

Government Stimulus Packages Announced

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Table of Contents:

2	Federal Government Stimulus Package
6	Queensland Government's Stimulus Package
8	NSW Stimulus Package
9	Victoria Stimulus Package
10	South Australia Stimulus Package
11	Western Australia Stimulus Package
12	Australian Capital Territory Stimulus Package
13	Tasmania Stimulus Package
14	Northern Territory Stimulus Package

Federal Government Stimulus Package

The following information has been sourced from the Prime Minister of Australia, Australian Treasury and Reserve Bank of Australia websites.

Summary of Support Offered from all arms of the Commonwealth Government (Federal Stimulus Packages 1 & 2 + RBA)

- **Government-backed funding to smaller lenders to continue lending to businesses and consumers**
- **Coronavirus SME Guarantee Scheme**
- **Tax-free cash flow boost for employers**
- **Apprentice Wage Subsidy**
- **Boosted instant asset write off from \$30,000 to \$150,000**
- **Accelerated Depreciation for eligible assets**
- **Providing temporary relief for financially distressed businesses**
- **Help from the ATO**
- **Early Release of Superannuation**

DETAIL OF EACH SUPPORT OFFERED

The Morrison Government's plan to keep business in business and Australians in jobs provides temporary direct support for businesses including payments for businesses, wage subsidies for apprentices and trainees and enhancing the instant asset write-off.

GOVERNMENT-BACKED FUNDING TO SMALLER LENDERS TO CONTINUE LENDING TO BUSINESSES AND CONSUMERS

- The Australian Office of Financial Management (AOFM) will be provided with an investment capacity of \$15 billion to invest in wholesale funding markets used by small authorised deposit-taking institutions (ADIs) and non-ADI lenders.
- Treasurer Josh Frydenberg commented: "The government's actions will enable customers of smaller lenders to continue to access affordable credit as the world deals with the significant challenges presented by the spread of coronavirus."
- Refer to Part 3 of this guide for more information of how this relates to the lenders.

CORONAVIRUS SME GUARANTEE SCHEME

- The Government will establish the Coronavirus SME Guarantee Scheme which will support small and medium enterprises (SMEs) to get access to working capital to help them get them through the impact of the coronavirus.
- Under the Scheme, the Government will guarantee 50 per cent of new loans issued by eligible lenders to SMEs. The Government's support will enhance lenders' willingness and ability to provide credit to SMEs with the Scheme able to support \$40 billion of lending to SMEs.
 - Refer to Part 3 of this guide for more information of how this relates to the lenders.

TAX-FREE CASH FLOW BOOST FOR EMPLOYERS

Up to \$100,000 is available via tax credits through your BAS to help pay wages or for investment to protect against a downturn in activity. The payment is open to businesses with a turnover of less than \$50 million. Eligible businesses (revenue up to \$50 million that employ staff) will automatically receive a payment equal to 100% of the amount withheld PAYG tax withheld and payable in their BAS.

The minimum payment is \$20,000, and the maximum is \$100,000 and will be available for businesses who lodge business activity statements for the March and June quarters.

How it works:

- There are two payments being made. The first payment will be made from April 28 2020 relating to the previous March 2020 quarter, and the next payment will be made from 28 July 2020, relating to the June quarter 2020.
- Businesses will receive 100% of the PAYG tax withheld as shown in their BAS up to the limit their applicable limit.
- All eligible businesses will receive a minimum of \$10,000 for each of the two payments, even if their total PAYG tax withheld for the quarter does not exceed \$10,000. Eligible businesses with total PAYG tax withheld over \$10,000 for each of the March and June 2020 quarters will receive 100% of that amount up to \$50,000 for each of the quarters. This will see all eligible businesses receive the minimum of \$20,000, up to a maximum of \$100,000 across the two payments.

[Read the Fact sheet](#)

APPRENTICE WAGE SUBSIDY

- Small businesses with fewer than 20 full-time workers will receive 50% of an apprentice or trainee's wage. For each apprentice or trainee, the Government will provide up to \$7,000 in wage assistance per quarter. The wage subsidy will be open to businesses with fewer than 20 full-time workers and employers of any size that re-employ someone who loses their position as a result of the coronavirus downturn.
- Eligible employers can apply for a wage subsidy of 50 per cent of the apprentice's or trainee's wage paid during the 9 months from 1 January 2020 to 30 September 2020. Where a small business is not able to retain an apprentice, the subsidy will be available to a new employer.

