



## An updated snapshot of the Australian COVID-19 economic support measures

To help individuals and businesses find information about the COVID-19 economic relief measures available throughout Australia, we have compiled this snapshot setting out some of the support measures available federally and by state<sup>1</sup>:

1. ATO support measures
2. Income support for individuals and households
3. Support for businesses
4. Specific support measures in each state and territory
  - a. Payroll tax measures
  - b. Land tax measures (incorporating rent relief)
5. Accessing support

### 1. ATO support measures

The ATO has the following [support measures](#) in place to assist those affected by COVID-19.

Measure	Comments
<b>1</b> ATO can defer income tax, activity statement, pay as you go (PAYG) instalments, FBT and excise payment due dates up to 12 September 2020.	<ul style="list-style-type: none"> <li>Employers must still meet their superannuation guarantee obligations to employees.</li> </ul>
<b>2</b> ATO has extended the lodgement deadlines of 2019 tax returns: <ul style="list-style-type: none"> <li>Company tax return now due 5 June 2020 (was 15 May 2020).</li> <li>Individual, partnership and trust tax returns now due 5 June 2020 (provided tax liability is paid by 5 June 2020).</li> <li>FBT return now due 25 June 2020.</li> <li>SMSF annual return now due 30 June 2020.</li> </ul>	Other help offered by the ATO includes: <ul style="list-style-type: none"> <li>Low interest payment plans to help taxpayers pay their existing or ongoing tax liabilities.</li> <li>Potential remittance of interest and penalties incurred after 23 January 2020.</li> </ul>
<b>3</b> Quarterly GST reporting taxpayers (i.e. businesses with a turnover of less than \$20 million) can move to monthly GST reporting to gain speedier access to GST refunds.  Monthly reporting GST-registered importers can also apply for the Deferred GST scheme to defer payments of GST on all taxable importations into Australia until the relevant activity statement is lodged after importation of the goods.	<ul style="list-style-type: none"> <li>Because changes can only be made from the start of a quarter, a change will take effect from 1 July 2020. Once a change is made, the taxpayer must keep reporting monthly for at least 12 months before the taxpayer can revert back to quarterly reporting.</li> <li>Changing a GST reporting cycle does not mean the PAYG withholding cycle also needs to change. However, fuel tax credits will also need to be claimed monthly.</li> </ul>
<b>4</b> Quarterly PAYG instalment payers can vary their PAYG instalment amounts to NIL for the March 2020 quarter because of the significant change in trading conditions or financial market changes caused by COVID-19.	<ul style="list-style-type: none"> <li>Such a variation would entitle such businesses to claim a refund for any instalments made for the September 2019 and December 2019 quarters.</li> </ul>

<sup>1</sup>Information regarding the various federal and state government initiatives regarding COVID-19 is being updated daily.

Because these support measures are not applied automatically, it is important to speak to your adviser for assistance to access these measures.

## 2. Income support for individuals and households

Measure	Comments
1 Two \$750 Economic Support Payments to income support recipients (e.g. social security, concession card holders).	<ul style="list-style-type: none"> <li>First payment from 31 March 2020 (if concession card holder between 12 March 2020 and 13 April 2020).</li> <li>Second payment from 13 July 2020 (if concession card holder on 10 July 2020. However, no second payment for those that qualify for COVID-19 supplement of \$550 a fortnight).</li> <li>Economic Support Payments are tax-free.</li> </ul>
2 New Coronavirus Supplement of \$550 a fortnight to income support recipients (e.g. JobSeeker, parenting payment, Austudy, Farm Household Allowance).	<ul style="list-style-type: none"> <li>Payable from 27 April 2020 for a period of six months. Coronavirus Supplement is taxable income.</li> </ul>
3 Early release of superannuation to allow eligible individuals to access up to \$20,000 of their superannuation tax-free. <b>Note:</b> Eligible temporary residents can access up to \$10,000 of their superannuation up to 1 July 2020.	<ul style="list-style-type: none"> <li>Access \$10,000 before 1 July 2020.</li> <li>Access another \$10,000 from 1 July 2020 until 24 September 2020.</li> </ul>
4 Temporary 50 percent reduction in superannuation minimum drawdown rates.	<ul style="list-style-type: none"> <li>Applicable to 2019-20 and 2020-21 income years.</li> </ul>
5 Simplified "working from home" deduction for running costs.	<ul style="list-style-type: none"> <li>From 1 March 2020 to 30 June 2020, taxpayers who are now working from home can claim 80 cents per hour for their additional running expenses.</li> </ul>

