



**COUNTX**  
Business Solutions  
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# Coronavirus Financial Information and Support for Business



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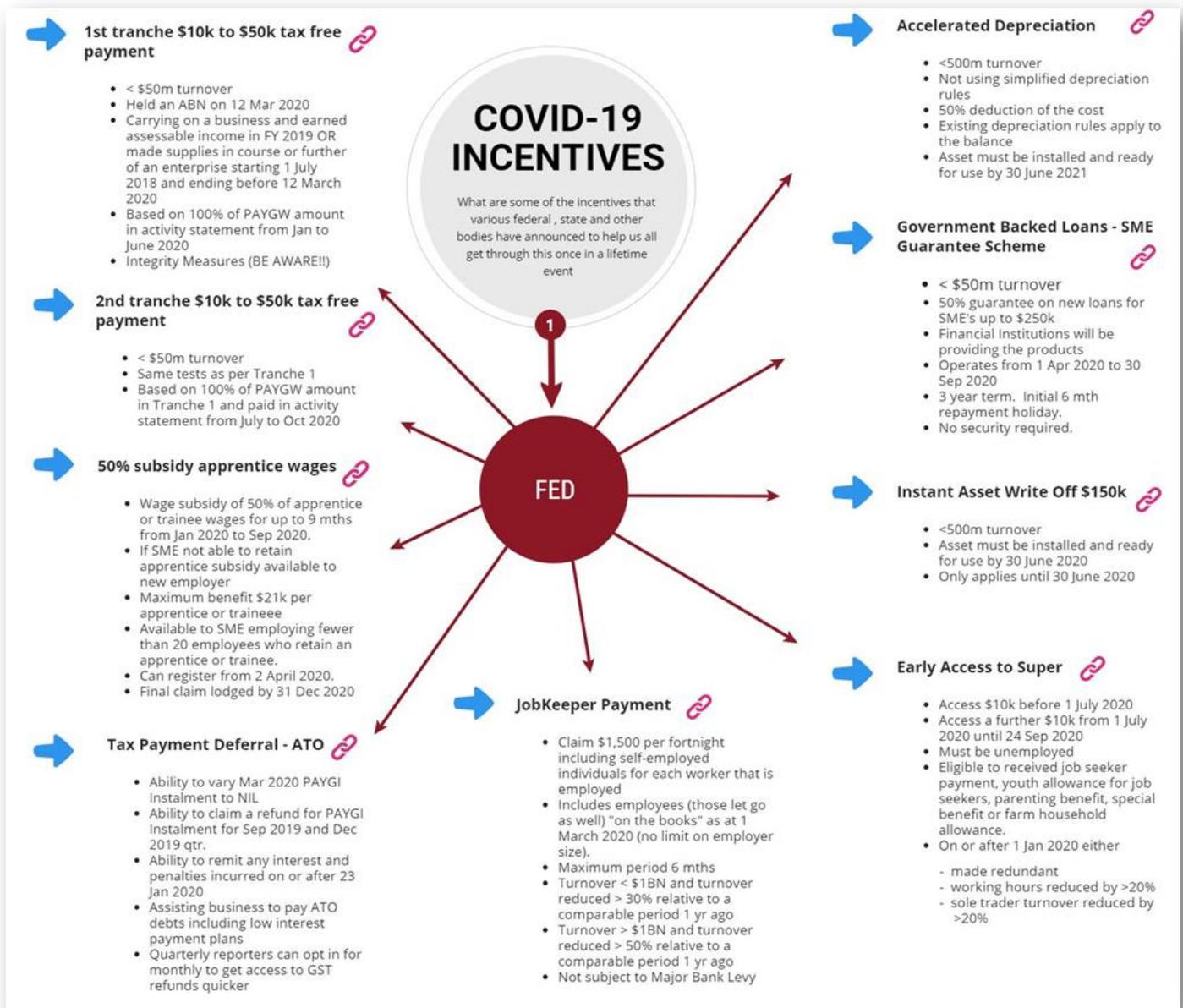
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# Flowchart



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# COVID-19 Government Financial Rescue Measures

HR Global Solutions has partnered with Countx Business Solutions, aligning all COVID-19 (coronavirus) financial resources for business across all sectors and industries.

