



## Commonwealth Government Economic response to the Coronavirus

### Individual Income Support - \$550 per fortnight (Coronavirus supplement)

Additional supplement of \$550 per fortnight to existing and new recipients of eligible payment categories.

Payment will apply for 6 months

To be eligible for Income Support Supplement, need to be eligible for/receiving:

- Jobseeker Payment (and all payments progressively transitioning to JobSeeker Payment; those currently receiving Partner Allowance, Widow Allowance, Sickness Allowance and Wife Pension)
- Youth Allowance Jobseeker
- Parenting Payment (Partnered and Single)
- Farm Household Allowance
- Special Benefit recipients
- Not accessing employer entitlements (i.e. annual/sick leave)
- Not accessing Income Protection Insurance payments

Access to income support payment expanded:

- Jobseeker payments and Youth Allowance Jobseeker available to:
  - o Permanent employees who have been stood down or lost employment
  - o Sole traders
  - o Self-employed
  - o Casual workers
  - o Contract workerswho meet income tests as a result of Coronavirus
- Asset testing waived for the period of Coronavirus supplement
- One week Ordinary Waiting period waived
- Liquid Asset test Waiting Period waived
- Seasonal Work Preclusion Period waived
- Newly Arrived Residents Waiting Period waived
- Income Maintenance Periods and Compensation Preclusion Periods continue to apply

New applicants need to register via myGov account and register your *intention to claim a Centrelink payment*, and verify their identity by calling Services Australia. Centrelink will contact you for more information.

Existing Centrelink customers can use Centrelink online account, Express Plus apps or phone self service.

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PO Box 4019, Wembley WA 6913

Unit 3/3 Robinson Place, Rockingham WA 6168  
PO Box 581, Rockingham WA 6968

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Applicants for Jobseeker Payment and Youth Allowance Jobseeker will:

- Make an initial declaration about their identity, residency status, income and that they have been made redundant, or had their hours reduced (including to zero) as a result of the economic downturn due to Coronavirus.
- In the case of sole traders and the self-employed, applicants will make a declaration that their business has been suspended or had turnover reduced significantly.

Applicants may also declare the amount of rent they pay in this declaration to qualify for Rent Assistance.

[https://treasury.gov.au/sites/default/files/2020-03/Fact\\_sheet-Income\\_Support\\_for\\_Individuals.pdf](https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Income_Support_for_Individuals.pdf)

<https://www.servicesaustralia.gov.au/individuals/subjects/affected-coronavirus-covid-19>

### **Household Support Payment - \$750 x 2**

2 separate payment of \$750 for current recipients of Social security, Veteran and other income support.

First payment to be paid from 31/03/2020

Second payment to be paid from 13/07/2020

Payment tax free

To be eligible for first payment:

- Reside in Australia **and**
- Receiving one of the following payments or hold one of the following concession cards from 12/03/2020 to 13/04/2020 inclusive:
  - o • Age Pension • Disability Support Pension • Carer Payment • Parenting Payment • Wife Pension • Widow B Pension • ABSTUDY (Living Allowance) • Austudy • Bereavement Allowance • Newstart Allowance • JobSeeker Payment • Youth Allowance • Partner Allowance • Sickness Allowance • Special Benefit • Widow Allowance • Family Tax Benefit, including Double Orphan Pension • Carer Allowance • Pensioner Concession Card (PCC) holders • Commonwealth Seniors Health Card holders • Veteran Service Pension; Veteran Income Support Supplement; Veteran Compensation payments, including lump sum payments; War Widow(er) Pension; and Veteran Payment. • DVA PCC holders; DVA Education Scheme recipients; Disability Pensioners at the temporary special rate; DVA Income support pensioners at \$0 rate. • Veteran Gold Card holders • Farm Household Allowance

To be eligible for second payment:

- Reside in Australia **and**
- Receiving one of the payments or holding a concession card per the list from the first payment
- Not receiving \$550 per fortnight Coronavirus supplement

Anyone who receives the \$550 per fortnight Coronavirus supplement will be eligible for the first \$750 payment but will not be eligible for the second \$750 payment.

[https://treasury.gov.au/sites/default/files/2020-03/Fact\\_sheet-Payments\\_to\\_support\\_households.pdf](https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Payments_to_support_households.pdf)



**Early Access to Super – up to \$10,000 x 2 (2019/2020 and 2020/2021)**

Eligible individuals can **apply** via myGov to access up to \$10,000 of super **before 1 July 2020**. ATO will process application and issue determination to individual and Super Fund to release super payment.

