

COVID-19 INCENTIVES

2020 GOVERNMENT INCENTIVES 01.04.2020

1ST TRANCHE \$10K TO \$50K TAX FREE BOOST

- <\$50m aggregated turnover
- Held an ABN on 12 March 2020
- Carrying on a business and earned assessable income in FY 2019 or made supplies in course or further of an enterprise starting from 1 July 2018 and ending before 12 March 2020
- Broadly the higher of \$10k or 100% of PAYGW amount in activity statement for the period covering Jan to June 2020 but capped at \$50k
- Integrity Measures (Be aware!)

2ND TRANCHE \$10K TO \$50K TAX FREE BOOST

- <\$50m turnover
- Amount equal to the Boost Credit received in the 1st Tranche

3RD TRANCHE JOBKEEPER SUPPORT

- JobKeeper Payment - \$1,500 Per Fortnight Subsidy
- Employer's turnover must have decreased significantly (30% reduction for businesses with turnover < \$1b or 50% reduction for businesses with turnover > \$1b)
- Paid to persons who were employed by the employer as at 1 March 2020 (can include retrenched employees)
- Includes part-time and long term casual employees (12 months or more)
- Employee must be Australian citizen, permanent resident or certain visa classes
- Paid by ATO to employer as a wage subsidy and employer required to on-pay to employee
- Starts from 30 Mar 2020 - maximum of 6 months

50% SUBSIDY APPRENTICE WAGES

- Wage subsidy of 50% of apprentice or trainee wages for up to 9 mths
- Maximum benefit \$21k per apprentice or trainee

GOVERNMENT BACKED LOANS

- 50% guarantee on new loans for SMEs
- Financial institutions to provide the products

VICTORIAN PAYROLL TAX

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

INSTANT ASSET WRITE OFF \$150K

- <\$500m turnover
- Asset must be first used or installed and ready for use in the period from 12 March 2020 to 30 June 2020

ACCELERATED DEPRECIATION

- <\$500m turnover
- Asset must be new and used in Australia
- Additional accelerated depreciation on top of existing depreciation claims
- If not using simplified depreciation rules then an additional 50% deduction of the cost
- If using simplified depreciation rules then 57.5% first deduction claim (as opposed to existing 30%)
- Asset must be first used or installed and ready for use in the period from 12 March 2020 to 30 June 2020

QUEENSLAND PAYROLL TAX

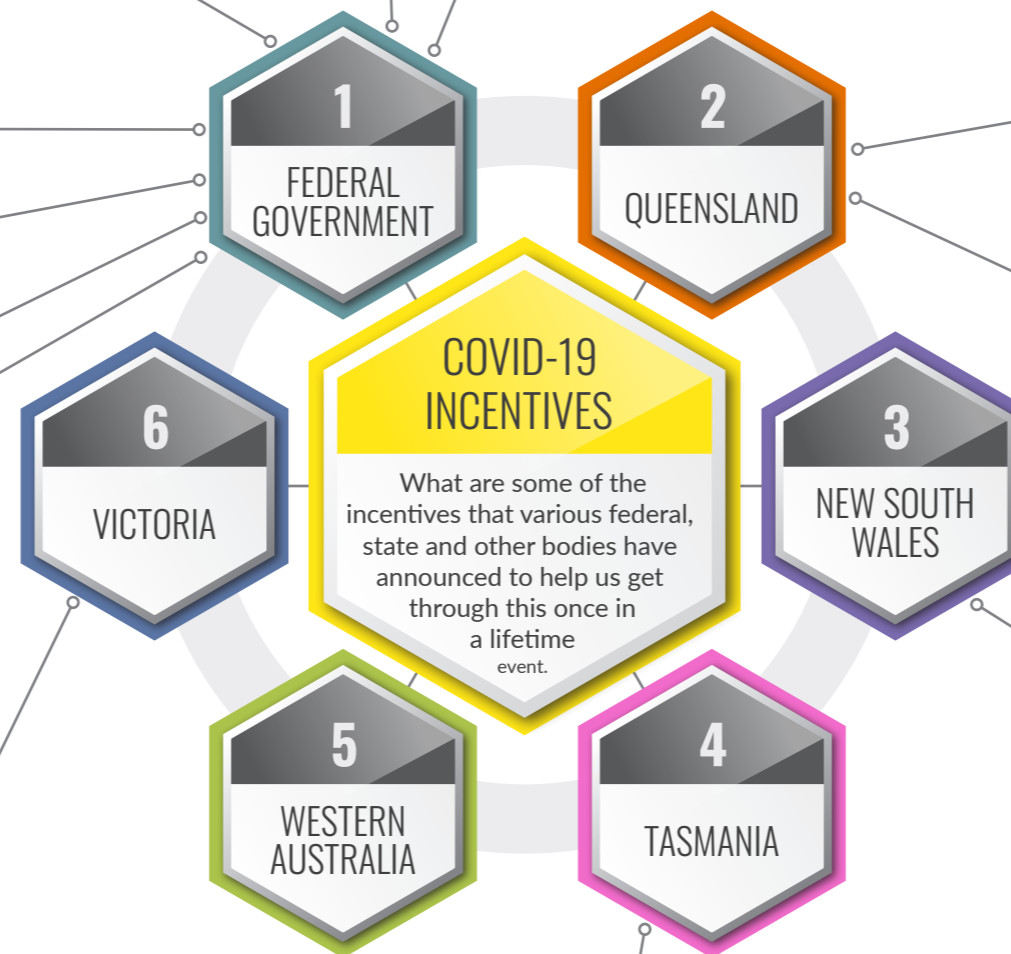
- Deferred Payroll Tax until 31 July 2020
- Deferred dates 3 Aug 2020

LOW INTEREST LOANS

- Up to \$250k
- 12 months interest free
- 2.5% fixed interest
- 10 year term

NSW PAYROLL TAX

- If Australian Group Taxable Wages ≤ \$10m then 3 month waiver of payroll tax for 2020 financial year and then 3 month deferral
- If Australian Group Taxable Wages > \$10m then 6 month deferral of payroll tax
- Tax-free threshold increased from \$900k to \$1m from 1 July 2020



WESTERN AUSTRALIA PAYROLL TAX

- Threshold increased to \$1m from 1 July 2020
- Taxable wages <\$7.5m apply to defer monthly tax payments until 21 July 2020 if affected by COVID-19
- Taxable wages >\$1m and <\$4m grant of \$17,500

TASMANIA PAYROLL TAX

- Employers in hospitality, tourism and seafood industry and other approved employers have last 4 months for 2020 waived
- Employers with Taxable Wages <\$5m affected by COVID-19 may apply for April, May and June 2020 payroll tax waived
- One-year rebate for employers who pay payroll tax and employ new youth employees <25 yrs old