



Real Estate

FACT SHEET TWO: BUSINESSES

If your business has been shut down due to COVID-19 restrictions, or you're experiencing a serious downturn in demand, you might be wondering how you can survive the crisis.

State and Federal governments have both put stimulus packages into place to help businesses weather this unprecedented turn of events. Here's an overview of the help available.

STAFF RETENTION

JobKeeper payment

If you have had to lay off your employees, or are worried that you will need to do so, JobKeeper payment can help.

What is it?

Under this scheme, the Australian government will provide you with a \$1500 payment per fortnight as reimbursement for each eligible employee that you keep on your books. You are then required to pass the whole payment on to your employees. The payment means that you can keep your employees and ensure that they are paid a living wage, without amassing a wages bill during the downturn.

Your employee will receive the whole payment even if they earned less than \$1500 per fortnight prior to the crisis. All employees will receive the same payment. If they earned more than \$1500 per fortnight, you can elect to top up the payment to their current wage.

The goal is to keep employees on your books so that when you reopen or ramp up your business after the crisis has passed, you don't have to struggle to rehire and retrain new staff.

Am I eligible?

You are eligible to apply for JobKeeper payments if:

You are a business, including companies, partnerships, trusts and sole traders, a not-for-profit or a charity:

- With a turnover of less than \$1B that has lost 30% of their revenue compared to a comparable period a year ago
- With a turnover of \$1B or more that has lost 50% of their revenue compared to a comparable period a year ago

Banks subject to the banking levy are not eligible.

Each employee for whom you apply must be either:

- Full time
- Part time
- Casually employed and working for you for at least 12 months

Your employee must also be one of the following:

- 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 in Australia for over 10 years)
- A Special Category (Subclass 444) Visa Holder

How do I apply?

You should [register your interest](#) in the program with the ATO. The Australian government will then pass you the information you need to make an application.

In the meantime, reach out to your existing employees, and anyone you've already laid off, to let them know that you are pursuing this path.

OTHER HELP

Taxation relief

If you are a business or not-for-profit who employs staff and has an aggregated annual turnover of less than \$500 million, you can access up to \$50,000 tax free. The payment will be equal to 100% of the amount of withholding tax on their employee's salary and wages (capped at \$50,000).

When you lodge your business activity statement (BAS) from 28 April 2020 you will receive this as a credit.

Eligible businesses will receive a minimum payment of \$10,000, even if they are not required to withhold tax.

The ATO is offering a range of additional relief measures to businesses who may be impacted by COVID-19. These include:

- Giving you more time to lodge and pay tax obligations
- The potential to access tax that you've already paid for 2020 in certain conditions
- Low interest payment plans
- Deferred payments of owed monies
- Relief on interest and penalties

To find out more about what you're eligible for please contact the ATO on 1800 806 218.

Businesses with an aggregated annual turnover of less than \$500 million can also utilise the instant asset write off for business assets acquired between 12 March and 30 June 2020 costing up to \$150,000 (up from \$30,000).

Banks

The Big Four banks (and most smaller financial institutions) have all agreed to offer repayment holidays for anyone holding a business loan. Terms and conditions vary, so the best thing to do is contact your bank and enquire what is on offer. Many also offer deferrals on business credit cards.

50% of the value of new loans issued by eligible lenders to SMEs will be guaranteed by the government (up to \$40 billion worth of loans). This is in addition to a range of measures that have been introduced to keep banks operating and lending.

State government packages

Each State and Territory has also offered assistance to businesses. This is widespread and ranges from payroll tax relief, waiving of various license fees, support for the arts plus reduced or waived stamp duty and land tax. The packages vary between each region and are constantly being updated, so check the information in your state or territory as follows:

ACT: <https://www.covid19.act.gov.au/businesses-and-workplaces/economic-survival-package>

NSW: <https://preview.nsw.gov.au/covid-19>

VIC: <https://www.dhhs.vic.gov.au/coronavirus>

QLD: <https://www.qld.gov.au/about/industry-recovery>

SA: <https://www.sa.gov.au/covid-19/home>

TAS: [https://www.dhhs.tas.gov.au/news/2020/Important information about new COVID-19 response measures](https://www.dhhs.tas.gov.au/news/2020/Important%20information%20about%20new%20COVID-19%20response%20measures)

WA: <https://www.wa.gov.au/government/covid-19-coronavirus>

NT: <https://businessrecovery.nt.gov.au/home>