

# COVID-19

# Government assistance measures

3 April 2020



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To access our ongoing analysis and view more resources to deal with the impact of coronavirus on your business, visit our COVID-19 advisory centre at:

[www.rsm.com.au/coronavirus](http://www.rsm.com.au/coronavirus)



# Foreword

As you are aware, the Federal and State governments have made a number of announcements in recent weeks in relation to stimulus packages available to assist businesses and individuals with the unprecedented impact of the COVID-19 pandemic. These announcements provide welcome relief to many businesses and their employees across the country but carry with them many nuances and some complexity.

Although we are yet to see legislation in relation to some of these measures at the time of writing, we understand that there are many questions about how the various measures will apply to specific businesses and circumstances, which package your business or your employees may be eligible for and how you can access these packages. To assist you in navigating through the raft of measures released to date, our specialist team have compiled this document.

In this document, we bring all the key measures into one place and for each measure detail:

- Eligibility criteria
- How each stimulus package will work
- Action needed to be taken to access the stimulus measures

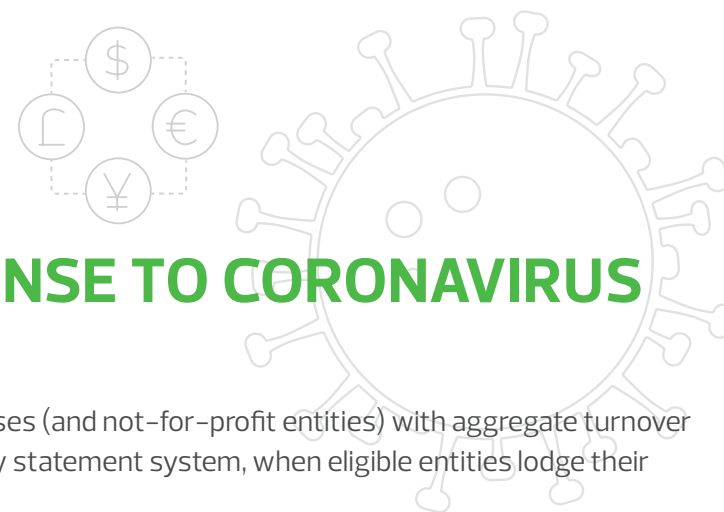
We will continue to monitor developments and will update this document regularly so please revisit it from time to time.

We understand these are challenging times and will continue to keep you updated on assistance that may be available to support your business and your family through this period.

Stay safe.



Jamie O'Rourke  
National Chairman



# 1. FEDERAL GOVERNMENT – ECONOMIC RESPONSE TO CORONAVIRUS

## 1.1 Boosting cash flow for employers

The Government will provide tax-free cash flow boosts of between \$20,000 and \$100,000 to eligible businesses (and not-for-profit entities) with aggregate turnover under \$50 million, to encourage them to retain employees. The boost is delivered through credits in the activity statement system, when eligible entities lodge their activity statements.

ELIGIBILITY	HOW IT WORKS	ACTION POINTS
<p><b>Basic requirements</b></p> <p>You carry on a business (or you are a not-for-profit organisation):</p> <ul style="list-style-type: none"> <li>with aggregate annual turnover under \$50 million (generally based on prior year lodged)<sup>1</sup></li> <li>made eligible payments you are required to withhold from (even if the amount you need to withhold is zero), including payments of: <ul style="list-style-type: none"> <li>salary and wages</li> <li>director fees</li> <li>eligible retirement or termination payments</li> <li>compensation payments</li> <li>voluntary withholding from payments to contractors</li> </ul> </li> <li>the eligible payments were made in one of these 'payment periods': <ul style="list-style-type: none"> <li>the quarters ending in March 2020 or June 2020</li> <li>the months of March 2020, April 2020, May 2020 or June 2020</li> </ul> </li> </ul> <p><b>ACNC registered charity</b></p> <ul style="list-style-type: none"> <li>the entity is an ACNC registered charity</li> </ul>	<p>The cash flow boost comprises:</p> <ul style="list-style-type: none"> <li>the first cash flow boost</li> <li>the second cash flow boost</li> </ul> <p><b>First cash flow boost (\$10,000 – \$50,000)</b></p> <p>Eligible employers will receive a refundable credit of between \$10,000 and \$50,000 across the following activity statement periods:</p> <ul style="list-style-type: none"> <li>the quarters ending in March 2020 or June 2020</li> <li>the months of March 2020, April 2020, May 2020 or June 2020</li> </ul> <p>The credit is broadly calculated as equal to the PAYG withholding tax liability amount for the relevant activity statement period<sup>2</sup> (or three times that amount for the March 2020 activity statement of monthly lodgers).</p> <p>The minimum cash flow boost of \$10,000 applies in the first activity statement period where there is an eligible payment from which the business is required to withhold (even if the amount you need to withhold is zero). For quarterly lodgers this could be either the March 2020 or June 2020 quarters.</p> <p>The cash flow boost across all the activity statement periods must not exceed \$50,000 in total and will be applied as a refundable credit to the employers' running balance account with the Australian Taxation Office (ATO).</p>	<p>Lodge the March 2020 activity statement as soon as possible.</p> <p>Reduce the cash payment for activity statements eligible for a credit to be applied.</p> <p>If the credit will give rise to a refund, check the bank account details recorded with the ATO are up to date and monitor the RBA.</p> <p>Large businesses should review current year turnover (2019–20) to see if it is expected to reduce below \$50m. If so, determine eligibility and contact ATO.</p> <p>The Commissioner has discretion to release a refund even where there are other tax debts owing. If this situation applies, contact the ATO to attempt to negotiate release of the refund.</p> <p>Include cash flow boost in your cash flow forecasts for coming months.</p>

