

COVID-19 STIMULUS PACKAGES



1ST INSTALLMENT \$10K—\$50K TAX FREE PAYMENT

- ◆ <\$50m turnover
- ◆ Held an ABN on 12/3/20
- ◆ Carrying on a business and earned accessible income in 2019 Fin Year OR Made supplies in course or further of an enterprise starting 1/7/18 and ending before 12/3/20
- ◆ Based on 100% of PAYGW amount in BAS Jan—June 2020
- ◆ Integrity Measures (BE AWARE!)



2ND INSTALLMENT \$10K-\$50K TAX FREE PAYMENT

- ◆ <\$50m turnover
- ◆ Same tests as per 1st Installment
- ◆ Based on 100% of PAYGW amount in Installment 1 and paid in activity statement from July '20 to October '20



50% SUBSIDY APPRENTICE WAGES

- ◆ Wage subsidy of 50% of apprentice or trainee wages for up to 9 months from Jan'20-Sep '20.
- ◆ If SME not able to retain apprentice subsidy available to new employer
- ◆ Maximum benefit \$21k per apprentice or trainee
- ◆ Available to SME employing fewer than 20 employees who retain an apprentice or trainee.
- ◆ Can register from 2 April 2020
- ◆ Final claim lodged by 31 December 2020



TAX PAYMENT DEFERRAL—ATO

- ◆ Ability to vary Mar 2020 PAYGI to NIL
- ◆ Ability to claim a refund for PAYGI for Sep '19 and Dec 19
- ◆ Ability to remit any interest and penalties incurred on or after 23 Jan '20
- ◆ Assisting business to pay ATO debts including low interest payment plans
- ◆ Quarterly reporters can opt for monthly to get access to GST refunds quicker.



ACCELERATED DEPRECIATION

- ◆ <\$500m turnover
- ◆ Not using simplified depreciation rules
- ◆ 50% deduction of the cost
- ◆ Existing depreciation rules apply to the balance
- ◆ Asset must be installed and ready for use by the 30/6/21



GOVERNMENT BACKED LOANS—SME GUARANTEE SCHEME

- ◆ <\$50m turnover
- ◆ 50% guarantee on new loans for SME's up to \$250K
- ◆ Financial institutions will be providing the products
- ◆ Operates from 1/4/20-30/9/20
- ◆ 3 year term. Initial 6 month repayment holiday
- ◆ No security required.



INSTANT ASSET WRITE-OFF \$150K

- ◆ <\$500m turnover
- ◆ Asset must be installed and ready for use by 30/6/20
- ◆ Only applies to 30/6/20



EARLY ACCESS TO SUPERANNUATION

- ◆ Access \$10k before 1 July 2020
- ◆ Access a further \$10k from 1 July '20—24 Sep '20
- ◆ Must be employed
- ◆ Eligible to receive job seeker payment, youth allowance for job seekers, parenting benefit, special benefit or farm household allowance.
- ◆ On or after 1 Jan 2020 either:
 - made redundant
 - working hours reduced by >20%
 - sole trader turnover reduced by >20%



JOBKEEPER PAYMENT

- ◆ Claim \$1,500 per fortnight including self employed individuals for each worker that is employed.
- ◆ Includes all employees as 1/3/20
- ◆ Maximum period 6 months
- ◆ Turnover <\$1BN and turnover reduced by 30% relative to comparable period 1 year ago
- ◆ Turnover >\$1BN and turnover reduced by 50% relative to a comparable period 1 year ago
- ◆ Not subject to Major Bank Levy.