



COVID-19 STIMULUS PACKAGE ANNOUNCEMENTS

Information current as at 26th March 2020

	Details	Who	From	How To Access	Period Covered	Notes	Link
Income Support for individuals	<p>Jobseeker payment and Coronavirus supplement.</p> <p>Coronavirus supplement is an additional \$550 per fortnight.</p>	Available to employees who have been stood down, sole traders, self employed, casual workers, contract workers.	From April 2020.	Apply - Centrelink.	Next 6 months.	<p>The government will provide easier access by temporarily waiving some requirements such as the assets test, the ordinary waiting period and the liquid assets test.</p> <p>Note: Family income test will still apply but it is being looked at by the Commonwealth Government.</p>	Link
Payments for Households	Two separate payments of \$750 each.	Individuals.	From 12th March 2020.	Automatic.	<p>First payment to be paid between 12th March and 13th April 2020.</p> <p>Second payment to be paid from 10th July 2020.</p>	<p>To be eligible you must receive one or more of the following; Age Pension, Disability Support Pension, Carer Payment, Parenting Payment, Wife Pension, Widow B Pension, ABSTUDY, Austudy, Bereavement Allowance, Newstart Allowance, Youth Allowance, Partner Allowance, Sickness Allowance, Special Benefit, Widow Allowance, Family Tax Benefits, Carer Allowance, Pensioner Concession Card Holders, Commonwealth Seniors Card Holders, Veteran Pensions and gold card holders, Farm Household Allowance.</p>	Link
Apprentices & Trainees	Wage subsidy of 50% of apprentice wages up to \$21,000 during the 9 month period from 1 st January – 30 th September 2020 (\$7,000 per quarter).	Business - Employers.	From early April 2020.	Application – Contact 'Australian Apprenticeships' www.australianapprenticeships.gov.au	<p>1st January to 30th September 2020.</p> <p>Register by 31st December 2020.</p>	Businesses must have <u>fewer than 20 full time employees</u> who retain an apprentice or trainee. The apprentice must have been training with the small business as at 1st March 2020.	Link
ATO	<p>Variation of PAYG Instalments to be made on next activity statement to ZERO and claim a refund of any instalments made for the September 2019 and December 2019 quarters.</p> <p>Re-negotiation of ATO payment arrangements down to nominal levels.</p> <p>Allow businesses on quarterly reporting cycle to change to monthly to get quicker access to refunds.</p>	Business.	From early April 2020.	<p>Application – PAYG Instalment variation on next BAS.</p> <p>ATO Payment Plans via discussions with ATO.</p>	Ongoing.	Please contact us if assistance is required in relation to these.	Link

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	Deferring due dates of activity statements, income tax assessments and FBT for up to four months.						
PAYGW Cash-Flow Boost for Employers	Payment equal to 100% of PAYG withheld ('PAYGW') on salary and wages. Payments of \$10,000 up to \$50,000.	Business - Employers.	From March 2020 BAS.	Automatic. ATO will apply credit to integrated client account via BAS. Any excess will be refunded within 14 days.	March 2020 - June 2020 (Refer link for monthly/quarterly BAS/IAS lodgement).	Calculated as 100% of PAYGW from wages up to a maximum of \$50,000 for March to June 2020 BAS/IAS lodgements. Minimum \$10,000 if paying wages in March 2020 BAS.	Link
'Additional' Cash-Flow Boost for Employers	Payments of \$10,000 up to \$50,000 for businesses who have employees based on amount paid for 'PAYGW' Cash-Flow Boost for Employers.	Business - Employers.	From June 2020 BAS.	Automatic. ATO will apply credit to integrated client account via BAS. Any excess will be refunded within 14 days.	June 2020 - September 2020 (Refer link for monthly/quarterly BAS/IAS lodgement).	Amount equal to the initial PAYGW Cash-flow boost for employers \$10,000 to \$50,000. i.e. a second amount paid in addition to the initial amount.	Link
Asset Instant Write Off	The instant asset write-off threshold has been increased from \$30,000 to \$150,000 for new or second hand assets installed and ready for use between 12th March 2020 and 30th June 2020.	Business.	From 12th March 2020.	Claim on tax return.	12th March 2020 to 30th June 2020.	Instant asset write off threshold to reduce to \$1,000 from 1st July 2020 pending further announcements.	Link
Additional Depreciation Backing Business Investment	For assets in excess of \$150,000 (i.e. not eligible for the full 100% write off) an additional accelerated depreciation of 50% of the asset is available plus the regular yearly depreciation. Assets installed and ready for use between 12th March 2020 and 30th June 2021.	Business.	From 12th March 2020.	Claim on tax return.	12th March 2020 to 30th June 2021 (15 months).	Does not apply to second hand assets, capital works or assets used in non-Australian business or outside Australia.	Link
Business Loan Repayments	Bank and non-bank lenders to provide 6 month freeze on business loan repayments.	Business.	From early April 2020.	Application – Contact your bank, non-bank lender, mortgage broker.	Next 6 months.	New and existing customers will be able to apply for new loans up to \$250,000 with a 3 year term and qualify for the loan repayment freeze and loan guarantees within the next 6 months.	Link
Business Loan Guarantees	Government to provide 50% guarantee on new bank and non-bank business loans up to \$250,000.	Business.					

