



# What support is available during lockdown

What you can access & how

Updated 18 August 2021

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# FOR INDIVIDUALS

*If you can't work because you or someone in your household is impacted by COVID-19, support is available.*

There are two payments accessible to individuals: the [COVID-19 Disaster Payment](#); and, the [Pandemic Leave Disaster Payment](#).

## How to apply for support

You can apply for the COVID-19 Disaster Payment or the top-up income support payment through your [MyGov](#) account if you have created and linked a Centrelink account. Apply for the Pandemic Leave Payment by phoning Services Australia on 180 22 66.

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## COVID-19 Disaster Payments

The COVID-19 Disaster Payment is a weekly payment available to eligible workers who can't attend work or who have lost income because of a lockdown and don't have access to certain paid leave entitlements. If you are a couple, both people can separately claim the payment.

Sole traders may apply for COVID-19 Disaster Payment if you are unable to operate your business from home. However, you will not be eligible if you are also receiving a state business grant such as the NSW 2021 COVID-19 Business Grant or JobSaver.

## Timing of the payment

The disaster payment is generally accessible if the hotspot triggering the lockdown lasts more than 7 days as declared by the Chief Medical Officer (you can find the [listing here](#)). From 2 August 2021, payments will apply from day one of the lockdown and will be paid in arrears once claims open (previously, the payment only applied from day 8 of a lockdown).

However, the disaster payment will also be available:

1. **In NSW** from 18 July 2021, to anyone who meets the eligibility criteria. The requirement to be in a Commonwealth declared hotspot has been removed and the payment will apply to anyone in NSW impacted by the lockdowns who meets the other eligibility criteria.
2. **In Victoria** from 15 to 27 July 2021, to anyone who met the eligibility criteria. The requirement to be in a Commonwealth declared hotspot was removed and the payment applies to anyone in Victoria impacted by the lockdowns who met the other eligibility criteria.

Area	Date of declaration	Disaster payment accessible from
City of Sydney, Waverley, Woollahra, Bayside, Canada Bay, Inner West and Randwick	23 June 2021	1 July 2021

Greater Sydney including the Blue Mountains, Central Coast and Wollongong	26 June 2021	4 July 2021
All of New South Wales		18 July 2021
All of Victoria	15 July 2021	23 July 2021*

\*Payment accessible from 23 July 2021 paid in arrears from 15 July 2021 (day 1 of the lockdown).

## How much is the payment?

The COVID-19 disaster payment amount available depends on:

- How many hours of work you have lost in the week, and
- If the payment is on or after the third period of the lockdown.

Disaster payment amounts	Hours of work lost	
	Between 8 and 20 (or a full day of work)	20 or more
Weeks 2 and 3 of a lockdown*	\$325	\$500
From week 4 of a lockdown onwards	\$375	\$600
From 2 August 2021**	\$450	\$750

\* Eligible Victorians received the higher rate from week one of the lockdown

\*\* These higher rates will apply from day one of any potential lockdown in the future

The payment applies to each week of lockdown you are eligible and is taxable (you will need to declare it in your income tax return).

## Eligibility

The COVID-19 disaster payment is emergency relief. It is available if you:

- Live or work in an area that is subject to a state or territory public health order that imposes restriction on movement and is declared a Commonwealth COVID-19 hotspot, or
- Have visited an area that is a Commonwealth COVID-19 hotspot and you are subsequently subject to a restricted movement order when you return to other parts of New South Wales or interstate.

