

Stimulus Packages COVID-19

Boosting cash flow for employers

- <50m turnover – eligibility based on prior year turnover
- Active employers established before 12th March 2020
- Cash Payments of up to \$100,000 help pay wages or hire extra staff
- Minimum of \$20,000 for all employers, even if they are not required to withhold tax
- First payment will be as an automatic credit for March 2020 BAS from 28th April 2020
- An Additional Payment for the businesses that maintain their activities will be applied in June 2020 and September 2020 BAS's

Instant Asset Write Off

- <\$500m turnover
- Threshold increase from \$30k to \$150k
- Asset must be installed and ready for use by 30th June 2020
- Only applies until 30th June 2020

50% Subsidy Apprentice Wages

- Wage subsidy of 50% of apprentice or trainee wages for up to 9 months from January to September 2020
- The apprentice or trainee must have been in training with a small business as at 1st March 2020
- Available to SME employing fewer than 20 full-time employees who retain an apprentice or trainee
- Maximum of \$21,000 per apprentice or trainee (\$7,000 per quarter)
- Registration starts 2nd April 2020
- Final claim can be lodged by 31st December 2020

ATO Tailored Support Measures

- Option to vary PAYG income instalment for March 2020 to Nil
- Option to claim a refund for PAYG income instalment for September and December 2019 quarters
- Ability to remit any interest and penalties incurred on or after 23rd January 2020
- Assisting businesses to pay ATO debts including low interest payment plans
- Quarterly reporters can opt in for monthly reporting to get access to GST refunds faster

JobKeeper Payment

- Claim \$1,500 per fortnight for each employee - including self-employed
- Must register an intention to apply on the ATO website
- Must have the turnover reduced by more than 30% relative to a comparable period a year ago (of at least a month) for businesses with turnover < \$1bi
- Business not subject to the Major Bank Levy
- Employment must have been active at 1 March 2020
- Employees must be full-time, part-time, or long-term casual employed for longer than 12 months as at 1 March 2020
- Employees must be at least 16 years of age, must meet residence requirements and must not be in receipt of a JobKeeper payment from another employer

Accelerated Depreciation

- <\$500m turnover
- Must not be using simplified depreciation rules
- 50% deduction of the cost of the asset
- Existing depreciation rules apply to the balance
- Asset must be installed and ready for use by 30th June 2021

SME Guarantee Scheme

- <\$50m turnover
- 50% government guarantee on new loans for SME's up to \$250k
- Operates from 1st April 2020 to 30th September 2020
- 3 years term – Initial 6 months repayment holiday
- Unsecured Loans – no need to provide an asset to secure the loan

Early Access to Super

- Access \$10k before 1st July 2020 and \$10k after 1st July 2020
- Apply via myGov from mid-April
- Must meet one of the following:
 - o Eligible to receive job seeker payment, youth allowance or youth allowance
 - o Unemployed
 - o On or after 1 January 2020 either:
 - Made redundant
 - Working hours reduced by at least 20%
 - Sole trader turnover reduced by at least 20%