



**State and Federal**  
Response and  
Stimulus Packages  
for Business



Championing local business  
since 1922



# We have put together the Government's **NSW state response**

to COVID-19 to help assist you  
in a time where you may have  
overlooked the response,  
here it goes!!

## 1

Deferral of payroll tax for business with payrolls over \$10 million for six months (up to \$4 billion deferred). Businesses with payrolls of \$10 million or less received a three-month waiver on payroll tax in the first package. These businesses will now get an additional three-month deferral as well.

## 2

Deferral of rents for six months for commercial tenants with less than 20 employees and not-for-profits in all Government properties.

## 3

Small businesses, including bars and cafes, will save \$80 million through waived fees and charges. The NSW Government will defer payroll tax payments for the rest of 2019-20 for small businesses with payrolls of less than \$10 million.

## 4

Much needed cash is on the way for bushfire-affected small businesses located in highly impacted areas with applications for the brand new \$10,000 small business grant now open.

## 5

The NSW Government is fast tracking the payment of suppliers and contractors to help businesses maintain their cash flow during these unprecedented times.

## 6

Thousands of small businesses across NSW struggling to cope with the COVID-19 shutdown will receive grants of up to \$10,000 under a new assistance scheme announced today by Premier Gladys Berejiklian, Treasurer Dominic Perrottet and Minister for Finance and Small Business Damien Tudehope.

### REFERENCE

<https://www.treasury.nsw.gov.au/>





Further below and over  
the following pages  
we've outlined the  
Government's **Federal response**  
to the Covid-19 pandemic.

## 1

From Thursday 12 March 2020, the instant asset write-off threshold has been increased from \$30,000 to \$150,000 (for businesses with an aggregated turnover of less than \$500 million) until 30 June 2020

### Eligibility

For businesses with an aggregated turnover of less than \$50 million

### How to apply

No application required. Tax deduction will appear in 2020 tax return

## 2

A time-limited 15-month investment incentive (through to 30 June 2021) which will operate to accelerate certain depreciation deductions. Eligible businesses will be able to immediately deduct 50% of the cost of an eligible asset on installation, with existing depreciation rules applying to the balance of the asset's cost

### Eligibility

This measure will also be available to businesses with a turnover of less than \$500 million. To only apply to new depreciating assets first used, or installed ready for use, by 30 June 2021.

### How to apply

Will be claimed when you do your tax 2020 tax return.

## 3

Up to \$100,000 for small businesses who employ people. Minimum payment \$20,000.

### Eligibility

Must have active eligible employers established prior to 12 March 2020. Small and medium business entities with aggregated annual turnover under \$50 million and that employ workers are eligible.

### How to apply

Employers will receive a payment equal to 100% of their salary and wages withheld (up from 50 per cent)

Continued over page...



## 4

100 per cent of their salary and wages withheld (up from 50 per cent) with the maximum payment being increased from \$25,000 to \$50,000. Minimum payment is up from \$2,000 to \$100,000.

### Eligibility

Must have active eligible employers established prior to 12 March 2020. Small and medium business entities with aggregated annual turnover under \$50 million and that employ workers are eligible.

### How to apply

Once the March BAS is lodged the ATO, the amount will be credited to the ATO ICA. Therefore if you have a debt on the account you will not receive the amount in your bank account as it will go against the debt with the ATO.

## 5

Coronavirus SME Guarantee Scheme The Government will establish the Coronavirus SME Guarantee Scheme which will support small and medium enterprises (SMEs) to get access to working capital to help them get them through the impact of the coronavirus. Under the Scheme, the Government will guarantee 50 per cent of new loans issued by eligible lenders to SMEs. Guaranteeing unsecured small business loans up to \$250,000

### Eligibility

To be approved

### How to apply

Speak to your financial institution. To be approved

## 6

Wage subsidies to support the retention of apprentices and trainees Employers with less than 20 full-time employees may be entitled to apply for Government funded wage subsidies amounting to 50% of an apprentice's or trainee's wage for up to nine months from 1 January 2020 to 30 September 2020. The maximum subsidy for each apprentice/trainee is \$21,000.