## 3. Support for businesses

Measure	Comments	Date of application
1 JobKeeper subsidy payment of \$1,500 per fortnight to subsidise employees' wages.	<p>Available for:</p> <ul style="list-style-type: none"> <li>Businesses with aggregated turnover <math>\leq</math> \$1 billion whose turnover is expected to be 30 percent less than in a comparable period a year ago.</li> <li>Businesses with aggregated turnover <math>&gt;</math> \$1 billion whose turnover is expected to be 50 percent less than in a comparable period a year ago.</li> <li>Australian Charities and Not-for-profits Commission (ACNC) registered charities (excluding schools and universities) whose turnover is expected to be 15 percent less than in a comparable period a year ago.</li> <li>Available for each eligible employee employed on 1 March 2020.</li> </ul>	<p>For six months from 30 March 2020 (first payment = May 2020).</p> <p>To claim for first two fortnights:</p> <ul style="list-style-type: none"> <li>Must enrol by 31 May 2020;</li> <li>Must pay staff minimum \$1,500 per fortnight by 8 May 2020.</li> </ul>
2 Enhanced instant asset write-off.	<ul style="list-style-type: none"> <li>A business with an aggregated turnover of less than \$500 million can now claim the instant asset write-off on assets costing less than \$150,000.</li> <li>If the balance of a small business entity's general small business pool is less than \$150,000 at the end of an income year that ends on or after 12 March 2020 but before 1 July 2020, the small business entity can claim a deduction for the entire balance of the pool.</li> </ul>	<ul style="list-style-type: none"> <li>For assets first used or installed ready for use from 12 March 2020 to 30 June 2020.</li> </ul>

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| <b>3</b> Temporary 15-month accelerated depreciation incentive for businesses. | <ul style="list-style-type: none"> <li>A business with an aggregated turnover of less than \$500 million can now claim accelerated depreciation on <u>new</u> plant and equipment and other depreciating assets.</li> </ul>   | For assets acquired and first used or installed ready for use for a taxable purpose from 12 March 2020 to 30 June 2021.  |
| <b>4</b> Cash flow boost for businesses that employ people.                    | <ul style="list-style-type: none"> <li>ATO to make two cash flow boost payments – totalling maximum \$100,000 and minimum \$20,000 – to businesses or not-for-profit entities that have employees and have an aggregated turnover of less than \$50 million.</li> </ul> | <p>Quarterly lodgers will be eligible to receive the first boost payments for the quarters ending March 2020 and June 2020.</p> <p>Monthly lodgers will be eligible to receive the first boost payments for the March 2020, April 2020, May 2020 and June 2020 lodgements. Additional boost payments equal to the total first boost payments will be paid on activity statements for the period June 2020 to September 2020.</p> |
| <b>5</b> Support to retain apprentices and trainees.                           | <ul style="list-style-type: none"> <li>Businesses can apply for a wage subsidy of 50 per cent of the wages of the apprentice or trainee.</li> </ul>   | <ul style="list-style-type: none"> <li>Employers can register for the subsidy from early April 2020 and final claims for payment must be lodged by 31 December 2020.</li> </ul>  |
| <b>6</b> Support for businesses to stay in business in these tough times.      | <ul style="list-style-type: none"> <li>Government to guarantee 50 per cent of new loans issued by eligible lenders to SMEs.</li> <li>Increase threshold at which creditors can initiate involuntary bankruptcy proceedings from \$5,000 to \$20,000.</li> </ul>         |  |

## 4a. Specific support measures in each state and territory - Payroll tax concessions

### Payroll tax concessions

- ACT**
- All ACT businesses with Australia-wide wages of up to \$10 million can defer their 2020-21 payroll tax, interest free until 1 July 2022.
  - Eligible businesses will need to lodge their payroll tax returns as normal but will not be required to make the associated payment at the usual time.
  - All businesses whose operations are directly affected by the [prohibited activities list](#) such as gyms and indoor sporting venues, cinemas, beauty therapists and nail salons will be eligible to receive a six-month waiver of payroll tax from April to September 2020.
- NSW**
- All NSW employers have the option to defer payroll tax until October 2020. However, all NSW employers are required to lodge 2019/20 annual reconciliation in July.
  - No payroll tax for remainder of the 2019-20 financial year (i.e. April to June 2020) for all NSW businesses with total Australian Group Wages of up to \$10 million.
  - Increase in payroll tax threshold from \$900,000 to \$1,000,000 from 1 July 2020.