[Read the Fact sheet](#)

BOOSTED INSTANT ASSET WRITE-OFF

- Businesses with a turnover of less than \$500 million are eligible for an expanded instant asset write-off for asset investments of up to \$150,000. The threshold applies on per asset basis, so businesses can immediately write-off multiple assets.
- This proposal applies from announcement until 30 June 2020, for new or second-hand assets first used or installed ready for use in this timeframe.
- The instant asset write off is due to be reduced back to \$1,000 from 1 July 2020.

[Read the Fact sheet](#)

ACCELERATED DEPRECIATION

The Government is introducing a time limited 15 month investment incentive to support business investment and economic growth over the short-term, by accelerating depreciation deductions.

The key features of the incentive are:

- benefit – deduction of 50 per cent of the cost of an eligible asset on installation, with existing depreciation rules applying to the balance of the asset's cost;
- eligible businesses – businesses with aggregated turnover below \$500 million; and
- eligible assets – new assets that can be depreciated under Division 40 of the Income Tax Assessment Act 1997 (i.e. plant, equipment and specified intangible assets, such as patents) acquired after announcement and first used or installed by 30 June 2021. Does not apply to second-hand Division 40 assets, or buildings and other capital works depreciable under Division 43. Businesses with a turnover of less than \$500 million will be able to access a 15-month investment incentive by accelerating depreciation deductions.

[Read the Fact sheet](#)

PROVIDING TEMPORARY RELIEF FOR FINANCIALLY DISTRESSED BUSINESSES

- The Government is temporarily increasing the threshold at which creditors can issue a statutory demand on a company and the time companies have to respond to statutory demands they receive. Under the package, companies will have six months to respond to statutory demands they receive, instead of the current timeframe of 21 days.
- The package also includes temporary relief for directors from any personal liability for trading while insolvent. The Corporations Act 2001 will be amended to provide temporary and targeted relief for companies to deal with unforeseen events that arise as a result of the Coronavirus.

Contact the ATO on 1800 806 218, or [Read the Fact Sheet](#)

HELP FROM THE ATO

Options available to assist businesses impacted by COVID-19 include:

- Deferring by up to six months the payment date of amounts due through the business activity statement (including PAYG instalments), income tax assessments, fringe benefits tax assessments and excise
- Allow businesses on a quarterly reporting cycle to opt into monthly GST reporting in order to get quicker access to GST refunds they may be entitled to
- Allowing businesses to vary Pay As You Go (PAYG) instalment amounts to zero for the March 2020 quarter. Businesses that vary their PAYG instalment to zero can also claim a refund for any instalments made for the September 2019 and December 2019 quarters
- Remitting any interest and penalties, incurred on or after 23 January 2020, that have been applied to tax liabilities
- Working with affected businesses to help them pay their existing and ongoing tax liabilities by allowing them to enter into low interest payment plans.

Employers will still need to meet their ongoing super guarantee obligations for their employees.

Contact the ATO on 1800 806 218, or visit the ATO website at [Support Measures To Assist Those Affected by Covid-19 for more information.](#)

EARLY RELEASE OF SUPERANNUATION

- The Government will allow individuals in financial stress as a result of the Coronavirus to access up to \$10,000 of their Superannuation in 2019-20 and a further \$10,000 in 2020-21.
- Eligible individuals will be able to apply online through myGov for access of up to \$10,000 of their Superannuation before 1 July 2020. They will also be able to access up to a further \$10,000 from 1 July 2020 for another three months. They will not need to pay tax on amounts released and the money they withdraw will not affect Centrelink or Veterans' Affairs payments.

[Read the Fact sheet](#)

Queensland Government's Stimulus Package

The following information has been sourced from the Prime Minister of Australia, Australian Treasury and Reserve Bank of Australia websites.

SUMMARY OF SUPPORT OFFERED

- 12 months Interest-free loans up to \$250,000 made available to QLD businesses to retain staff
- Six-month payroll tax deferral to all affected QLD businesses

The QLD Premier announced the establishment of a \$500 million loan facility (Facility). The facility provides Queensland Businesses with access to vital funds to keep their workers employed.

