



COVID-19 INFORMATION BULLETIN

26 March 2020

Overview of Federal and State Government Coronavirus Stimulus Packages for Businesses

Introduction

The Federal and State/Territory Governments of Australia have released a series of Coronavirus Stimulus Packages to support households and businesses and address the significant economic consequences of the Coronavirus.

Below is a brief summary of the Stimulus Packages on offer which may be relevant to businesses operating in the Australian Thoroughbred Racing and Breeding Industry.

Below is a brief summary of the Federal and State Coronavirus Stimulus Packages on offer.

For further information on eligibility and how to apply, please refer to the web site links provided.

Federal Government

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

- The Government is providing up to \$100,000 to eligible small and medium-sized businesses with a minimum payment of \$20,000. These payments will help businesses with their cash flow so they can keep operating, pay their rent, electricity and other bills and retain staff.
- Small and medium-sized business entities with aggregated annual turnover under \$50 million and that employ workers are eligible.
- Employers will receive a payment equal to 100% of their salary and wages withheld (up from 50%), with the maximum payment being increased from \$25,000 to \$50,000. In addition, the minimum payment is being increased from \$2,000 to \$10,000.
- An additional payment is also being introduced in the July – October 2020 period. Eligible entities will receive an additional payment equal to the total of all of the Boosting Cash Flow for Employers payments they have received. This means that eligible entities will receive at least \$20,000 up to a total of \$100,000 under both payments.
- 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. The package also includes temporary relief for directors from any personal liability for trading while insolvent, and providing temporary flexibility in the Corporations Act 2001 to provide temporary and targeted relief from provisions of the Act to deal with unforeseen events that arise as a result of the Coronavirus health crisis.
- The ATO will tailor solutions for owners or directors of business that are currently struggling due to the Coronavirus, including temporary reduction of payments or deferrals, or withholding enforcement actions including Director Penalty Notices and wind-ups.

- The Government is increasing the instant asset write-off threshold from \$30,000 to \$150,000 and expanding access to include businesses with aggregated annual turnover of less than \$500 million (up from \$50 million) until 30 June 2020.
- The Government is introducing a time limited 15 month investment incentive (through to 30 June 2021) to support business investment and economic growth over the short term, by accelerating depreciation deductions. Businesses with a turnover of less than \$500 million will be able to deduct 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.
- The Government is supporting small businesses to retain their apprentices and trainees. Eligible employers can apply for a wage subsidy of 50% of the apprentice's or trainee's wage for 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 that employs that apprentice. Employers will be reimbursed up to a maximum of \$21,000 per eligible apprentice or trainee (\$7,000 per quarter).

NSW Government

<https://www.nsw.gov.au/news-and-events/news/health-boost-and-economic-stimulus/>

- Waiver of payroll tax for businesses with payrolls of up to \$10 million for the rest of 2019-20 (these businesses will save 25% of their annual payroll tax bill in 2019-20).
- Bringing forward the next round of payroll tax cuts by raising the threshold limit to \$1 million in 2020-21.
- Waiving a range of fees and charges for small businesses.

Victorian Government

<https://www.premier.vic.gov.au/economic-survival-package-to-support-businesses-and-jobs/>

- providing full payroll tax refunds for the 2019-20 financial year to small and medium-sized businesses with payroll of less than \$3 million;
- Deferring any payroll tax for eligible small businesses the first 3 months of the 2020/21 financial year until 1 January 2021.
- deferring 2020 land tax payments for eligible small businesses;
- Providing rent relief to commercial tenants in government buildings on an application basis.
- The Government is paying all outstanding supplier invoices within five business days.
- Waiving liquor licensing fees for 2020 for affected venues and small businesses.

Queensland Government

<https://www.qld.gov.au/about/industry-recovery>

- Queensland businesses may be eligible for a loan to retain employees and maintain operations. The \$500 million concessional loan facility will include low interest loans of up to \$250,000 for carry on finance with an initial 12-month interest free period for businesses to retain staff.
- Defer paying payroll tax returns until 31 July 2020.
- The Mentoring for Growth program currently has more than 50 mentors ready to connect with impacted small businesses, to provide tailored support including financial mentoring and business planning.
- Small businesses can access a series of workshops to learn about financial management and business planning. Delivered by TAFE Queensland, workshops will provide you with practical tools and skills to build business resilience. You will also have an opportunity to connect and network with other small businesses facing similar issues.

SA Government

<https://business.sa.gov.au/COVID-19-business-information-and-support>

- The Government announced a \$350 million stimulus package that will include current infrastructure projects being brought forward, as well as new projects around road maintenance, housing, tourism and health. The details of the package are not yet available.

WA Government

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

- Additional measures to support small businesses.
- A one-off grant of \$17,500 to payroll tax-paying businesses with an Australian payroll between \$1m and \$4m (will automatically be paid by cheque from July).
- The \$1 million payroll tax threshold being brought forward to 1 July 2020 (6 months earlier than previously planned).
- Deferral of payroll tax payments until 31 July 2020 for affected businesses that pay \$7.5m or less in Australian taxable wages.

NT Government

<https://business.nt.gov.au/support-for-business/recovery>

- Eligible businesses will get an initial \$10,000 grant for upgrades, and another \$10,000 if they contribute \$10,000 of their own money.

Tasmania Government

http://www.premier.tas.gov.au/documents/FACT_SHEETS_-_STIMULUS_PACKAGES_Final-V2.0.pdf

- Payroll tax waivers for the balance of this financial year for hospitality, tourism, seafood and exports sectors. Other businesses with payrolls of up to \$5 million will be able to apply, based on the impact of virus, to have their payroll tax waived for April to June 2020.
- \$20m in interest-free loans to the hospitality, tourism, seafood and exports sectors to be made available to businesses with a turnover of less than \$5 million to purchase equipment or restructuring business operations and will be interest free, for three years.

ACT Government

<https://apps.treasury.act.gov.au/budget/covid-19-economic-survival-package>

- One-off 6 month waiver on payroll tax for affected industries.
- Deferral of payroll tax for 12 months for businesses that pay up to \$10m in wages.
- \$750 rebates to small businesses through their next electricity bill.
- A freeze on various Government fees and charges, including the fire and emergency services levy, public transport, vehicle registration and parking fees.

Disclaimer

The information contained in this document is intended to be used as a guide only. Racing Australia has taken all reasonable care to ensure the information is correct, but is not liable for any errors this document may contain.

For more detailed information or advice, you should contact the relevant Government Department.