And you:

- Are an Australian citizen, permanent resident or temporary visa holder who has the right to work in Australia, and
- Are aged 17 years or over, and
- Have lost 8 hours or more of work or a full day of your usual work as a result of the restrictions - losing work includes being stood down by your employer, not being assigned any shifts for the week of restrictions and being unable to work from home. Losing a full day of what you were scheduled to work but could not work because of a restricted movement order includes not being able to attend a full-time, part-time or casual shift of less than 8 hours, and
- Don't have paid pandemic-related leave available through your employer (annual leave is not taken into account for this), and

11. Are not receiving income support payments, a state or territory pandemic payment, Pandemic Leave Disaster Payment or state small business payment for the same period. See *'Top up' payments for those on income support* below. Income support payments include Age Pension, Austudy, Carer Payment, Disability Support Pension, Farm Household Allowance, JobSeeker Payment, Parenting Payment, Partner Allowance, Special Benefit, Widow Allowance, Youth Allowance and Income Support Supplement, Service Pension or Veteran Pension from the Department of Veterans' Affairs.

A liquid assets test of \$10,000 previously applied to the disaster payment but was removed from Thursday, 8 July 2021.

### **'Top up' payments for those on income support**

A special separate \$200 'top-up' payment will be made to those who currently receive an income support payment through social security, in addition to their existing payment, if they can demonstrate they have lost more than 8 hours of work and meet the other eligibility requirements for the COVID-19 Disaster Payment.

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## **Pandemic Leave Disaster Payment**

The Pandemic Leave Disaster Payment is for those who have been advised by their relevant health authority to self-isolate or quarantine because they:

12. Test positive to COVID-19;
13. Have been identified as a close contact of a confirmed COVID-19 case;
14. Care for a child, 16 years or under, who has COVID-19; or
15. Care for a child, 16 years or under, who has been identified as a close contact of a confirmed COVID-19 case; or
16. Care for a person who has tested positive to COVID-19.

### **How much is the payment?**

The payment is \$1,500 for each 14 day period you are advised to self-isolate or quarantine. If you are a couple, you both can claim this payment if you meet the eligibility criteria.

### **Eligibility**

The Pandemic Leave Disaster Payment is available if you:

17. Are an Australian citizen, permanent resident or temporary visa holder who has the right to work in Australia; and
18. Are aged 17 years or over; and
19. Are unable to go to work and earn an income; and
20. Do not have appropriate leave entitlements, including pandemic sick leave, personal leave or carers leave; and
21. Are not getting any income support payment, ABSTUDY Living Allowance, Paid parental leave or Dad and Partner Pay. Income support payments include Age Pension, Austudy, Carer Payment, Disability Support Pension, Farm Household Allowance, JobSeeker Payment, Parenting Payment, Partner Allowance, Special Benefit, Widow Allowance, Youth Allowance and Income Support Supplement, Service Pension or Veteran Pension from the Department of Veterans' Affairs.

The payment is taxable and you will need to declare it in your income tax return.

If you are uncertain of your eligibility, talk to [Services Australia](#).

If you are concerned about the impact of disaster relief payments on you, talk to us.

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## NSW Child-care gap fee

From 19 July 2021, the Government is enabling childcare services in NSW Local Government Areas subject to stay at home orders to waive gap-fees for parents keeping their children at home due to current COVID-19 restrictions. The gap fee is the difference between the Child Care Subsidy (CCS) the Government pays to a service and the remaining fee paid by the family.

The child-care gap fee waiver is only applicable where the childcare service opts in.

The Local Government Areas were expanded and now cover: City of Sydney, Municipality of Woollahra, City of Randwick, Municipality of Waverley, Bayside Council, Blacktown City Council, Blue Mountains City Council, Municipality of Burwood, Camden Council, Central Coast Council, City of Campbelltown, City of Canada Bay, City of Canterbury-Bankstown, Cumberland City Council, City of Fairfield, George's River Council, City of Hawkesbury, Hornsby Shire, Municipality of Hunter's Hill, Inner West Council, Ku-ring-gai Council, Lane Cove Council, City of Liverpool, Mosman Council, North Sydney Council, Northern Beaches Council, City of Parramatta, City of Penrith, City of Ryde, Shellharbour City Council, Municipality of Strathfield, Sutherland Shire, The Hills Shire, Wollondilly Shire, City of Willoughby, and Wollongong City Council.