Further access up to \$10,000 can be applied **from 1 July 2020 until 24 September 2020**.

Super withdrawal tax free to individual and will not affect Centrelink/Veterans' payment.

To be eligible

- Unemployed, or
- Eligible to receive JobSeeker payment, Youth Allowance for JobSeeker, Parenting payment, special benefit, Farm Household allowance, or
- On or after 1 January 2020,
  - o Made redundant, or
  - o Working hours reduced by 20% or more
  - o Sole trade and your business has been suspended or your turnover reduced by 20% or more

[https://treasury.gov.au/sites/default/files/2020-03/Fact\\_sheet-Early\\_Access\\_to\\_Super\\_1.pdf](https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Early_Access_to_Super_1.pdf)

**Changes to super**

- Reduction of minimum pension drawdown by 50% for account-based pensions and similar for 2019/2020 and 2020/2021

[https://treasury.gov.au/sites/default/files/2020-03/Fact\\_sheet-Providing\\_support\\_for\\_retirees\\_to\\_manage\\_market\\_volatility.pdf](https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Providing_support_for_retirees_to_manage_market_volatility.pdf)

**Business Cash Flow Assistance – Refund of PAYG Withholding**

Receive payment of 100% of PAYG Withholding paid, up to maximum of \$50,000 per entity for March and June 2020 quarter BAS.

Additional payment being introduced in July-October 2020 period equal to payment employer has received.

Minimum payment of \$10,000 even if no tax withheld, as long as you have lodged salary and wages amount.

Maximum of \$100,000 from the two payments.

Tax free to employers.

Will be credited to Integrated Client Account from 28/04/2020 once BAS lodged. Credit will not be made any earlier than 28/04/2020. If credit on account, refund will be processed by ATO within 14 days.

To be eligible for 100% refund of PAYGW:

- Held an ABN on 12/03/2020 and continue to be active (does not apply to Charities)
- Registered for PAYG Withholding, i.e. employs workers
- Made eligible payments (salary/wage, director fees, eligible retirement/termination payments, compensation payments, voluntary withholding for contractors) you are required to withhold from, i.e. paid wages/salaries, even if you have not had to withhold any tax from those wages/salaries.
- SME with annual turnover under \$50 million (based on prior year turnover)



- Active eligible employers establish prior to 12/03/2020, i.e. registered for PAYGW before 12/3/2020.
- EITHER:
  - o derived business income in the 2018–19 income year and lodged your 2019 tax return on or before 12 March 2020
  - o made GST taxable, GST-free or input-taxed sales in a previous tax period (since 1 July 2018) and lodged the relevant activity statement on or before 12 March 2020.

Type of lodger	Eligible period	Lodgment due date
<b>Quarterly</b>	Quarter 3 (January, February and March 2020)	28 April 2020
	Quarter 4 (April, May and June 2020)	28 July 2020
<b>Monthly</b>	March 2020	21 April 2020
	April 2020	21 May 2020
	May 2020	22 June 2020
	June 2020	21 July 2020

Quarterly lodgers will be eligible to receive the payment for the quarters ending March 2020 and June 2020.

Monthly lodgers will be eligible to receive the payment for the March 2020, April 2020 and May 2020 lodgments. To provide a similar treatment to quarterly lodgers, the payment for monthly lodgers will be calculated at three times the rate (300 per cent) in the March 2020 activity statement.

To be eligible for additional payment in July-October 2020:

- Business must continue to be active
- For employers who received the minimum \$10,000 credit in the first period, they will not receive another payment unless their PAYG Withholding exceeds \$10,000 over the relevant periods.

Monthly IAS lodgers will receive additional payment as a credit in instalments of 25% of initial total payment received. Maximum of \$50,000.

Quarterly BAS lodgers will receive additional payment as a credit in instalments of 50% of initial total payment received. Maximum of \$50,000.



Type of lodger	Eligible period	Lodgment due date
<b>Quarterly</b>	Quarter 4 (April, May and June 2020)	28 July 2020
	Quarter 1 (July, August and September 2020)	28 October 2020
<b>Monthly</b>	June 2020	21 July 2020
	July 2020	21 August 2020
	August 2020	21 September 2020
	September 2020	21 October 2020

[https://treasury.gov.au/sites/default/files/2020-03/Fact\\_sheet-Cash\\_flow\\_assistance\\_for\\_businesses\\_0.pdf](https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Cash_flow_assistance_for_businesses_0.pdf)

**Business Cash Flow Assistance – Apprentices and Trainees**

Subsidy of 50% of apprentice’s or trainee’s wage paid during 9 months from 1/01/2020 to 30/09/2020.  
Reimbursement up to maximum of \$21,000 per eligible apprentice or trainee (\$7,000 per quarter)  
Provided through National Apprentice Employment Network.  
Register for subsidy from early April 2020.  
Final claim for payment must be lodged by 31/12/2020.