ELIGIBILITY	HOW IT WORKS	ACTION POINTS
<b>Business entities and other NFPs</b> <ul style="list-style-type: none"> <li>held an ABN on 12 March 2020</li> <li>generated and reported income to the ATO, by either: <ul style="list-style-type: none"> <li>having derived business income in the 2018–19 income year and lodged your 2019 tax return on or before 12 March 2020, or</li> <li>made GST taxable, GST-free or input-taxed supplies in a previous tax period (since 1 July 2018) and lodged the relevant activity statement on or before 12 March 2020.</li> </ul> </li> </ul>	<b>Second cash flow boost (\$10,000 – \$50,000)</b> <p>The second cash flow boost is an amount equal to the total of the first cash flow boost payable in equal instalments on lodgement of the GST returns<sup>3</sup> for either:</p> <ul style="list-style-type: none"> <li>the months of June, July, August and September 2020; or</li> <li>the June and September 2020 quarters.</li> </ul> <p><b>Tax status of cash flow boost</b></p> <p>The cash flow boost received by eligible employers is tax free (non-assessable non-exempt income).</p> <p><b>Integrity rules</b></p> <p>The employer entity (or any associate or agent) must not engage in a scheme for the sole or dominant purpose of seeking to make the entity entitled for some amount or an increased amount of the cash flow boost. It should be noted that the re-classification of wages would carry significant risk.</p> <p><input checked="" type="checkbox"/> <b>Benefit: Short term cash flow boost for employer entities up to \$100,000.</b></p>	

## Notes

<sup>1</sup> The aggregate turnover test (<\$50m) will be satisfied based on the aggregate turnover of the most recent year's tax assessment, or if the Commissioner is satisfied there is a reasonable basis that the aggregate turnover test would be satisfied for the year in which the 'payment period' arises. NFP organisations would not have a prior year tax assessment and will therefore need to satisfy the Commissioner based on current year estimated turnover.

<sup>2</sup> Large withholders pay withholding amounts to the Commissioner more frequently. Their cash flow boost entitlements will correspond to the time the entity pays the GST net amount for the tax period that most closely corresponds to the withholding period, or by notification using an approved form provided by the ATO.

<sup>3</sup> An entity that must lodge annual GST returns or which is not registered for GST receives payment at the same time as quarterly lodgers. Unlike payments of the first cash flow boost, the second cash flow boost payments are not linked to the time an entity is due to notify the Commissioner of their withholding liabilities for the period. This is because the second cash flow boost is still available to entities that have ceased to make any payments subject to withholding.





## 1.2 Jobkeeper payments (wage subsidy) *Announced but not yet legislated*

On 30 March 2020, the Government announced the JobKeeper Payment for eligible businesses, whose turnover has reduced significantly relative to the same period in the prior year. The Government will provide \$1,500 per fortnight per eligible employee for a maximum of six months. This will support employers to maintain their connection with employees and have a workforce intact for when they emerge from the restrictions of COVID-19.

Our summary of the JobKeeper Payment is based on fact sheets published by Treasury and available at the date of publication (1 April 2020). Those fact sheets do not present an exhaustive explanation and the final legislation may differ from that provided in the fact sheets.