### Eligibility

Employers with less than 20 full-time employees. Importantly, where an employer is not able to retain an apprentice, the subsidy will be available to a new employer that employs that apprentice.

### How to apply

It is proposed that employers will be able to register for the subsidy from early-April 2020.

## 7

Administrative relief from the ATO for some tax obligations for people affected by the Coronavirus outbreak, on a case-by-case basis.

### Eligibility

case-by-case basis

### How to apply

case-by-case basis

## 8

No payments for 6 months for loans used for business. You may have used a loan to fitout office, vehicle, mortgage to support small businesses.

### Eligibility

To be Approved

### How to apply

Contact your bank

## 9

It further supports the Reserve Bank of Australia's announcement of a \$90 billion term funding facility for ns ADIs, that will reduce the cost of lending, with particular incentives to lend to small and medium enterprises.

### Eligibility

To be Approved

### How to apply

To be Approved

# 10

Early release of superannuation. The Government will allow individuals in financial stress as a result of the Coronavirus to access up to \$10,000 of their superannuation in 2019-20 and a further \$10,000 in 2020-21.

## Eligibility

Eligible individuals will be able to apply online through myGov for access of up to \$10,000 of their superannuation before 1 July 2020. They will also be able to access up to a further \$10,000 from 1 July 2020 for another three months. They will not need to pay tax on amounts released and the money they withdraw will not affect Centrelink or

## How to apply

Apply online through myGov for access of up to \$10,000

# 11

Temporarily reduce superannuation minimum drawdown rates

## Eligibility

The Government is temporarily reducing superannuation minimum drawdown requirements for account based pensions and similar products by 50 per cent for 2019-20 and 2020-21. This measure will benefit retirees by providing them with more flexibility as to how they manage their superannuation assets.

## How to apply

Speak to your accountant if you have a Self Managed Superannuation Fund or to your retail/industry fund

# 12

Reducing social security deeming rates. On top of the deeming rate changes made at the time of the first package, the Government is reducing the deeming rates by a further 0.25 percentage points to reflect the latest rate reductions by the RBA.

## Eligibility

As of 1 May 2020, the lower deeming rate will be 0.25 per cent and the upper deeming rate will be 2.25 per cent.

## How to apply

Will happen automatically





# 13

## Coronavirus supplement

The Government is temporarily expanding eligibility to income support payments and establishing a new, time-limited Coronavirus supplement to be paid at a rate of \$550 per fortnight.

### Eligibility

This will be paid to both existing and new recipients of the JobSeeker Payment, Youth Allowance jobseeker, Parenting Payment, Farm Household Allowance and Special Benefit. Can apply to sole trader where there income has dropped more than 20%. More detail to follow

### How to apply

Apply through centrelink.

# 14

## Payments to support households

In addition to the \$750 stimulus payment announced on 12 March 2020, the Government will provide a further \$750 payment to eligible individuals

### Eligibility

Social security and veteran income support recipients and eligible concession card holders, except for those who are receiving an income support payment that is eligible to receive the Coronavirus supplement.

### How to apply

The first payment will be made from 31 March 2020 to people who will have been on one of the eligible payments any time between 12 March 2020 and 13 April 2020. This second payment will be made automatically from 13 July 2020

## OK, so that's a wrap!

**As always, check with your tax adviser for accuracy and up to date information. Of course this information is general in nature and your business and personal needs should be accessed with a tax professional.**

**My heart and thoughts go out to the people who have been affected by this unprecedented event and we appreciate the healthcare workers who are on the front line working to contain coronavirus. Our local business community has been affected with the situation and the steps that Federal and State governments have done to support business is a step in the right direction. Both Prime Minister Scott Morrison and Premier Berejiklian have worked hard to keep business in focus.**

**We are proud to work together with Georges River Council on a local level to support businesses across our local business community; there has never been a better time to Buy Local and Stay Local.**

Allan Zreik  
PRESEIDENT  
St George Business Chamber

### REFERENCE

<https://treasury.gov.au/coronavirus/businesses>





e. [stgeorgebusinesschamber@gmail.com](mailto:stgeorgebusinesschamber@gmail.com)

w. [stgeorgebc.org](http://stgeorgebc.org)

a. PO Box 705 Hurstville, NSW 1480