- NT**
- Payroll tax relief is available for eligible businesses that can demonstrate substantial hardship due to the COVID-19 pandemic. The relief will be available for six months from April 2020, which aligns with the six returns between March and August 2020.
  - A business with an annual turnover of up to \$50 million that can demonstrate a reduction in turnover of at least 30 per cent due to COVID-19 when compared to the same month or quarter in 2019 can apply to be included on the Central Hardship Register.
  - Payroll tax waivers are available for the March to August 2020 return periods for employers with a:
    - Confirmed listing on the Central Hardship Register.
    - Total Australian taxable wages for 2019-20 of under \$7.5 million.
  - Payroll tax deferrals are available for registered employers until 21 September 2020 with a:
    - Confirmed listing on the Central Hardship Register.
    - Estimated total Australian taxable wages for 2019-20 of over \$7.5 million.
    - A reduction in turnover of at least 50 per cent (rather than 30 per cent) due to COVID-19 when compared to the corresponding month or quarter in 2019.

- QLD**
- Qld businesses with taxable Australian wages (or grouped Australian wages) of \$6.5 million or less can access:
    - A refund of payroll tax for two months. (i.e. November and December 2019).
    - A payroll tax holiday (i.e. no payroll tax to be paid) for three months (i.e. January to March 2020).
    - The ability to apply for a deferral of the payment of payroll tax for the remainder of 2020.
  - For those businesses over the \$6.5m threshold which have been negatively affected (directly or indirectly) by COVID-19, the concessions are:
    - The ability to apply for a refund of payroll tax for two months (i.e. November and December 2019).
    - The ability to defer the payment of payroll tax for the remainder of 2020.

- SA**
- SA business groups with annual Australian grouped wages of up to \$4 million will receive a six-month payroll tax waiver. Eligible business groups will not be required to pay any payroll tax for the months of April to September 2020 (for the return periods of March 2020 to August 2020).
  - Monthly payroll tax returns must still be lodged to capture wages for the month, with no payment to be made. Waiver of payroll tax for the six months will be finalised as part of the Annual Reconciliation process for 2019-20 and 2020-21.
  - SA businesses with annual Australian grouped wages above \$4 million that can demonstrate they have been significantly impacted by COVID 19 will, upon application, be able to defer payroll tax payments for the six months from April to September 2020. For these eligible businesses, payroll tax payments that were due to be paid from April to September will now be due in October 2020.

- TAS**
- Waiver of 2019-20 payroll tax for Australian wages (and Australian Group wages) of up to \$5 million annually.
  - Waiver of 2019-20 payroll tax for the Hospitality, Tourism, and Seafood industries.

- VIC**
- Businesses with annual Victorian taxable wages of up to \$3 million:
    - Do not need to pay payroll tax for the remainder of the 2019-20 financial year (i.e. three months waiver).
    - Can receive a refund of payroll tax already paid this financial year.
    - Can defer any payroll tax for the first three months of the 2020-21 financial year.

- WA**
- Payroll tax will be waived for March to June for employers who have Australian taxable wages of less than \$7.5 million at 30 June 2020.
  - Employers or groups of employers with Australian taxable wages of more than \$7.5 million, or new employers registered for payroll tax from 1 March 2020, can apply to defer lodgement and payment of returns.
  - One-off grant of \$17,500 for businesses with Annual Australian taxable wages between \$1 million and \$4 million.
  - Increase in payroll tax threshold from \$950,000 to \$1,000,000 from 1 July 2020.