ELIGIBILITY	HOW IT WORKS	ACTION POINTS
<p><b>Eligible employers</b></p> <p>Employers (including not-for-profits) whose turnover is reduced relative to a comparable period (of at least a month) in the prior year by:</p> <ul style="list-style-type: none"> <li>30% – if their turnover is less than \$1 billion</li> <li>50% – if their turnover is \$1 billion or more</li> </ul> <p>Employers subject to the Major Bank Levy are not eligible.</p> <p>Most businesses are expected to establish that their turnover has fallen in the relevant month or quarter (aligning to their activity statement cycle) relative to their turnover in an earlier year.</p> <p>Where a business was not in operation a year earlier or had an unusual event impacting turnover in the comparative period, the Commissioner will have some discretion to consider additional information and set out alternative tests to establish eligibility.</p> <p>There will be some tolerance where businesses, in good faith, estimate a greater than 30% fall in turnover but actually experience a slightly smaller fall.</p> <p><b>Eligible employees</b></p> <p>Employees who:</p> <ul style="list-style-type: none"> <li>are currently employed by an eligible employer (including those stood down or re-hired)</li> <li>were employed by the employer at 1 March 2020</li> </ul>	<p><b>Rate of JobKeeper payments</b></p> <p>Flat rate of \$1,500 per eligible employee per fortnight.</p> <p><b>Timing and receipt of the payment</b></p> <p>The subsidy has a start date of 30 March 2020.</p> <p>Payments will commence early May, backdated to 30 March 2020. The ATO will then make payments monthly in arrears.</p> <p>The payments will be made directly to the eligible employer.</p> <p><b>Payments to eligible employees</b></p> <p>Employers must ensure that each eligible employee receives at least \$1,500 per fortnight (before tax) through their payroll system.</p> <p>For employees that were already receiving \$1,500 per fortnight from their employer then their income will not change. For employees that have been receiving less than this amount, the employer will need to 'top-up' the payment to the employee up to the level of \$1,500 (before tax).</p> <p><b>Compulsory superannuation</b></p> <p>There is no compulsory superannuation referable to the necessary 'top-up' amount, however the employer will have continuing superannuation obligations on any other component of their payments to employees.</p>	<p>Eligible employers (and self-employed) must:</p> <ul style="list-style-type: none"> <li>register their interest on the ATO website and assess that they have or will experience the required turnover decline (be ready to demonstrate this to the ATO).</li> <li>provide information to the ATO on eligible employees. This includes the number of eligible employees engaged at 1 March 2020 and those currently employed by the business (including those stood down or rehired). The ATO will use single touch payroll (STP) data to assist pre-populate some of the required reporting.</li> <li>ensure that all eligible employees receive at least \$1,500 per fortnight (before tax). There is no compulsory superannuation obligation referable to any necessary top-up amount.</li> <li>notify all eligible employees that they are receiving the Job Keeper Payment.</li> <li>continue to provide the ATO with relevant information on a monthly basis, including the number of eligible employees employed by the business.</li> </ul> <p>Where employees have multiple employers, only one employer will be eligible to receive the payment. The employee will need to notify their primary employer who can claim the JobKeeper Payment on their behalf. The claiming of the tax free threshold will in most cases be sufficient notification that the employer is the employee's primary employer.</p>

ELIGIBILITY	HOW IT WORKS	ACTION POINTS
<ul style="list-style-type: none"> <li>are full-time, part-time, or long-term casuals (a casual employed on a regular basis for longer than 12 months as at 1 March 2020)</li> <li>are at least 16 years of age</li> <li>are an Australian citizen, the holder of a permanent visa, a Protected Special Category Visa Holder, a non-protected Special Category Visa Holder who has been residing continually in Australia for 10 years or more, or a Special Category (Subclass 444) Visa Holder</li> <li>are not in receipt of a JobKeeper Payment from another employer.</li> </ul> <p><b>Self-employed (individuals)</b></p> <p>Businesses without any employees, such as a self-employed individual, who have experienced the required level of turnover reduction may be able to nominate an individual to receive the JobKeeper payment.</p>	<p><b><i>Tax status of cash flow boost</i></b></p> <p>The wage subsidy received by eligible employers will be assessable income (if they are not a tax-exempt entity) and the deductibility of payments to employees will be subject to the usual tax analysis.</p> <p>The JobKeeper Payments are taxable income for the employee and the employer will need to process those payments through the payroll system with applicable PAYG withholding.</p>	

### 1.3 Supporting apprentices and trainees

The Government is supporting small businesses to retain their apprentices and trainees. Eligible employers can apply for a wage subsidy of 50% of the apprentice's or trainee's wage for 9 months from 1 January 2020 to 30 September 2020.

