



COVID-19 Stimulus Package

Cashflow assistance for Small Businesses

What is it?

Up to \$100,000 to eligible small and medium sized businesses and not-for-profits that employ people, with a minimum payment of \$20,000 for eligible businesses.

Are you eligible?

Initial Payment:

- Need to be a small or medium sized business or not for profit with annual turnover under \$50 million
- Must employ workers
- Must be active employers (Registered for PAYG withholding) prior to 12th March 2020
- Charities are exempt as new charities will be established in response to coronavirus

Additional Payment:

- Same as above
- Entity must continue to be active

Note: Does NOT apply to sole traders or entities that are not registered for wages/withholding; therefore, trust distributions or dividend payments are not entitled.

What does this entitle you to?

Payments will be delivered by the ATO as a credit against your activity statement upon lodgement of upcoming activity statements. Effectively reduces your BAS liability (thus reducing cash outflows and keeping more cashflow in house to meet bills and other expenses).

Initial Payment:

- Minimum payment of \$10,000 regardless of how much tax is withheld (if registered for wages)
- 100% of wages tax withholding, up to a maximum payment of \$50,000 for the period 1st January 2020 to 30th June 2020

Additional Payment:

- The benefit that was received in the "Initial payment" above will be duplicated for the "Additional payment", spread out over the June 2020 and September 2020 activity statements

When do I get this payment?

All payments are received **upon lodgement** of your business activity statements and will be **automatically** applied by the ATO.

Initial Payment:

(Note: Minimum \$10,000 benefit is received with lodgement of March BAS)

- *Quarterly BAS lodgers:* Upon lodgement of business activity statement
- *Monthly lodgers:* Upon lodgement of monthly business activity statements
 - As January and February are lodged, March BAS will receive a credit totalling 300% of PAYG withholding to account for previous months.

Additional Payment:

- *Quarterly BAS lodgers:* 50% against June 2020 BAS, 50% against September 2020 BAS
- *Monthly lodgers:* 25% against June, July, August and September 2020 BAS

How do I apply?

This assistance is automatically calculated and prepared by the ATO upon lodgement of eligible activity statements.

*This information is true and correct as at 23rd March 2020.
Further information and updates as they arise will be provided promptly by our team.*