## 4b. Specific support measures in each state and territory - Land tax measures (incorporating rent relief)

### Land tax measures

- ACT** • Landlords of privately rented properties who reduce rent to their tenants by at least 25 percent because of COVID-19 may be eligible for a land tax credit of up to 50 percent of the rental reduction.
- The land tax credit is limited to \$1,300 per quarter and will be applied as a credit to the land owner's land tax account by the ACT Revenue Office.
- NSW** • Landlords may be eligible for a 25 percent reduction in 2019-20 land tax where the property is used by a tenant impacted by COVID-19 and the landlord provides rent relief to the tenant.
- Relief is available for commercial and residential properties, with additional eligibility requirements that commercial landlords must satisfy in respect of their tenants' circumstances.
  - Businesses and individuals paying land tax quarterly will be able to defer payment of their third and fourth quarter instalments for the 2019-20 land tax year for up to six months.
  - Revenue NSW is providing several relief options to land owners, including extending deadlines for payments and providing leniency for late payment, by application.
- NT** • No specific announcement as NT does not impose land tax.
- QLD** • Land owners may be eligible for a 25 percent rebate reducing land tax liabilities for eligible properties for the 2019-20 assessment year where the property is used by a tenant impacted by COVID-19 and the landlord provides rent relief to the tenant.
- The land tax rebate is also available to land owners who cannot secure a tenant for their property due to COVID-19.
  - Relief is available for commercial and residential properties, with additional eligibility requirements that commercial landlords must satisfy in respect of their tenants' circumstances.
  - Foreign entities will receive a waiver of the two percent land tax foreign surcharge for foreign entities for the 2019-20 assessment year.
  - The Queensland Office of State Revenue will provide a three-month deferral of land tax liabilities for the 2020-21 assessment year.
  - The foreign surcharge waiver and the three-month deferral will be applied automatically by the Queensland Office of State Revenue and refunds will be made where the foreign surcharge has already been paid. Those eligible for the land tax rebate will need to apply by 30 June 2020.
- SA** • Landlords may be eligible for a 25 percent reduction in 2019-20 land tax where the property is used by a tenant impacted by COVID-19 and the landlord provides rent relief to the tenant.
- Relief is available for commercial and residential properties, with additional eligibility requirements that commercial landlords must satisfy in respect of their tenants' circumstances.
  - Businesses and individuals paying land tax quarterly will be able to defer payment of their third and fourth quarter instalments for the 2019-20 land tax year for up to six months.
- TAS** • Land tax will be waived for property classified as "commercial property" for government valuation purposes for the 2020-21 financial year.
- To be eligible for the waiver, the business owner must be liable for the land tax and able to demonstrate their business operations have been affected by COVID-19.
  - Land owners who are experiencing financial hardship paying a Land Tax Notice of Assessment can apply to the Commissioner of State Revenue for a deferral of their outstanding land tax until 30 June 2020 with no interest applying to the 2019-20 debt.
- VIC** • Landlords may be eligible for a 25 percent reduction in 2020 land tax where the property is used by a tenant impacted by COVID-19 and the landlord provides rental relief to the tenant.
- The land tax relief is also available to land owners who cannot secure a tenant for their property due to COVID-19.
  - Relief is available for commercial and residential properties, with additional eligibility requirements that commercial landlords must satisfy in respect of their tenants' circumstances.
  - Landlords that are eligible for the 25 percent reduction can also defer any remaining land tax until March 2021.

- WA**
- Commercial landlords who provide appropriate rent relief to tenants may be eligible for land tax relief grants.
  - The rent relief provided must equate to a minimum of three months' rent and outgoings to small business tenants that have suffered at least a 30 percent reduction in turnover due to COVID-19 should be frozen.
  - The land tax relief grants will be equivalent to 25 percent of the landlord's 2019-20 land tax bill for the property in which an eligible tenant is provided rent relief.
  - New arrangements that are approved from 23 March 2020 to pay outstanding land tax by instalments or extend the time for making a payment will be interest-free.

In addition to the land tax measures set out in the table, various state and territory revenue authorities are providing new arrangements to pay by instalments or extend the time for making a payment of transfer duty liabilities. They are applying remission of penalty tax and interest for taxpayers who can demonstrate their financial circumstances have been directly or indirectly impacted by COVID-19. Generally, these measures are by application to the relevant revenue authority although some concessions are being applied automatically.

## 5. Accessing support

This is not a complete list of all the COVID-19 incentives available so if you require more information or need support accessing any of the support measures announced, please contact the [Findex Tax Advisory Team](#).

If you are having difficulties meeting your tax and super obligations as a result of COVID-19, please speak to us so we can support you in managing your tax affairs.

Findex has developed a free [Business Wellbeing Toolkit](#), and a [Government Stimulus Health Check](#) to help our clients manage potential risks for their businesses, communicate important key messages to their teams and customers, and take full advantage of the stimulus packages available.

[Visit our COVID-19 Resource Centre](#)

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