ELIGIBILITY	HOW IT WORKS	ACTION POINTS
<p>Small businesses employing fewer than 20 employees who retain an apprentice or trainee that was in training with the business at 1 March 2020.</p> <p>Employers of any size and Group Training Organisations that re-engage an eligible out-of-trade apprentice or trainee.</p>	<p>Eligible employers can apply for a wage subsidy of 50% of the apprentice's or trainee's wages paid during the 9 months from 1 January 2020 to 30 September 2020.</p> <p>The subsidy has a maximum of \$21,000 per eligible apprentice or trainee (\$7,000 per quarter). The apprentice or trainee must have been in training with an eligible employer as at 1 March 2020. The subsidy entitlement may transfer with an apprentice to a new employer during the above mentioned 9 month period.</p> <p>The subsidy is subject to an eligibility assessment to be undertaken by an Australian Apprenticeship Support Network (AASN) provider. The new employer in such circumstances can be of any size and may be an RTO.</p> <p>An employer in receipt of the apprentice wage subsidy will not be eligible to claim the JobKeeper subsidy in respect of the same employee.</p> <p>The employer (if eligible for the JobKeeper subsidy) may elect to change from the apprentice subsidy to the JobKeeper subsidy from March 2020.</p> <p><input checked="" type="checkbox"/> <b>Benefit: Subsidy to assist funding the continued employment of apprentices and trainees.</b></p>	<p>Eligible employers can register for the subsidy from early April 2020.</p> <p>Final claims must be lodged by 31 December 2020.</p>

## 1.4 Increasing the instant asset write-off

The instant asset write-off threshold is increased from \$30,000 to \$150,000 and access is expanded to include businesses with aggregate turnover below \$500 million (up from \$50 million). This is a temporary measure and applies to new or second hand assets first used, or installed ready for use from 12 March 2020 to 30 June 2020.

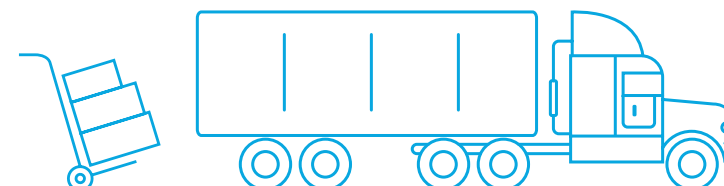
ELIGIBILITY	HOW IT WORKS	ACTION POINTS
<p>Small business entities with aggregated turnover less than \$10 million.</p> <p>Medium sized business entities being those with an aggregated turnover of \$10 million or more, but less than \$500 million.</p> <p>Note, prior to 12 March 2020 the aggregate turnover limit for a medium sized business was \$50 million. The immediate asset write-off limit prior to 12 March 2020 was \$30,000 (excluding GST).</p>	<p>Immediate deduction for eligible assets<sup>1</sup> costing less than \$150,000 (excluding GST credits) first used or installed ready for use between 12 March 2020 to 30 June 2020.<sup>2</sup></p> <p>The cost threshold applies on a per asset basis, allowing an immediate deduction for multiple assets. This measure applies to both new and second-hand assets.</p> <p><b>Car limit still applies</b></p> <p>The depreciation cost limit for cars (currently \$57,581) has not been temporarily lifted. As such, a car costing in excess of the limit can only access the instant asset write-off up the amount of the limit.</p> <p><b>Small business entities general pool</b></p> <p>For small business entities (those with an aggregate turnover &lt; \$10m) a deduction is also available for the entire balance of a small business general pool if that balance is less than \$150,000 at 30 June 2020.</p> <p><b>Leased assets of small business entities</b></p> <p>The restriction on small business entities accessing the immediate write-off or small business pool on leased assets has not been removed (see s 328-175(6) ITAA9).</p> <p><input checked="" type="checkbox"/> <b>Benefit: Cash flow benefit of accelerated tax deduction claimed in 2019-20 tax return.</b></p>	<p>Ensure eligible assets are first used or installed by 30 June 2020.</p> <p>Record the date an asset has been first used or installed ready for use.</p> <p>Review structuring for ownership of assets within a business group where the asset may be leased by the owner (consider specific restriction for small business entities).</p>

### Notes

<sup>1</sup>Most tangible assets that decline in value over time will be eligible, except a small number of exclusions. Among the excluded asset classes are trading stock items, land, non-farming buildings and capital works, horticultural plants, water facilities, fodder storage assets and farm fencing. These items all have their own tax treatment. Certain specified classes of intangibles are eligible assets. There are important restrictions for small business entities applicable to assets that are leased to other entities.

<sup>2</sup>The asset must also be first acquired after:

- 7.30 pm (ACT time) on 12 May 2015 for small business entities (aggregate turnover < \$10m)
- 7.30 pm (ACT time) on 2 April 2019 for medium sized businesses (aggregate turnover of \$10m or more, but less than \$500m).