INTEREST-FREE LOANS AVAILABLE FOR QUEENSLAND BUSINESSES

- The Facility will provide loans of up to \$250,000 with an initial 12-month interest-free period. These loans will be provided to businesses to ensure cash flow to retain their staff.
- Currently limited information is available on the QLD Government Website. The scheme is currently inviting expressions of interest to be lodged online for businesses that would like to take advantage of the scheme. [Register your interest](#) through the Queensland Rural and Industry Development Authority or phone 1800 623 946.
- Access more information at the [Business Queensland Website by clicking here](#)

DEFERRAL OF PAYROLL TAX

- The Government has announced the deferral of payroll tax payments for six months as anticipation of the impact on all businesses started to take hold.
 - As a result, companies will be able to retain vital cash flow by opting to defer their payroll tax obligations for up to six months. This is a deferral, not a waiver; businesses must plan their cash flow position to meet the deferred due date on 3rd August 2020 if they take up the deferral.
- Businesses – if they choose don't need to lodge or pay payroll tax returns before 31st July 2020.

Payroll Deferral Chart | as at 18th March 2020 |

Return Period	Normal Due Date	Deferred Due Date
February	9 March 2020	3rd August 2020
March	7 April 2020	3rd August 2020
January – March Quarter	7th April 2020	3rd August 2020
April	7 May 2020	3rd August 2020
May	8 June 2020	3rd August 2020
2019-20 Annual	21st July 2020	3rd August 2020

During this time, businesses can:

- lodge returns in OSRconnect, without paying them; this may help to keep track of liabilities – know what must be paid by 3rd August 2020, or
- continue to lodge and pay returns as usual.

If the choice is to defer lodging returns, businesses can resume payment at any stage during this time.

LEARN MORE

The best resource for Queensland Businesses is the Business Queensland website:

<https://www.business.qld.gov.au/starting-business/advice-support/support/novel-coronavirus>

This website also includes information on other support services available including:

Mentoring Sessions

more than 50 mentors ready to connect with impacted business owners

Financial Workshops

a series of workshops to learn about financial management and business planning.

Industry Support

NSW Stimulus Package

The following information has been sourced from the Prime Minister of Australia, Australian Treasury and Reserve Bank of Australia websites.

The Stimulus Package has two key components - \$700 million in extra health funding and \$1.6 billion in tax cuts to support jobs. The below outlines that \$1.6 billion to support jobs.

SUMMARY OF SUPPORT OFFERED

Health boost

- \$700 million in extra funding for NSW Health. This will assist in doubling ICU capacity, preparing for additional COVID-19 testing, purchasing additional ventilators and medical equipment, establishing acute respiratory clinics and bringing forward elective surgeries to private hospitals.

Business support and jobs

- \$450 million for the waiver of payroll tax for businesses with payrolls of up to \$10 million for three months (the rest of 2019-20). This means these businesses will save a quarter of their annual payroll tax bill in 2019-20;
- \$56 million to bring forward the next round of payroll tax cuts by raising the threshold limit to \$1 million in 2020-21;
- \$80 million to waive a range of fees and charges for small businesses including bars, cafes, restaurants and tradies;
- \$250 million to employ additional cleaners of public infrastructure such as transport assets, schools and other public buildings;
- more than \$250 million to bring forward maintenance on public assets including social housing and crown land fencing; and
- \$500 million to bring forward capital works and maintenance.



This package works hand-in-hand with the recent moves by the Reserve Bank of Australia and the Federal Government. It will provide more resources to help slow the spread of this virus and boost treatment for those people in our community who need it most.



Ms Berejiklian said.

The NSW government is supporting businesses by lowering costs through tax cuts and fee reductions and working to boost jobs by funding ready-to-go capital work and maintenance projects as a priority.

LEARN MORE

There is limited further information available as at the time of publication. You can access above information at <https://www.nsw.gov.au/news-and-events/news/health-boost-and-economic-stimulus/>.

NSW Government Business website: <https://www.business.nsw.gov.au/support-for-business>

Victoria Stimulus Package

The following information has been sourced from the Premier of Victoria and Business Victoria websites.

Premier Daniel Andrews and Treasurer Tim Pallas announced on the 21st March, a \$1.7 billion economic survival and jobs package.

