

## INFORMATION FOR BUSINESSES

Please note - the information below is current as at Friday 3<sup>RD</sup> April 2020

### **Federal Government's Economic Response to Coronavirus – announced 12 March and 22 March - LEGISLATION PASSED 23 MARCH.**

Applying to **Eligible businesses including those employing staff**

The initial and second federal support packages include assistance to eligible businesses: - via tax-free payments of between \$20,000 and \$100,000 via the BAS lodgement system for those business that employ staff; by increasing the instant asset write-off threshold; and introducing a business investment incentive and supporting apprentices and trainees. We are well placed to guide you through how these measures apply to your specific circumstances.

**Details** can be found on the following links:

<https://www.ato.gov.au/General/COVID-19/Support-for-businesses-and-employers/>

<https://treasury.gov.au/coronavirus/businesses>

### **Federal Government's Economic Response to Coronavirus III (JOBKEEPER PAYMENT) – announced 30 March - LEGISLATION NOT YET PASSED – PARLIAMENT DUE TO SIT WEDNESDAY 8 APRIL.**

Applying to **Employers (including not-for-profits), eligible employees and self-employed individuals.**

**Per Treasury:** *"If your business has been significantly impacted by the Coronavirus you will be able to access a wages subsidy to continue paying your employees. Under the JobKeeper program, you will be able to claim a fortnightly payment of \$1,500 per eligible employee from 30 March 2020, for a maximum of six months. This assistance will help you keep staff and will help you restart when the crisis is over."*

We understand both employees and employers are eager to access this subsidy where eligible. Whilst Treasury and the ATO have released initial information on this program, only on release of the relevant legislation can a business or individual be certain of their eligibility. Even where eligible, many factors should be considered by both employees and employers before making changes to their current employment arrangements. The initial and perhaps seemingly obvious plan may be not the most advantageous for your particular situation. Please refer to the *JobSeeker vs JobKeeper* document accessible via our COVID-19 UPDATES website page:

<https://www.flowerseddycpa.com.au/covid19-updates.php> which highlights some examples of **important points to consider** for both employees and employers.

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As an initial step in accessing this program the ATO is **inviting businesses** to register their interest in accessing the JobKeeper payment program. This registration is accessible via the following link:

<https://www.ato.gov.au/general/gen/JobKeeper-payment/>

**Details** can be found on the following links:

<https://treasury.gov.au/coronavirus/jobkeeper>

<https://www.ato.gov.au/General/New-legislation/The-Australian-Government-s-Economic-Response-to-Coronavirus/#JobseekerPayment>

## **ATO Administrative Assistance via Tailored Support**

### Applying to **Eligible businesses and individuals**

Should you or your business experience difficulties with tax lodgements or payments, the ATO has put in place policies to assist on a case-by-case basis, such as – payment deferrals, PAYG instalment variations and low interest payment plans. We understand - and expect - the ATO to take a supportive approach in applying these assistance measures. We note the ATO directs those affected to call their Emergency Support line on 1800 806 218, however we would be happy to assist in assessing if, and if so - how, these measures may assist you and/or your business.

**Details** can be found on the following link:

<https://www.ato.gov.au/General/COVID-19/Additional-support-during-COVID-19/>

## **WA Government stimulus – released 16 March 2020**

### Applying to **Eligible businesses and households.**

The Western Australian Government's stimulus package includes payroll tax relief and a freeze on household fees and charges. We note most of these measures will require either no action at all or your personal attention to the relevant state government departments. However some, such as the payroll tax measures, we can directly assist you with.

**Details** can be found on the following links:

<https://www.wa.gov.au/organisation/department-of-the-premier-and-cabinet/covid-19-coronavirus-western-australian-government-response#government-stimulus>

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## **WA Government stimulus II – announced 31 March 2020.**

Applying to **Eligible businesses and households.**

The Western Australian Government's second stimulus package includes further payroll tax relief and an economic and health relief package to support Western Australian businesses, households and community groups, and to boost the response by health and frontline services to the COVID-19 pandemic.

These relief measures include:

- Further relief for households experiencing financial hardship due to COVID-19, including extension of the Energy Assistance Payment, no disconnections for power and water and additional support for Keystart customers.
- \$502 million for small businesses including a reduction in electricity bills, licences fees waived, and additional payroll tax relief.

**Details** can be found on the following links:

<https://www.wa.gov.au/government/announcements/covid-19-payroll-tax-relief>

<https://www.wa.gov.au/government/multi-step-guides/payroll-tax-employer-guide/covid-19-relief-payroll-tax-employer-guide>

<https://www.wa.gov.au/organisation/department-of-the-premier-and-cabinet/covid-19-coronavirus-business-and-industry-advice>

<https://www.wa.gov.au/organisation/department-of-treasury>

## **Workplace Laws under federal and state jurisdictions**

Depending on the structure of a business either state or federal workplace laws apply to that business and its employees.

For businesses operating as Pty Ltd trading companies or trusts with a Pty Ltd company as trustee the relevant authority is the Federal Government's Fair Work system.

**Details** can be found on the following link:

<https://www.fairwork.gov.au/about-us/news-and-media-releases/website-news/coronavirus-and-australian-workplace-laws>

For businesses operating as sole-traders, partnerships or trusts with individual trustees the relevant authority is the state government jurisdiction in which that business operates. For Western Australia the WA state industrial relations system applies.

**Details** can be found on the following link:

<https://www.commerce.wa.gov.au/labour-relations/employment-impacted-covid-19-coronavirus>

Whilst we are not employment lawyers, please contact us if you require assistance in applying the information contained in these workplace system links to your affairs. We also have contact details for specialist employment lawyers, should you wish to engage their expert advice.

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## **Bank Assistance**

The Australian Banking Association advises “Australian banks have hardship teams ready to help. If you’re dealing with the impact of the COVID-19 pandemic, or drought, bushfire or flood, there are practical ways your bank can help. The type of assistance will depend on individual circumstances”. We encourage you to contact your bank to discuss your circumstances and options.

**Details** can be found on the following link which contains direct links to most bank websites:  
<https://www.ausbanking.org.au/campaigns/financial-hardship/>

## **Supporting the flow of credit**

The Government, Reserve Bank of Australia and the Australian Prudential Regulation Authority have taken coordinated action to support the flow of credit in the Australian economy, in particular for small and medium enterprises (SMEs). These actions include but are not limited to government guarantees for certain SME loans and quick and efficient access to credit.

**Details** can be found on the following link:  
<https://treasury.gov.au/coronavirus/business-investment>

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

Temporary amendments seeking to provide a safety net for business facing financial distress have been made to provisions relating to liquidations, statutory demand response times, insolvencies and related matters.

**Details** can be found on the following link:  
<https://treasury.gov.au/coronavirus/businesses#financialdistress>

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