## 1.5 Backing business investment

Businesses with an aggregate turnover below \$500 million will be able to claim an immediate deduction of 50% of the cost of an eligible asset on installation, with existing depreciation rules applying to the balance of the asset's cost. The measure applies to new assets only that are first held, and first used or installed between 12 March 2020 and 30 June 2021.

ELIGIBILITY	HOW IT WORKS	ACTION POINTS
<p>Small business entities with aggregate turnover less than \$10 million.</p> <p>Medium sized business entities being those with an aggregate turnover of \$10 million or more, but less than \$500 million.</p>	<p>Immediate deduction of 50% of the cost of an eligible asset<sup>1</sup> located in Australia on installation, with existing depreciation rules applying to the balance of the asset's cost.</p> <p>The asset must be first held and first used or installed ready for use for a taxable purpose between 12 March 2020 and 30 June 2021. There is no cost limit, however the usual car limit will still apply when performing the deduction calculation.</p> <p>Only applies to new assets. Second-hand assets are not eligible.</p> <p>An asset is not eligible if there was a commitment to hold the asset before 12 March 2020. This would include entering a contract to acquire the asset, having a lease to use the asset, or commencing construction of the asset before 12 March 2020.<sup>2</sup></p> <p><b>Interaction with small business entity pool</b></p> <p>For small business entities (SBEs) the immediate deduction for 50% of the cost of an eligible asset will be delivered through the SBE pool. In the year an eligible asset is acquired, the deduction through the pool for the new asset is 57.5% rather than the usual 15%.</p> <p><b>Leased assets of small business entities</b></p> <p>The restriction on small business entities accessing the small business pool on leased assets has not been removed (see s 328-175(6) ITAA9).</p> <p><b>☑ Benefit: Cash flow benefit of accelerated tax deduction claimed in either the 2019-20 or 2020-21 tax returns.</b></p>	<p>Review capital expenditure budgets and consider timing of acquiring and installing new assets before 30 June 2021.</p> <p>Contact software providers to determine how to enter eligible assets in the tax fixed asset register.</p>

### Notes

<sup>1</sup>Most tangible assets that decline in value over time will be eligible, except a small number of exclusions. Among the excluded asset classes are trading stock items, land, non-farming buildings and capital works, horticultural plants, water facilities, fodder storage assets and farm fencing. These items all have their own tax treatment. Certain specified classes of intangibles are eligible assets. There are important restrictions for small business entities applicable to assets that are leased to other entities.

<sup>2</sup>There are integrity measures designed to deny access to the immediate 50% deduction where a taxpayer cancels a pre-12 March 2020 contract so as to enter a new contract on or after the 12 March 2020 commencement date.

## 1.6 Early access to superannuation

Individuals who meet eligibility criteria are able to access up to \$10,000 tax free from superannuation before July 2020, and then a further \$10,000 from 1 July 2020 until 24 September 2020. The measure will be available from mid-April.

ELIGIBILITY	HOW IT WORKS	ACTION POINTS
<p>Individuals who are unemployed.</p> <p>Individuals who are eligible to receive a job seeker payment, youth allowance for job seekers, parenting payment (both single and partnered), special benefit or farm household allowance.</p> <p>Individuals who, on or after 1 January 2020, were either made redundant, had working hours reduced by 20% or more, or had a reduction of turnover by 20% or more (as a sole trader).</p>	<p>Individuals can register their interest now via MyGov but applications won't begin until April 20.</p> <p>Applications will be made by the individual via their MyGov account.</p> <p>There is no requirement to provide evidence that eligibility is met but it should be retained.</p> <p>Once approved, the ATO will provide a release authority to the relevant superannuation fund for payment.</p> <p>If another payment is desired after 1 July 2020, a new application will need to be made.</p>	<p>Review eligible individuals have the relevant MyGov access prior to 20 April 2020.</p> <p>Ensure balances of superannuation are considered when determining which fund the money should be released from, to ensure insurances are still available.<sup>1</sup></p>

### Notes

<sup>1</sup>Balances of less than \$6,000 will not pay insurance premiums for policies held within superannuation.



## 1.7 Minimum pension reduction

Individuals who are drawing an income stream from superannuation will have their minimum requirement reduced by 50% for the 2019–2020 and 2020–2021 financial years.