To be eligible:

- Small business employing less than 20 full-time employees
- Retain apprentice/trainee
- Apprentice/Trainee employed through business as at 01/03/2020

[https://treasury.gov.au/sites/default/files/2020-03/Fact\\_sheet-Cash\\_flow\\_assistance\\_for\\_businesses\\_0.pdf](https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Cash_flow_assistance_for_businesses_0.pdf)

**Business Cash Flow Assistance – JobKeeper Payment**

- Employer will receive \$1,500 per fortnight before tax for each eligible employee
- Pay cycle will start from 30 March 2020 and go for 6 months

To be eligible employer:

- Turnover less than \$1 billion AND turnover reduced by more than 30% relative to comparable period a year ago (at least a month’s period)
- Turnover \$1 billion or more AND turnover reduced by more than 50% relative to comparable period a year ago (at least a month’s period)
- Was in employment relationship with eligible employee as at 1 March 2020
- Eligible employee is currently engaged (employment has not been terminated)
- Self-employed individuals (businesses without employees) that meet turnover test are eligible to apply

To be eligible employee:



- Currently employed by eligible employer (could have been stood down or re-hired)
- Employed by employer at 1 March 2020
- Worked Full-time, part-time, or long-term casual (longer than 12 months)
- 16 years old and over
- Australian citizen, holder of permanent visa, Protected Special Category Visa Holder, 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; and
- Not receiving JobSeeker payment from another employer.

JobSeeker payments count towards income test for Services Australia (Centrelink). If employee already receiving income support payments, they will need to advise Services Australia of JobKeeper payments.

To apply:

- Business with employees
  - o Register intention to apply with ATO from 30 March 2020  
[https://www.ato.gov.au/general/gen/JobKeeper-payment/?=redirected\\_JobKeeper](https://www.ato.gov.au/general/gen/JobKeeper-payment/?=redirected_JobKeeper)
  - o Eligible employers complete online application
  - o First payment will be received from ATO in first week of May
  - o Need to identify eligible employees (if on Single Touch Payroll, this should self-populate on the form)
  - o Must provide monthly updates to the ATO
  - o Ensure eligible employees receive minimum \$1,500 per fortnight before tax
  - o 9.5% super guarantee payable on employee's normal per fortnight gross
  - o Up to employer if 9.5% super guarantee is payable on the difference between the \$1,500 and the employee's normal gross
  - o Employer will have to pay normal gross for employees earning more than \$1,500 per fortnight, but will receive \$1,500 subsidy back from the ATO
  - o Advise employees they have been nominated as eligible employees to receive JobKeeper payments.
  
- Business without employees (self-employed)
  - o Register intention to apply with ATO from 30 March 2020
  - o Provide ABN for business
  - o Nominate an individual to receive payment
  - o Provide Individual's Tax File Number
  - o Provide declaration for recent business activity
  - o Provide monthly updates to ATO to declare continued eligibility
  - o Payment will be made by ATO monthly to individual's bank account

[https://treasury.gov.au/sites/default/files/2020-03/Fact\\_sheet\\_Info\\_for\\_Employers\\_0.pdf](https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet_Info_for_Employers_0.pdf)

#### **Temporary relief for financially distressed businesses**

- Temporary increase in threshold for creditors issuing statutory demand on company and temporary increase in time period companies have to respond to statutory demands they receive



- Temporary increase in the threshold for a creditor to initiate bankruptcy proceedings and increase in time period for response
- Temporary relief for directors from any personal liability for trading while insolvent
- Temporary flexibility in the Corporations Act 2001 to provide targeted relief for companies from provisions of the Act to deal with unforeseen events
- ATO temporary reduction of payments or deferrals, or withholding enforcement actions including Director Penalty Notices and wind-ups

[https://treasury.gov.au/sites/default/files/2020-03/Fact\\_sheet-Providing\\_temporary\\_relief\\_for\\_financially\\_distressed\\_businesses.pdf](https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Providing_temporary_relief_for_financially_distressed_businesses.pdf)

#### **Business Investment Support – Increased Instant Asset Write Off**

Instant Asset write off threshold increased from \$30,000 to \$150,000 per asset  
Access for businesses with turnover of less than \$500 million (from \$50 million)  
Available until 30/06/2020  
Threshold reverts back to \$1,000 from 1/07/2020

To be eligible:

- Business turnover less than \$500 million
- Purchase of new or second-hand assets first used or installed ready for us by 30/06/2020

#### **Business Investment Support – Increased Depreciation Deduction**

Increase of depreciation rate to 50% for new asset purchases eligible for depreciation under Division 40 of ITA Act 1997, e.g. plant & equipment.  
Access for businesses with turnover of less than \$500 million (from \$50 million)  
Available until 30/06/2021  
Does not apply to second -hand assets, buildings or other capital works depreciable under Division 43.