SUMMARY OF SUPPORT OFFERED

- Full payroll tax refunds for the 2019-20 financial year to small and medium-sized businesses with payroll of less than \$3 million giving back \$550 million to businesses
- The same businesses will also be able to defer any payroll tax for the first three months of the 2020/21 financial year until 1 January 2021, freeing up a further \$83 million in cashflow.
- Commercial tenants in government buildings can apply for rent relief – a move private landlords are also being encouraged to undertake – and 2020 land tax payments will be deferred for eligible small businesses.
- The Government will pay all outstanding supplier invoices within five business days – releasing up to \$750 million into the economy earlier.
- \$500 million to establish a Business Support Fund. The fund will support the hardest hit sectors, including hospitality, tourism, accommodation, arts and entertainment, and retail.
- 500 million Working for Victoria Fund which will help workers who have lost their jobs find new opportunities, including work cleaning public infrastructure or delivering food – providing vital contributions to our state's response to the pandemic and affording those Victorians security when its needed most.

SUMMARY OF SUPPORT OFFERED

To receive more information about the program you need to [Register Your Interest Here](#)

LEARN MORE

The best resource for Victorian Businesses is the Business Victoria website:

<https://www.business.vic.gov.au/disputes-disasters-and-succession-planning/illness-and-business-management-plan/coronavirus-business-support>

South Australia Stimulus Package

The following information has been sourced from the Premier of South Australia and Business SA websites.

The SA government launched an immediate economic stimulus package worth \$350 million, to help drive the SA economy and secure local jobs.

SUMMARY OF SUPPORT OFFERED

- No tax related schemes announced
- Heavy focus on infrastructure and construction projects featuring road repairs, hospital upgrade, housing and tourism boosts to be mostly spent within 12 months
- Specific projects to be revealed in coming days
- Must employ high numbers of locals, and/or SA materials
- Must be able to start immediately
- Seeks to leverage additional business and Federal Government investment
- Follows a \$22 million injection in nature-based tourism infrastructure

LEARN MORE

The best resource for South Australian Businesses is the Business SA website:

<https://www.business-sa.com/LiveMenu/How-We-Can-Help/Business-Resilience>

You can also [access the Stimulus Announcement here](#).

Western Australia Stimulus Package

The following information has been sourced from the WA Government Website.

Household fees and charges will be frozen and Western Australian small and medium businesses will receive additional relief, as part of a \$607 million stimulus package announced today. The following relate to businesses.

SUMMARY OF SUPPORT OFFERED

- \$17,500 one off grant for payroll tax paying businesses
- \$114 million in additional measures to support small businesses
- \$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
- \$402 million to freeze household fees and charges until at least July 1, 2021
- A freeze will apply to entire 'household basket', including electricity, water, motor vehicle charges, emergency services levy and public transport fares

\$17,500 ONE OFF GRANT FOR PAYROLL TAX PAYING BUSINESSES

- Small and medium businesses whose annual Australian Taxable Wages are between \$1 million and \$4 million will receive a one-off grant of \$17,500 to assist them to manage the impacts of COVID-19.
- No applications are required. Grants will automatically be paid from July, but there may be delays for taxpayers whose tax status changed during the 2018-19 assessment period or who commenced as new employers in 2018-19 and 2019-20.

DEFERRED PAYMENT 2019-20 PAYROLL TAX

- Small and medium sized businesses affected by COVID-19 can apply to defer payment of their 2019-20 payroll tax until 21 July 2020.
- The deferral is available to employers who pay \$7.5 million or less in Australian Taxable Wages and have been directly or indirectly impacted by COVID-19, compared to normal operating conditions.
- Eligible businesses will be able to defer payment of their 2019-20 payroll tax until 21 July 2020.
- Further information on how to apply for a payroll tax deferral is available on the [Department of Finance website](#)

LEARN MORE

The best resource for Western Australian Businesses is the WA Government website:

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

Australian Capital Territory Stimulus Package

The following information has been sourced from the ACT Treasury Website.