ELIGIBILITY	HOW IT WORKS	ACTION POINTS
<p>Individuals drawing an account-based pension (including transition to retirement pensions).</p> <p>Individuals drawing an allocated pension.</p> <p>Individuals drawing market linked pensions.</p>	<p>The minimum pension requirement is reduced by 50%, calculated on the member balance on 1 July 2019.</p> <p>The minimum must still be rounded up to the nearest \$10.</p> <p>If the member has already drawn more than their minimum, they are not eligible to return the additional amount unless they are able to make contributions.</p> <p>If more than the minimum has been drawn, the excess cannot be treated as a lump sum unless it was drawn after the announcement (22 March 2020).</p>	<p>Calculate the new minimum pension with the 50% reduction. The minimum must be calculated on each pension, with each rounded to the nearest \$10.</p>



## 2. STATE PAYROLL TAX INCENTIVES AND STIMULUS MEASURES

Each State and Territory government has announced measures designed to provide relief from payroll tax. These measures range from deferrals of the due date for payment through to permanent waivers and refunds of payroll tax paid or payable.

ELIGIBILITY	HOW IT WORKS	ACTION POINTS
<b>NEW SOUTH WALES</b>		
<ol style="list-style-type: none"> <li>1. Businesses whose total grouped Australian taxable wages for the 2019–20 year are no more than \$10 million.</li> <li>2. Businesses who lodge and pay monthly and whose total grouped Australian taxable wages will be no more than \$10 million for the current financial year.</li> <li>3. Businesses whose total grouped Australian taxable wages for the 2019–20 year are over \$10 million.</li> </ol> <p>Note: All businesses will benefit from the increase in the payroll tax threshold to \$1 million, which will take effect from 1 July 2020.</p>	<ol style="list-style-type: none"> <li>1. Businesses whose total grouped Australian taxable wages for the 2019–20 year are no more than \$10 million will have their annual tax liability reduced by 25% when they lodge their annual return for 2019–20.</li> <li>2. Businesses who lodge and pay monthly and whose total grouped Australian taxable wages will be no more than \$10 million for 2019–20 will not be required to make any payment for the months of March, April or May 2020. These businesses will still have to lodge their annual return for 2019–20.</li> <li>3. Businesses whose total grouped Australian taxable wages for the 2019–20 year are over \$10 million will have the option of deferring the payment of payroll tax for up to six months.</li> </ol>	<p>For businesses whose total grouped Australian taxable wages for the 2019–20 year are no more than \$10 million who are currently registered for payroll tax, no further action is required as Revenue NSW will automatically apply the relevant discount or deferral. Businesses below this threshold that cancelled their registration earlier in the year are requested to email <a href="mailto:payrolltax@revenue.nsw.gov.au">payrolltax@revenue.nsw.gov.au</a> for further details.</p> <p>Revenue NSW is expected to announce details relating to the deferral arrangements applying to businesses whose total grouped Australian taxable wages for the 2019–20 year are over \$10 million in the near future.</p>
<b>VICTORIA</b>		
<p>Businesses with Victorian taxable wages of \$3 million or less.</p> <p>The State Revenue Office has clarified that the \$3 million threshold applies to each employer and not on a payroll tax group basis.</p>	<p>A full refund / waiver of any payroll tax paid or payable for the 2019–20 financial year.</p> <p>A deferral of any payroll tax for the first three months of the 2020–21 financial year.</p>	<p>The State Revenue Office has already contacted most eligible businesses but, if you believe you are eligible and have not been contacted, contact the State Revenue Office.</p>

