



CDAP Grow Your Business Online Stream  
Micro-grant of up to \$2,400 via reimbursement before tax

### Eligible and Ineligible Costs

#### **Eligible costs include, but are not limited to the following:**

- Costs related to the implementation or improvement of a digital e-commerce plan (e.g., online reservation/booking tools, online ordering systems, electronic payments)
- Costs related to website search optimization (SEO)
  - Note: plan cannot be used solely for website search optimization, it needs to be tied to overall e-commerce implementation plan, and not a standalone item
- Costs related to the installation of an e-commerce platform (including subscription fees/costs)
- Costs of back-office solutions to support an e-commerce strategy
- Costs of social media advertising (**Note:** The plan cannot be strictly social media advertising; it needs to tie into overall e-commerce implementation plan)
- Costs related to the creation of customer databases
- Hiring a consultant/agency to execute digital marketing initiatives related to your e-commerce store
- Development of a new e-commerce website
- Upgrading existing e-commerce site for added functionality (i.e., new plugins, or features) **Note: Redesign of an existing site is not eligible**
- E-commerce software including:
  - Software to track and manage product inventory, as well as fulfill and ship orders
  - Software for product databases
  - Software to track sales, market to customers, offer discounts, maintain a loyalty program
  - Software to simplify marketing
  - Cybersecurity software or certifications
- Hardware and accompanying software up to 20% of the total grant amount
  - Examples of limited coverage for software would include software that is bought with equipment that is required to support an e-commerce strategy. For instance, if a small business buys a new e-commerce integrate point of sale (POS) system that costs \$1,300, CDAP will cover 20% or \$260.

**Please Note: All eligible costs must be directly tied to the sale of goods and services online (i.e., online reservations/ordering or chat bot function on website), and you will need to clearly outline this in your application.**



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**Ineligible costs include, but are not limited to the following:**

- Costs related to the shipping of goods purchased through the e-commerce platform
- Purchases made prior to grant approval
- Office software (e.g., Microsoft Office, iWork, Google Workspace, etc.)
- Renewal of digital services such as domain name, software subscription etc.
- Signage and printing
- **Logo redesign and rebranding**
- Business Owner's salary or current employee salary for executing the project
- Costs of land, building or vehicle purchase
- Costs of intangible assets such as goodwill, whether capitalizes or expensed
- Depreciation or amortization expenses
- Interest on invested capital, bonds, or debentures
- Bond discount
- Monthly mortgage, loan and/or rent payments
- Refinancing of an existing debt
- Losses on investments, bad debts, and any other debts
- Fines or penalties
- Costs related to litigation
- Fees for administrators including payments to any member or officer of the Recipient's Board of Directors
- Opportunity costs
- Hospitality and entertainment costs
- Franchise fees and/or franchise license costs
- Lobbyist fees
- New capital expenditure
- Consulting fees for submission of CDAP application or any costs not related to the acquisition or set up of technology solution



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## **Additional Policies regarding CDAP related purchases/costs and grant application:**

### **Receipt Submission:**

To submit an invoice of eligible costs and proof of payment to the Service Provider, receipts must be submitted within three (3) months of acceptance to the program.

**Non-arm's length transactions** made between CDAP recipients and their chosen service providers will not be reimbursed as per ISED CDAP policy

- A transaction made between related parties as described in Section 251 of the Income Tax Act, which defines related personas as individuals connected by blood relationship, marriage, or adoption, and any situation involving different degrees of control by these persons or corporations

### **\*Attestation in place of documentation:**

CDAP recognizes an attestation for the one-employee requirement rather than requesting documentation. In order to confirm eligibility a business must complete an attestation and check off one of the three sections:

#### **One-Employee Requirement**

1. The Business has employed at least one employee (other than the owner) for at least three months prior to the application.

OR

#### **Revenue Threshold Requirement**

2. For businesses that have been in operation for less than 80 weeks who have not yet filed their first year's taxes or received their CRA

The Business has had a gross revenue of at least \$30,000 in the last 12 months of operations or since incorporation/registration.

3. For businesses that have received a CRA Notice of Assessment

The Business has a gross annual revenue of at least \$30,000 in the previous fiscal year.

### **Two Meeting Policy**

Under the Two Meeting Policy, if a business cancels two meetings without rescheduling, or does not attend the meetings without prior notice, the match will be ended as



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advisors are a limited resource. Businesses are still eligible to submit receipts for reimbursement, however, they will not be rematched with an advisor.