To be eligible:

- Business turnover less than \$500 million
- Purchase of new assets first used or installed ready for us by 30/06/2021

[https://treasury.gov.au/sites/default/files/2020-03/Fact\\_Sheet-Delivering\\_support\\_for\\_business\\_investment.pdf](https://treasury.gov.au/sites/default/files/2020-03/Fact_Sheet-Delivering_support_for_business_investment.pdf)

#### **Assistance for severely affected regions and sectors**

Applies to affected industries, e.g. tourism, agriculture, education

[https://treasury.gov.au/sites/default/files/2020-03/Fact\\_sheet-Assistance\\_for\\_severely\\_affected\\_regions\\_and\\_sectors.pdf](https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Assistance_for_severely_affected_regions_and_sectors.pdf)

#### **ATO Administrative Relief**

- Ability to defer payment of income tax, FBT and excise payments until 12 September 2020
- Ability to stop interest accruing on your tax liabilities, or low interest payment arrangements
- Consideration of reversing interest and penalties charged after 23/01/2020



- Allowing businesses to vary pay as you go instalment amounts to zero for the March 2020 quarter. Business that vary to zero can claim a refund for any instalments made for the September 2019 and December 2019 quarters.
- Ability to change your BAS reporting cycle (GST only) from quarterly to monthly to access monthly GST refunds (needs to be changed at the start of a quarter to take affect from 01/04/2020 AND have to continue on monthly reporting for 12 months before reverting back to quarterly) *Not applicable to businesses with GST turnover of more than \$20 million*
- Arrangements will need to be made with the ATO to defer payments or lodgments

### **ATO Payment deferral**

Generally, our debt management policy, as set out in PS LA 2011/14 General Debt collection powers and principles, applies in relation to new measures. In most cases, we will not defer the due date for payment merely because the new measure imposes new payment obligations. However, we will consider arrangements to pay by instalments, depending on the measure or the taxpayer's circumstances.

If you or your business has been affected by COVID-19, we can work with you to defer some payments and vary instalments you have due. These include your income tax, activity statement, pay as you go (PAYG) instalments, FBT and excise payments by up to six months.

### **ATO Remitting interest and penalties**

If your business is affected by COVID-19, we will consider remitting interest and penalties incurred after 23 January 2020.

<https://www.ato.gov.au/Individuals/Dealing-with-disasters/In-detail/Specific-disasters/COVID-19/#Paymentdeferrals>

[https://treasury.gov.au/sites/default/files/2020-03/Fact\\_sheet-Assistance\\_for\\_severely\\_affected\\_regions\\_and\\_sectors.pdf](https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Assistance_for_severely_affected_regions_and_sectors.pdf)

### **Credit / Loans Assistance**

- Government assistance to get funding for cash flow needs
- Government to provide 50% guarantee to SME lenders to support new short-term unsecured loans to SMEs
- Temporary exemption from responsible lending obligations for lenders providing loans to small business customers.

<https://treasury.gov.au/coronavirus/business-investment>





## WA Government COVID-19 Economic response

### Relief for business and house holds

- \$607 million stimulus package to support WA households and small businesses in the wake of COVID-19
- \$402 million to freeze household fees and charges until at least July 1, 2021
- Freeze will apply to entire 'household basket', including electricity, water, motor vehicle charges, emergency services levy and public transport fares
- Energy Assistance Payment (EAP) doubled to \$600 to support vulnerable Western Australians, including pensioners
- \$114 million in additional measures to support small businesses
- **Small businesses that pay payroll tax will receive a one-off grant of \$17,500**
- \$1 million payroll tax threshold brought forward by six months to July 1, 2020
- Businesses impacted by COVID-19 can defer payroll tax payments until July 21, 2020
- Building on \$760 million announced in the past few months to stimulate economy
- Stimulus measures made possible due to McGowan Government's responsible financial management and strong budget surplus