ELIGIBILITY	HOW IT WORKS	ACTION POINTS
<p><b>QUEENSLAND</b></p> <ol style="list-style-type: none"> <li>1. Businesses who pay \$6.5 million or less in group Australian taxable wages.</li> <li>2. Businesses with group Australian taxable wages in excess of \$6.5 million who are "directly or indirectly affected" by COVID-19.</li> </ol> <p>A "business is directly or indirectly affected" by coronavirus if their current turnover, profit, customers, bookings, retail sales, supply contracts or other factors are negatively affected compared with normal operating conditions.</p>	<ol style="list-style-type: none"> <li>1. Businesses who pay \$6.5 million or less in group Australian taxable wages will be eligible for: <ul style="list-style-type: none"> <li>▪ a refund of their Queensland payroll tax for two months (January and February 2020)</li> <li>▪ a waiver of payroll tax for the next three months</li> <li>▪ a deferral of the payment of the payroll tax for the remainder of the 2020 calendar year until 14 January 2021</li> </ul> </li> <li>2. Businesses with group Australian taxable wages in excess of \$6.5 million who are "directly or indirectly affected" by COVID-19 can apply for: <ul style="list-style-type: none"> <li>▪ a refund of their Queensland payroll tax for two months</li> <li>▪ a deferral of the payment of the payroll tax for the remainder of the 2020 calendar year until 14 January 2021</li> </ul> </li> </ol>	<p>There are two separate application forms that must be completed to access these concessions, with the application for the refund and waiver measures closing on 31 May 2020. These forms are available at <a href="http://www.business.qld.gov.au/running-business/employing/payroll-tax/lodging/coronavirus-tax-relief">www.business.qld.gov.au/running-business/employing/payroll-tax/lodging/coronavirus-tax-relief</a></p>
<p><b>WESTERN AUSTRALIA</b></p> <ol style="list-style-type: none"> <li>1. Businesses with group Australian taxable wages between \$1 million and \$4 million at 30 June 2019.</li> <li>2. Businesses with group Australian taxable wages of less than \$7.5 million at 30 June 2020.</li> <li>3. Businesses with group Australian taxable wages of more than \$7.5 million at 30 June 2020.</li> </ol> <p>Note: All businesses will benefit from the increase in the payroll tax threshold to \$1 million, which will take effect from 1 July 2020.</p>	<ol style="list-style-type: none"> <li>1. Businesses with group Australian taxable wages between \$1 million and \$4 million at 30 June 2019 will receive an automatic one-off grant of \$17,500.</li> <li>2. Businesses with group Australian taxable wages of less than \$7.5 million at 30 June 2020 will have their payroll tax waived for March to June 2020: <ul style="list-style-type: none"> <li>▪ Businesses with group Australian taxable wages less than \$5 million at 29 February 2020 can automatically claim the payroll tax waiver.</li> <li>▪ Businesses with group Australian taxable wages of \$5 million or more at 29 February 2020, or new employers registered for payroll tax from 1 March 2020, can apply to defer lodgement and payment of returns. Payroll tax for March to June 2020 will be waived as part of the annual reconciliation if Australian taxable wages are less than \$7.5 million at 30 June 2020.</li> </ul> </li> <li>3. Businesses with group Australian taxable wages of more than \$7.5 million can apply for an interest-free payment arrangement.</li> </ol>	<p>For businesses eligible for the \$17,500 grant, they should ensure their postal address details on Revenue Online are correct.</p> <p>For those businesses with group Australian taxable wages of \$5 million or more at 29 February 2020, or new employers registered for payroll tax from 1 March 2020, they will need to apply to the Office of State Revenue for the waiver. The application form for the waiver is available at <a href="http://www.wa.gov.au/government/publications/application-defer-payroll-tax-covid-19">www.wa.gov.au/government/publications/application-defer-payroll-tax-covid-19</a></p> <p>Businesses seeking an interest-free payment arrangement must apply to the Office of State Revenue via the online form available at <a href="https://apps.osr.wa.gov.au/paymex/0/Payroll;jsessionid=4mo-W9nf1QvBxc2VKF5DXmCilHxYJhtvu07ox9ohNFRhMKzDht8T!676429545">apps.osr.wa.gov.au/paymex/0/Payroll;jsessionid=4mo-W9nf1QvBxc2VKF5DXmCilHxYJhtvu07ox9ohNFRhMKzDht8T!676429545</a></p>