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Payroll Tax	Business with taxable wages up to \$3 million will have their payroll tax for the 2019-20 year waived.	Business - Employers.	From 27th March 2020.	Automatic.	Reimbursement of 2020 Financial Year & deferral of first quarter of 2021 Financial Year.	State Revenue Office will (have already in some cases) contact eligible businesses. Businesses then need to apply for a refund via PTX Express online.	Link
Liquor Licence Fees	Liquor Licence Fees Waived.	Business.	To be confirmed.	Automatic.	2020 Financial Year.	State revenue office to contact eligible businesses in relation to re-imbursments.	Link
Land Tax	Deferral of 2020 land tax until after 31 December 2020 for landholders with holdings valued below \$1 million and at least one non-residential property.	Individuals / Business.	N/A	Automatic.	2020 Financial Year.	State revenue office to contact taxpayers who are eligible.	Link
SMSF Pensions	Minimum SMSF pension %s have been temporarily reduced for the 2020 and 2021 financial years by 50%.	Individuals / SMSF.	N/A	N/A	2020 & 2021 Financial Years.	Deeming rules for pensions will also be reduced a further 0.25 percentage points.	Link
Personal Superannuation	Individuals will be able to access their superannuation, capped at \$10,000 this financial year and \$10,000 next financial year.	Individuals.	From early April 2020.	Application – Via myGov.	2020 & 2021 Financial Years.	Employees who have been made redundant or working hours reduced by 20% or more or sole traders who have 20% or more reductions in turnover. Payments will not affect Centrelink or Veteran affairs payments.	Link
Temporary Relief for Financially Distressed Businesses	Increase threshold from \$5,000 to \$20,000 for which creditors can take actions to initiate insolvency or bankruptcy. Increase time directors have respond to from 21 days to 6 months. Relief for directors for personal liability for companies trading insolvent.	Business Owners.	From early April 2020.	Automatic.	Next 6 months.	The aim of this measure is to encourage businesses to trade through the crisis. The business debts remain payable, these measures effectively provide a 6 month buffer.	Link
Economic Survival & Jobs Package	\$500 million to establish a business support fund to assist small-medium businesses most impacted.	Business Owners.	To be confirmed.	Register at business.vic.gov.au	To be confirmed.	For hardest hit sectors including hospitality, tourism, accommodation, arts, entertainment and retail.	Link

IMPORTANT DISCLAIMER: This table is issued as a guide to clients for their private information. This table does not constitute advice. Clients should not act solely on the basis of the material contained in this table. Items herein are general comments only and do not convey advice per se. Also changes in legislation may occur quickly. We therefore recommend that our formal advice be sought before acting in any of these areas. Liability limited by a scheme approved under Professional Standards Legislation.