



COVID-19 Stimulus relief package

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as at 30 March 2020



JobKeeper Payment



We cover:

Overview

Information we are still waiting on

FAQs

How we can help

Overview

- ▶ \$1,500 a fortnight per employee
- ▶ Subsidy for full and part time workers, sole traders and casuals (with a year's service or more),
- ▶ Also includes thousands that have been stood down
- ▶ Business' turnover must fall at least 30% to qualify (for small businesses with turnover of less than \$1 billion) OR 50% for those over \$1 billion.
- ▶ Turnover refers to the sales and not the profit!

Information is still coming

- ▶ This has not been legislated yet.
- ▶ We still don't know the exact details on:
 - ▶ How to apply?
 - ▶ How they assess the decrease in turnover?

What we do know is

- ▶ **When does this start?**
 - ▶ It is not legislated yet. However, payments will start the first week of May and be back dated until 30 March
- ▶ **What if I have already lost my job/let go of staff member?**
 - ▶ If the staff member is rehired, they will receive the \$1,500
- ▶ **I have been affected, but this will not reflect until April sales?**
 - ▶ Not sure. Have not yet seen specifics on how they will assess the decrease in sales. Watch this space and I will provide an update ASAP
- ▶ **What about NZ workers?**
 - ▶ They will be eligible to attract a wages subsidy but not other foreigners here on a temporary visa.

FAQs

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- ▶ What if my wages are more than \$1,500 a fortnight?
 - ▶ You will still only receive up to the \$1,500 or more if the employer is required or in a position to pay more.
- ▶ What if my wages are LESS than the \$1,500 a fortnight?
 - ▶ Then you will receive a pay rise (whoop whoop!). Employers will not be able to keep these funds.
- ▶ How will it be paid?
 - ▶ It will be paid monthly in arrears to employers. The first payment to be made on the first week of May.

▶ **How do we apply?**

- ▶ Employers will be responsible for applying to the ATO to receive subsidies, and will need to show they have suffered a downturn.
- ▶ Employers will be required to report monthly on how many employees are being supported by the scheme

▶ **What if my employee is now on centrelink?**

- ▶ They will need to report this income to centrelink and this may affect their payments

▶ **What about paying super?**

- ▶ If an employee was stood down, the employer will be required to pay the minimum of \$1,500 a fortnight. Paying the superannuation guarantee (compulsory super) will be to the employer's discretion in this instance

FAQs

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- ▶ **What if my staff member is still employed and earning more?**
 - ▶ You will be able to continue paying your staff member per usual and utilise the funds to help subsidise the wage payments. You will need to continue paying super per usual.

FAQs

- ▶ **What if there is no work for the employee?**
 - ▶ Then you are encouraged to continue to stay connected with the employee?
- ▶ **Will it be taxed?**
 - ▶ Yes stated before tax amount. Net amount should be \$1,308 fortnight assuming standard tax rates. \$192 tax.

We are here to help @
hannans360.com.au

- ▶ We will continue to work closely with our clients to:
 - ▶ Provide details on claiming
 - ▶ Ensuring that they are receiving their maximum entitlement
 - ▶ Watch this space!! Ensure you are subscribed!

Thanks.