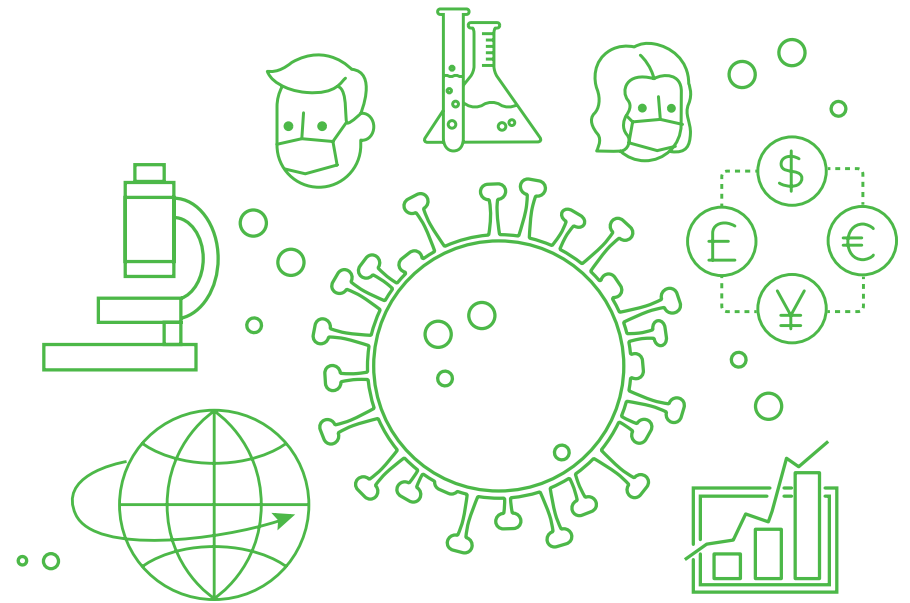
ELIGIBILITY	HOW IT WORKS	ACTION POINTS
<b>SOUTH AUSTRALIA</b>		
<ol style="list-style-type: none"> <li>1. Businesses with group Australian taxable wages of up to \$4 million.</li> <li>2. Businesses with group Australian taxable wages of over \$4 million.</li> </ol> <p>At this stage, there are no guidelines issued by Revenue SA to assist in determining whether a business has been impacted by COVID-19.</p>	<ol style="list-style-type: none"> <li>1. Businesses with group Australian taxable wages of up to \$4 million will be entitled to a six-month waiver of payroll tax (for the return periods between March and August 2020 inclusive).</li> <li>2. Businesses with group Australian taxable wages of over \$4 million will be entitled to a six-month deferral of payroll tax if they can demonstrate a significant impact on their cash flow caused by COVID-19. Monthly returns will still need to be lodged, with payments deferred to October 2020.</li> </ol>	<p>For businesses affected by COVID-19, an application to Revenue SA is necessary. At this stage, the online application form is yet to go live.</p>
<b>TASMANIA</b>		
<ol style="list-style-type: none"> <li>1. Businesses in the hospitality, tourism and seafood industries.</li> <li>2. Businesses with group Australian taxable wages of up to \$5 million.</li> <li>3. Employers who pay payroll tax and employ new youth employees under the age of 25.</li> </ol> <p>At this stage, there are no guidelines issued by the Tasmanian State Revenue Office to assist in determining whether a business operates in the hospitality, tourism and seafood industries or how a business evidences it has been impacted by COVID-19.</p>	<ol style="list-style-type: none"> <li>1. Payroll tax for businesses in the hospitality, tourism and seafood industries will be waived for the 2019-20 year. These businesses will not be required to lodge payroll tax returns for March, April and May 2020, but will be required to lodge their annual return for 2019-20.</li> <li>2. Businesses with group Australian taxable wages of up to \$5 million will be eligible to apply for a rebate / waiver of their payroll tax for the 2019-20 year if they can demonstrate that their operations have been impacted by COVID-19. These businesses will not be required to lodge payroll tax returns for March, April and May 2020, but will be required to lodge their annual return for 2019-20.</li> <li>3. From 1 April 2020, for employers who pay payroll tax and employ new youth employees under the age of 25, there is a one-year rebate of the payroll tax on the wages paid to these employees. The new employee must be employed at a point between 1 April and 31 December 2020.</li> </ol>	<p>All payroll tax measures are subject to an application being made to the State Revenue Office. At this stage, the online application form is yet to go live.</p>
<b>AUSTRALIAN CAPITAL TERRITORY</b>		
<ol style="list-style-type: none"> <li>1. Businesses whose primary operations are directly affected by the "prohibited activities list".</li> <li>2. Businesses with group Australian taxable wages of up to \$10 million.</li> </ol>	<ol style="list-style-type: none"> <li>1. For businesses whose operations are directly affected by the "prohibited activities list", they will receive a six-month waiver of payroll tax from April to September 2020. "Prohibited activities" include those business activities relating to entertainment venues, restaurants and cafes and other venues involving food and drink (other than bottleshops and takeaway), health and fitness activities and venues, gaming and entertainment venues, community and youth centres, places of worship and play centres.</li> <li>2. For businesses with group Australian taxable wages of up to \$10 million, the payment date for any 2020-21 payroll tax liabilities will be deferred to 1 July 2022. Businesses will still need to lodge their 2020-21 returns as normal but not make the associated payment until the deferred date.</li> </ol>	<p>Determine if the business activities are on the "prohibited activities list" (<a href="http://www.legislation.act.gov.au/ni/2020-203">www.legislation.act.gov.au/ni/2020-203</a>).</p> <p>All payroll tax measures are subject to an application being made to the ACT Revenue Office. The form is available at <a href="http://www.revenue.act.gov.au/payroll-tax/waiver">www.revenue.act.gov.au/payroll-tax/waiver</a></p>
<b>NORTHERN TERRITORY</b>		
Employers who hire an additional Territory resident.	The existing temporary exemption for hiring a Territory resident, which was due to expire this financial year, will be extended to 30 June 2021.	Lodge exemption claims through the monthly or annual returns.

## IMPORTANT NOTICE

The information contained in this information sheet is general in nature. It should not be taken as specific advice. Any cash flow and tax benefit that may be available will be subject to the passing of the proposed reforms into legislation and your own particular circumstances.

To access our ongoing analysis and view more resources to deal with the impact of coronavirus on your business, visit our COVID-19 advisory centre at:

[www.rsm.com.au/coronavirus](http://www.rsm.com.au/coronavirus)



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