

PAYG W Phase 1 tax-free payment

- < \$50 million turnover
- Active ABN on 12 Mar 2020
- Carrying on a business and earned assessable income in FY2019 or made supplies in course or further of an enterprise starting 1 July 2018 and ending before 12 March 2020.
- \$10k to \$50k payment based on 100% of PAYG W amount in activity statement from January to June 2020.
- Be aware of Integrity Measures.

PAYG W Phase 2 tax-free payment

- < \$50 million turnover
- Same tests as Phase 1
- \$10k to \$50k payment based on 100% of PAYG W amount in activity statement from July to October 2020.

50% subsidy apprentice wages

- Available to SMEs with less than 20 employees and retain apprentices/trainees.
- 50% subsidy of apprentice/trainee wages for up to 9 months from Jan to Sep 2020.
- Maximum \$21,000 per apprentice/trainee.
- If SME not able to retain apprentice subsidy available to new employer
- **Register Here -**
<https://www.australianapprenticeships.gov.au/node/3939>
- Can register from 2 April 2020.
- Final claim lodged by 31 Dec 2020.



COVID-19 Tax Stimulus Benefits

How can the federal government help you through this once in a lifetime event?

Federal Government Incentives

JobKeeper Payment

- Claim \$1,500 fortnightly for each worker that is employed, including Full/Part Time, long term casuals and also self employed individuals.
- Includes employees that have been let go and are still on the books as at 1 March 2020.
- Maximum period of 6 months.
- Turnover < \$1billion and turnover reduced >30% relative to a comparable period 1 yr ago
- Turnover >\$1billion and turnover reduced >50% relative to a comparable period 1 yr ago.
- Not subject to Major Bank Levy
- **Register Here -**
<https://www.ato.gov.au/general/gen/JobKeeper-payment/>

ATO Incentives

- Ability to vary Mar 2020 PAYG Instalment to NIL.
- Refund for Sep 19 and Dec 19 PAYG Instalment is available.
- Interest and penalties incurred on or after 23 Jan 2020 can be remitted.
- Low interest payment plans available on ATO debts.
- Quarterly reporters can opt in for monthly lodgements to be able to access refunds quicker.
- Home office deduction rate increased to 80c per hour per individual working from home.

Government Backed Loans – SME Guarantee Scheme

- Less than \$50 million turnover.
- 50% government backed guarantee on new loans for SME's up to \$250k.
- Financial Institutions will be providing the products.
- Operates from 1 Apr 2020 to 30 Sep 2020.
- 3 year term. Initial 6 month repayment holiday.
- No security required.

Accelerated Depreciation

- Less than \$500 million turnover in '20 & '21 FY
- 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 30 June 2021

Instant Asset Write Off \$150K

- Less than \$500 million turnover
- Asset must be installed and ready for use by 30 June 2020
- Applies to new or second hand assets purchased between 12 March 2020 and 30 June 2020

Childcare Subsidy

- Government will waive the gap fee for working parents.
➢ Backdated to 23 March 2020.

Early Access to Super

- Access \$10k before 1 July 2020
- Access a further \$10k from 1 July 2020 until 24 Sep 2020
- Must be unemployed
- Eligible to received 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%