Our comprehensive, step-by-step guide identifies, assesses and addresses the evolving financial assistance programs offered by the Federal and State Governments.

Countx Business Solutions through their partnership with HR Global Solutions will be here to help employers get through this period of uncertainty and get back on their feet

## What the government financial support measures mean for your business.

The novel coronavirus (COVID-19) pandemic has drastically shifted the course of life across the Nation, with most business facing and experiencing their own economic crisis.

In Australia, the Federal Government has rolled out a suite of financial stimulus packages to float the Australian economy where possible to support employers and employees. The financial support packages is aimed at preserving the employer-employee relationship, keeping more businesses in business and more people in jobs.

## JobKeeper Payment

The Federal Government will provide businesses with a wage subsidy of \$1,500 per employee, per fortnight before tax. The payment will be paid to employers, for up to six months, for each eligible employee that was on their books on 1 March 2020 and is retained or continues to be engaged by that employer.

Self-employed individuals can also get the JobKeeper Payment where they've suffered (or expect to) a 30 per cent decline in turnover.

## How the payments work

Employers must elect to participate in the scheme. They will need to make an application to the Australian Taxation Office (ATO) and provide supporting information demonstrating a downturn in their business. In addition, employers must report the number of eligible employees employed by the business on a monthly basis.

The program will commence on 30 March 2020, with the first payments to be received by eligible businesses in the first week of May as monthly arrears from the Australian Taxation Office.

For more information, [Read the Government Fact Sheets](#), [register with the ATO](#), and read our COVID-19 Government Quick Employer Guide.

## Employer cashflow boost

Small to medium businesses and not for-profits (NFPs) with aggregated annual turnover under \$50 million that employ staff are eligible for payments to help with cash flow so they can keep operating, pay bills and retain staff.

Active eligible employers established prior to 12 March 2020 can access tax-free cash payments for the period March 2020 to September 2020.

## How the payments work

The payment will be delivered by the ATO as an automatic credit in the activity statement system from 28 April 2020 upon employers lodging eligible upcoming activity statements. Where this places the entity in a refund position, the ATO will deliver the refund within 14 days.

Eligible employers that withhold tax to the ATO on their employees' salary and wages will receive a payment equal to 100 per cent of the amount withheld, up to a maximum payment of \$50,000.

Eligible employers that pay salary and wages will receive a minimum payment of \$10,000, even if they are not required to withhold tax.

An additional payment equal to the total of all the previous payments will be made in the July – October 2020 period, meaning eligible employers will receive at least \$20,000 up to a total of \$100,000. Entities must continue to be active to qualify for the additional payment.

For more information [Read the Government Fact sheet](#)

## Concessional loans

Under a Coronavirus SME Guarantee Scheme, SMEs with a turnover of up to \$50 million will be eligible to receive new unsecured loans of up to \$250,000 for working capital with the Government guaranteeing 50 per cent of the loan.

## How the loan works

Starting 1 April 2020 unsecured loans of up to \$250,000 per borrower and up to three years, with an initial six-month repayment holiday will be available until 30 September 2020. Borrowers will not have to provide an asset as security for the loan. The Scheme will apply to new or existing customers of banks and non-bank lenders. Lenders will not be charged a fee for accessing the Scheme.

The Government is also providing a six months exemption from responsible lending obligations for lenders providing credit to existing small business customers. This applies to any credit for business purposes, including new credit, credit limit increases and credit variations and restructures.

For more information [Read the Government Fact sheet](#)

Small businesses with existing loans will benefit from the agreement by Australian banks to defer repayments on loans for six months. Bank hardship teams can also assist with business and personal financial arrangements. For more information visit the [Australian Banking Association](#).

## Director obligations

To lessen the threat of actions that could unnecessarily push otherwise profitable and viable businesses into insolvency and help ensure businesses can resume normal operations when the crisis has passed, are the following temporary measures:

- Relief for directors from any personal liability for trading while insolvent
- Increasing the threshold for creditors issuing a statutory demand on a company from \$2,000 to \$20,000 and extending the timeframe for a company to respond from 21 days to six months
- Increasing the threshold for a creditor to initiate bankruptcy proceedings from \$5,000 to \$20,000 and extending the time period for debtors to respond to a bankruptcy notice from 21 days to six months and extending the period of protection a debtor receives after declaring an intention to enter voluntary bankruptcy from 21 days to six months
- Providing temporary flexibility in the Corporations Act 2001 to provide targeted relief for companies from provisions of the Act to deal with unforeseen events that arise as a result of the Coronavirus health crisis.