The ACT Government is delivering a \$137 million economic survival package to support the ACT community through the public health emergency caused by the COVID-19 pandemic. The first phase of this multi-stage plan will aim to help small business, protect as many jobs as possible, support Canberra households and support our most vulnerable

SUMMARY OF SUPPORT OFFERED

- All ACT businesses with Group Australia-wide wages of up to \$10 million can defer their 2020-21 payroll tax, interest free until 1 July 2022.
- Licenced venues will receive a 12-month waiver of their food business registration and on-licence liquor licencing fees from 1 April 2020 and outdoor dining fees for 2020-2021 will be waived.
- The ACT Government is providing support for the Vocational Education and Training Sector by increasing subsidies for apprenticeships and traineeships and other VET students to access nationally recognised training in areas linked to skills needs across a range of industries.
- An additional payment of \$1.5 million will be in the Clubs Diversification Fund freed up to support clubs to keep staff employed at the award rate.
- Small business owners with electricity usage below 100 megawatts per year will see rebates of \$750 automatically applied to their next electricity bill in around June or July 2020.
- The Rideshare vehicle licence fee will be waived for 12 months for rideshare operators from 1 April 2020 as part of the normal licencing processes.
- Hospitality (cafes, pubs, hotels, clubs and restaurants), creative arts and entertainment industries will receive a one-off, six-month waiver of payroll tax from April to September 2020.

PAYROLL TAX DEFERRAL

- Businesses will need to complete a simple online application form (which will be available soon on the ACT Revenue Office website at: www.revenue.act.gov.au) to confirm their eligibility.
- 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. If the deferred amount is paid before 1 July 2022, no interest will be charged. Interest will be applied to any outstanding deferred amounts from 1 July 2022

LEARN MORE

The best resource for ACT Businesses is the ACT Treasury's Local Business and Industry website: <https://apps.treasury.act.gov.au/budget/covid-19-economic-survival-package/local-business-and-industry>

Tasmania Stimulus Package

The following information has been sourced from the Premier of Tasmania website.

The Tasmanian Liberal Government has prepared a \$420 million stimulus package to support Tasmania. Below are the schemes that support businesses.

SUMMARY OF SUPPORT OFFERED

- Interest Free Business Loans for Small Business
- Payroll Tax Waivers
- Government Maintenance Program
- Improving Small Business Cash Flows
- Targeted Small Business Grants Program for Apprenticeships and Traineeships
- Youth Employment Scheme
- Human Resource and Industrial Relations Assistance

INTEREST FREE BUSINESS LOANS FOR SMALL BUSINESS

- Businesses will need to complete a simple online application form (which will be available soon on the ACT Revenue Office website at: www.revenue.act.gov.au) to confirm their eligibility.
- 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. If the deferred amount is paid before 1 July 2022, no interest will be charged. Interest will be applied to any outstanding deferred amounts from 1 July 2022

LEARN MORE

The best resource for ACT Businesses is the ACT Treasury's Local Business and Industry website: <https://apps.treasury.act.gov.au/budget/covid-19-economic-survival-package/local-business-and-industry>

Northern Territory Stimulus Package

The following information has been sourced from the [Business NT website](#).

The Northern Territory (NT) Government is delivering a \$65 million Jobs Rescue and Recovery plan to help stimulate the economy and keep Territorians in jobs.

SUMMARY OF SUPPORT OFFERED

- \$10,000 grant for all businesses
- Payroll tax exemption
- Infrastructure
- Immediate Work Grant
- Structural Adjustment Package
- Tourism
- Government Procurement and Grants
- Direct Support for Businesses

\$10,000 Grant for Business

- All Territory businesses will be able to access a \$10,000 grant, followed by an additional \$10,000 grant if they contribute \$10,000 of their own.
- Each business is only eligible to receive one grant, and it can be used to complete one or two different jobs on their premises.
- The grant can be used to purchase goods and services to make permanent physical improvements to a business (land and / or building) that help improve its efficiency and customer experience.
- Registrations for businesses to provide services open 30 March 2020. Businesses can apply for a grant from 13 April 2020.

[Read more on the Business Improvement Grant](#)

PAYROLL TAX EXEMPTION

- The payroll tax exemption for hiring Territory employees has been extended to 30 June 2021.
- For more information on eligibility for employers, [go to the Department of Treasury and Finance website](#)

IMMEDIATE WORK GRANT

- Grants of up to \$100,000 will be given to not-for-profit and community organisations to engage local businesses to do repairs, renovations and upgrades to their property and facilities.
- The first \$50,000 will be paid as a grant, and the NT Government will also match any renovation costs that exceed \$50,000 on a dollar-for-dollar basis up to a maximum of \$100,000 total.
- Registrations for businesses to provide services open 30 March 2020. Grant applications open 20 April 2020.

[Read more on the Immediate Work Grant.](#)

LEARN MORE

The best resource for Northern Territory Businesses is the Business NT website:

<https://business.nt.gov.au/>