successful, it should always be a win-win situation." says company President Darren Earn.

Today, GI is the Employment Insurance refund expert for business owners and their related employees and it is our primary area of expertise.

Grants International has saved 15,000 Canadians over \$75,000,000 in EI premiums.



**GRANTS INTERNATIONAL INC.**  
**THE EI REFUND EXPERTS**

Toll Free: 1-888-999-2221

E-mail: [info@GrantsInternational.com](mailto:info@GrantsInternational.com)

Fax: (204) 989-5660

Website: [www.GrantsInternational.com](http://www.GrantsInternational.com)

500 - 309 McDermot Ave., Winnipeg, MB R3A 1T3

**Our Guarantee to You...**  
**"If You Don't Save,  
You Don't Pay!"**

# SERVICE AGREEMENT

Fill out and Fax back to: (204) 989-5660  
 or Scan and Email to: Info@GrantsInternational.com  
 or Mail to: 500 – 309 McDermot Ave., Winnipeg, MB R3A 1T3



**GRANTS INTERNATIONAL INC.**  
**THE REFUND EXPERTS**

- GI Works For You** – By signing this agreement, Client (the business named below) employs Grants International Inc. (“GI”) to attain Savings (defined in Section 2), authorizes GI to represent Client and agrees to pay Fee Calculation (defined in Section 3) to GI if Savings attained.
- Savings** – Employment Insurance (“EI”) savings represents the value of the EI premiums saved up to the end of the year in which the related employee(s) listed below receives his/her EI refund. Savings include refunds, credits and recovered interest attained due to the services of Grants International Inc.. Savings apply to all pre-tax amounts received by all associated businesses and all related employees listed in this Service Agreement. If the related employee(s) is no longer employed, savings only apply to the date their employment ended.
- Fee Calculation** – Client agrees to pay GI 30% of Savings.  
 Fee is due upon receipt of Savings. Sales tax extra. Client agrees that overdue accounts will be charged interest at 2.75% per month compounded monthly.
- Guarantee** – “If You Don’t Save, You Don’t Pay”. If there are no Savings, there is no fee.
- GI Deals Exclusively With The EI Act** – Client understands and acknowledges that GI is being retained to deal exclusively with employment insurance refunds. GI offers no advice or representations whatsoever, with respect to income tax or any other legislation, apart from employment insurance. GI makes no warranties or representations as to savings or outcome, and may terminate this agreement at its sole discretion with no liability. GI is not liable for any misrepresentations made by the Client to GI or to the government.
- Jurisdiction** – In the event of a disagreement, the Courts of Manitoba shall have exclusive jurisdiction and the laws of Manitoba will govern.
- CONFIDENTIALITY** – All information provided by Client to GI will be held in the strictest of confidence between Client, GI, GI’s counsel and the government. GI will not release any of your information to any other sources.

**Instructions:** Please complete the Service Agreement below. If related employees are on the payroll of more than one business where they are related to the Owner, then we need a separate Service Agreement for each business. (please make copies if necessary)

Legal Name of the Business				Business Number. First 9 digits are same as GST # BN can be found on payroll deduction forms or GST forms			
Operating Name of the Business				R P 0 0 0			
Address				Phone ( )			
City/Town		Province	Postal Code	Fax ( )			
<b>Owner(s) of the Business:</b>				<b>Choose your answer:</b>			
Print Name of Owner(s)		% Ownership	Relation to Majority Owner	Is the business currently operating? .....		Yes ( )	No ( )
				Does business owe any money in arrears to the CRA? ...		( )	( )
				Did each person listed below receive a T4 for each year being claimed? .....		( )	( )
				Does each person listed below perform reasonable work for the wages or salary they receive? .....		( )	( )
<b>List the related employee(s) that are paying / paid Employment Insurance:</b>				<b>Employee’s EI premiums paid:</b> (Can be found in Box 18 on T4’s)			<b>EI Collected or EI Ruling before?</b>
Print Name of Related Employee(s) <small>(Related employees paying EI do not have to own any shares in the company)</small>		Relation to Owner	Year Started	Social Insurance Number	Last Year 2019	2 Years Ago 2018	3 Years Ago 2017
					\$	\$	\$
1.					\$	\$	\$
2.					\$	\$	\$
3.					\$	\$	\$
I authorize GI to sign our application on our behalf in the event that a deadline is approaching and we (the client) are unavailable. Please check one: <input type="checkbox"/> SIGN on our behalf <input type="checkbox"/> DO NOT SIGN on our behalf							

**Client Signature** (by someone authorized to sign for the business)

Name (please print): \_\_\_\_\_

Date: \_\_\_\_\_

Position: \_\_\_\_\_

Signature: \_\_\_\_\_

Email address: \_\_\_\_\_

**If You Don’t Save, You Don’t Pay!**

Providing Email equals acceptance of commercial electronic messages. Unsubscribe anytime.