For more information [Read the Government Fact sheet](#)

## Help from the ATO

The ATO will tailor solutions for owners or directors of business that are currently struggling due to the Coronavirus, including deferring payments, varying pay as you go instalment amounts and refunding past instalments, withholding enforcement actions including Director Penalty Notices and wind-ups. Contact the ATO on **1800 806 218** or visit the ATO website at [ato.gov.au](http://ato.gov.au) for more information.

## Backing business Investment

Businesses with 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.

They can also access a 15-month investment incentive by accelerating depreciation deductions. For more information [Read the Government Fact sheet](#)

## Income support

Expanded criteria and waiting period exemptions are providing access to income support (Centrelink payments) for those affected by the Coronavirus outbreak. A new coronavirus supplement of \$550 per fortnight will commence from 27 April 2020.

Employees can now [register their intention](#) to claim meaning your payment will be backdated.

See the below income support information for employees who've been terminated, made redundant, stood down without pay, moved from full time to casual or had their hours of work reduced.

## Temporary early release of superannuation

The Government is allowing individuals affected by the Coronavirus to access up to \$10,000 of their superannuation in 2019-20 and a further \$10,000 in 2020-21. Individuals will not need to pay tax on amounts released and the money they withdraw will not affect income support payments.

[For more information Read the Government Fact sheet](#)

## Income support options (Centrelink)

For employees who have been terminated, stood down without pay, moved from full time to casual or had their hours of work reduced.

Applications can be made for income support such as Jobseeker Payments, Youth Allowance and Parenting Payments and a new coronavirus supplement of \$550 per fortnight will commence from 27 April 2020.

Expanded eligibility and exemption from most waiting periods may help more people access payments. Even if someone is only eligible for a tiny portion of a Centrelink payment, [they will still receive the full \\$550 a fortnight Coronavirus Supplement](#).

People can now [register an intention to claim](#) meaning their payment will be backdated.

The JobSeeker Payment asset limit will be waived for new claims from 25 March 2020 to 24 September 2020.

[Income testing](#) will still apply, meaning Centrelink will assess the fortnightly income from all sources, of an applicant and their partner to work out their payment according to their situation such as whether they are single or have a partner or are a principal carer.

Applicants will need to declare that they are not accessing employer entitlements such as annual leave or sick leave or Income Protection Insurance, at the same time as receiving Centrelink payments.

Income Maintenance Periods will continue to apply, as payments under these arrangements are treated as income. Depending on how much was paid, applicants could be eligible for a partial payment during the income maintenance period which will also entitle them to the full \$550 a fortnight Coronavirus Supplement.

From 27 April, the expanded criteria will also provide access to people who are unable to work because they are in isolation or hospitalised or caring for children and not able to draw on leave entitlements.

For more information visit [Services Australia](#) or [register an intention to claim](#)

## Employer Eligibility

### QUALIFIED ENTITIES:

- On 1 March 2020, the entity carried on a business or was a non – profit body

### EXCLUDED ENTITIES:

- Australian government agency
- local governing body

- entity is wholly owned by 1 and 2 above body
- Sovereign entity
- The entity is a company – a liquidator or provisional liquidator has been appointed in relation to the company
- If the entity is individual – a trustee in bankruptcy has been appointed to the individual's property.

## TURN OVER TEST

### **Basic Test**

Compare Projected GST turnover for test period against GST turnover for a relevant comparison period:

- 50% decline in turn over Aggregated GST turnover ( previous turnover or projected turnover) exceeds 1 billion
- 15% decline in turnover test : Under 1 billion GST turn over and categorized as ( higher education provider)
- 30% decline in turnover test: Otherwise

*Example: Patrick Enterprises assesses its eligibility for jobkeeper payments on 6 April 2020 based on a projected GST turnover for April 2020 of \$6 million. It considers that the comparable period is the month of April 2019 for which it had a current GST turnover of \$10 million. The April 2020 turnover falls short of the April 2019 turnover by \$4 million, which is 40% of the April 2019 turnover. This exceeds the specified percentage, so the decline in turnover test is satisfied.*

## TIMING OF BASIC TEST

The turnover test period must be:

- (a) a calendar month that ends after 30 March 2020 and before 1 October 2020;  
or
- (b) a quarter that starts on 1 April 2020 or 1 July 2020; and

The relevant comparison period must be the period in 2019 that corresponds to the turnover test period.

