

## 1st tranche \$10k to \$50k tax free payment

- < \$50m turnover
- Held an ABN on 12 Mar 2020
- Carrying on a business and earned assessable income in FY 2019 OR made supplies in course or further of an enterprise starting 1 July 2018 and ending before 12 March 2020
- Based on 100% of PAYGW amount in activity statement from Jan to June 2020
- Integrity Measures (BE AWARE!!)

## 2nd tranche \$10k to \$50k tax free payment

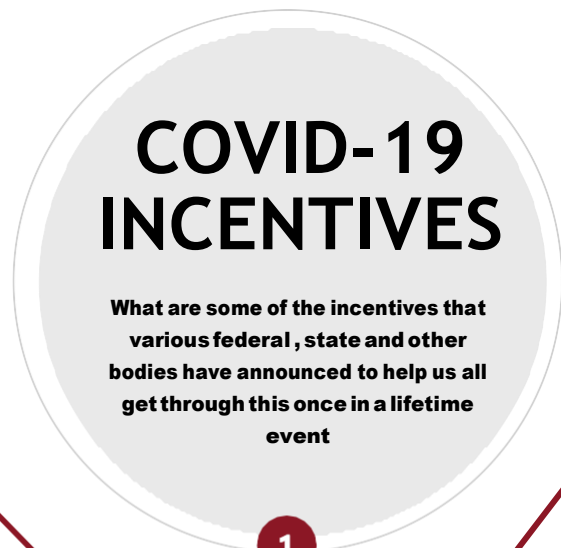
- < \$50m turnover
- Same tests as per Tranche 1
- Based on 100% of PAYGW amount in Tranche 1 and paid in activity statement from July to Oct 2020

## 50% subsidy apprentice wages

- Wage subsidy of 50% of apprentice or trainee wages for up to 9 mths from Jan 2020 to Sep 2020.
- 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 Dec 2020

## Tax Payment Deferral - ATO

- Ability to vary Mar 2020 PAYGI Instalment to NIL
- Ability to claim a refund for PAYGI Instalment for Sep 2019 and Dec 2019 qtr.
- Ability to remit any interest and penalties incurred on or after 23 Jan 2020
- Assisting business to pay ATO debts including low interest payment plans
- Quarterly reporters can opt in for monthly to get access to GST refunds quicker



## JobKeeper Payment

- Claim \$1,500 per fortnight including self-employed individuals for each worker that is employed
- Includes employees (those let go as well) "on the books" as at 1 March 2020 (no limit on employer size).
- Maximum period 6 mths
- Turnover < \$1BN and turnover reduced > 30% relative to a comparable period 1 yr ago
- Turnover > \$1BN and turnover reduced > 50% relative to a comparable period 1 yr ago
- Not subject to Major Bank Levy

## 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 30 June 2021

## 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 Apr 2020 to 30 Sep 2020
- 3 year term. Initial 6 mth repayment holiday.
- No security required.

## Instant Asset Write Off \$150k

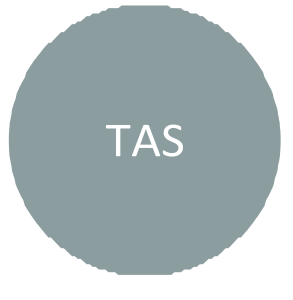
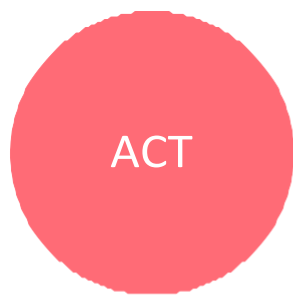
- < 500m turnover
- Asset must be installed and ready for use by 30 June 2020
- Only applies until 30 June 2020

## 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%

# COVID-19 INCENTIVES

What are some of the incentives that various federal, state and other bodies have announced to help us all get through this once in a lifetime event



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## ACT Payroll Tax

- ♦ Hospitality, creative arts and entertainment sector payroll tax waiver for 6 mths
- ♦ Interest free deferrals commencing 1 Jul 2020 where Australian taxable wages <\$10m

## VIC Payroll Tax

- ♦ Taxable Wages < \$3m
- ♦ Payroll tax refund of first 3 quarters.
- ♦ Last quarter no payment required

## VIC Land Tax

- ♦ At least One Non Residential Property
- ♦ Total taxable landholdings <\$1m
- ♦ Deferral of Land Tax for 2020 payment

## NSW Payroll Tax

- ♦ Taxable Wages < \$10m
- ♦ Annual Liability reduced by 25%
- ♦ Done at time of annual reconciliation
- ♦ March, April or May 2020 payment not required for monthly payers
- ♦ Taxable Wages > \$10m
- ♦ Deferral for 6 mths

## QLD Payroll Tax

- ♦ <\$6.m in Australian taxable wages eligible for refunds of payroll tax for 2 mths and payroll tax holiday for 3 mths
- ♦ Deferral of payroll tax for the 2020 calendar year
- ♦ >\$6.5 in Australian taxable wages eligible for deferral of payroll tax for 2020 calendar year
- ♦ Refund of payroll tax for 2 mths

## QLD Interest Free Loans

- ♦ Up to \$250k
- ♦ 12 mths interest free

## TAS Payroll Tax

- ♦ Taxable Wages < \$5m
- ♦ No payroll taxes payable for entire 2019-2020 year.
- ♦ Delivered through payroll tax refunds and waivers.

## TAS Government Fees and Charges Freeze

- ♦ Water and electricity bills will be waived for the first quarterly bill received after 1 April this year for small business customers on Tariff 22, 94, 82 or 75, including those small businesses on market contracts that could access those tariffs.
- ♦ Electricity prices will be capped, and water prices will be frozen next financial year.

## TAS Land Tax

- ♦ Waiver of land tax for 2020-2012 for commercial property owners where land tax is paid by the business owner.

## WA Payroll Tax

- ♦ Threshold increased to \$1m from 1 July 2020
- ♦ Taxable wages <\$7.5m apply to defer monthly tax payments until 21 July 2020
- ♦ Taxable wages >\$1m and <\$4m grant of \$17,500