## Alternative test

The Commissioner may, by legislative instrument, determine that an alternative decline in turnover test applies to a class of entities, if the Commissioner is satisfied that there is not an appropriate relevant comparison period for the purpose of an entity in the class of entities satisfying the decline in turnover test under Basic Test.

## Employee Eligibility

- Over 16 years old
- Employed on 1 March 2020 (full time and part time)
- Casual employee over 12 months
- Australian residents
- Tax resident and holder of subclass 444 under the Migration Act 1958
- Employer has to pay at least \$1500 to employee
- Salary Sacrifice arrangement remains as usual
- The individual is not an of another entity and has not given any other entity a nomination.

## Exclusion

- Paid parental leave overlap period
- Dad and partner pay overlap period
- Employee on WorkCover's compensation in respect of individual's total incapacity of work

## Wage condition including

- salary, wages, commission, bonus, allowance and was withheld tax salary sacrifice

## Business Participation Eligibility

- Only one eligible business participant per entity
- No other entity to be entitled for the same individual
- Entity must notify individual
- Entity had an ABN on 12 March 2020
- Must have traded between 1st July 2018 and 12th March 2020

## Eligible Business

- Sole trader: The entity
- Partnership: One partner in the partnership
- Trust: An adult beneficiary of the trust
- Company: A shareholder or A director of the company

## Nomination Notice

The individual must give a nomination notice stating that:

- the individual satisfies the requirements of business participation eligibility in and
- the individual agrees to be nominated by the entity as the eligible business participant for the entity for the purposes of the jobkeeper scheme

## Payment

### Transitional rule for first 2 jobkeeper fortnights

The Commissioner may pay an entity a jobkeeper payment for the first or second jobkeeper fortnight if the commissioner is satisfied with the information provided, but the payment does not mean the entity is entitled and individuals may be liable to pay the overpayment and GIC.

First two jobkeeper fortnight means fortnight commencing 30th March 2020 and 13 April 2020

## Administrative

### Reporting requirement relating to qualification

An entity that has qualified for the jobkeeper scheme at a time must notify the Commissioner Current and projected turnover within 7 days of the end of a calendar month (the reporting month) if the entity is entitled to a jobkeeper payment for a fortnight that ends in the month.

## Other considerations

- Single touch payroll requirements
- Job keeper Scheme starts from 30/3/2020 till 27/9/2020
- Software requirements
- Reporting within 7 days requirement

## Register here for Countx assistance

Countx Business Solutions through their partnership with HR Global Solutions will be here to help employers get through this period of uncertainty and get back on their feet. If you require assistance to access and gain these financial incentives, simply click on the below link. (Fee for services apply, please see the next page for a full list of services and fees)

[Let's get started](#)



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## Service Fee – Individual Price List

JOBKEEPER - Registration of interest	\$50.00
JOBKEEPER - Eligibility/Qualifying test	\$500.00
<b>ATO CONCESSIONS:</b> <ul style="list-style-type: none"> <li>Asset Write-offs</li> <li>Accelerated Depreciation</li> <li>Deferral of ATO payments BAS/Outstanding taxes/Varying PAYG instalments/Other</li> <li>Quicker refunds</li> <li>Remittance of ATO Interest and Penalties</li> <li>Entering into low interest plans for existing and future debts with the ATO</li> </ul>	\$300.00ph
Application for unsecured low interest loan up to \$250k	\$1,000.00
Cashflow boost of up to \$100k for 2 installments for PAYG withholding : <ul style="list-style-type: none"> <li>Eligibility timing</li> <li>General advice</li> </ul>	Eligibility: \$500.00 General: \$300ph
JOBSEEKER assistance for employers who are trying to help their employees	\$300.00ph

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