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## NSW Eviction moratorium

The NSW Government has introduced a targeted eviction moratorium to protect residential tenants. The moratorium applies where:

22. You have lost work/income because they or a member of their household contracted COVID; or
23. The household's take home weekly income has reduced by 25% or more (including any government assistance received) compared to the weekly income received in the 4 weeks prior to 26 June 2021; and
24. You continue to pay at least 25% of the rent payable.

### 60 day freeze on evictions

Tenants who can't pay their rent in full because they are impacted by the COVID-19 outbreak can't be evicted between now and 11 September 2021.

### Financial support for landlords

Residential landlords who decrease rent for impacted tenants can apply for a grant of up to \$1,500 or land tax reductions depending on their circumstances. The land tax relief will be equal to the value of rent reductions provided to financially distressed tenants for up to 100% of the 2021 land tax year liability.



# QUEENSLAND

## Support is available if you are impacted by the Queensland lockdowns.

Eleven Queensland local Government areas were declared a Commonwealth hotspot on 31 July 2021. If you are impacted, there is assistance available to you and [your business](#).

### For me

There are two payments accessible to individuals: the [COVID-19 Disaster Payment](#); and, the [Pandemic Leave Disaster Payment](#).

### How to apply for support

You can apply for the COVID-19 Disaster Payment or the top-up income support payment through your [MyGov](#) account if you have created and linked a Centrelink account. Apply for the Pandemic Leave Payment by phoning Services Australia on 180 22 66.

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## COVID-19 Disaster Payments

The COVID-19 Disaster Payment is a weekly payment available to eligible workers who can't attend work or who have lost income because of a lockdown and don't have access to certain paid leave entitlements. If you are a couple, both people can separately claim the payment.

Sole traders may apply for COVID-19 Disaster Payment if you are unable to operate your business from home. However, you will not be eligible if you are also receiving a state business grant such as the NSW 2021 COVID-19 Business Grant or JobSaver.

### Timing of the payment

The disaster payment is generally accessible if the hotspot triggering the lockdown lasts more than 7 days as declared by the Chief Medical Officer (you can find the [listing here](#)). From 2 August 2021, payments will apply from day one of the lockdown and will be paid in arrears once claims open (previously, the payment only applied from day 8 of a lockdown).

Area	Date of declaration	Disaster payment accessible from
The City of Brisbane, Moreton Bay Region, Redland City, Logan City, City of Ipswich, Shire of Noosa, City of Gold Coast, Lockyer Valley Region, Scenic Rim Region, Somerset Region and Sunshine Coast Region	1 August 2021	7 August 2021

### How much is the payment?

The COVID-19 disaster payment amount available depends on:

25. How many hours of work you have lost in the week, and
26. If the payment is on or after the third period of the lockdown.

Disaster payment amounts	Hours of work lost	
	Between 8 and 20 (or a full day of work)	20 or more
From 2 August 2021	\$450	\$750

The payment applies to each week of lockdown you are eligible. On 29 July 2021, the Prime Minister stated that the COVID-19 disaster payment will not be taxable.

## Eligibility

The COVID-19 disaster payment is emergency relief. It is available if you:

27. Live or work in an area that is subject to a state or territory public health order that imposes restriction on movement and is declared a Commonwealth COVID-19 hotspot, or
28. Have visited an area that is a Commonwealth COVID-19 hotspot and you are subsequently subject to a restricted movement order when you return to other parts of the impacted region or interstate.

And you:

29. Are an Australian citizen, permanent resident or temporary visa holder who has the right to work in Australia, and
30. Are aged 17 years or over, and
31. Have lost 8 hours or more of work or a full day of your usual work as a result of the restrictions - losing work includes being stood down by your employer, not being assigned any shifts for the week of restrictions and being unable to work from home. Losing a full day of what you were scheduled to work but could not work because of a restricted movement order includes not being able to attend a full-time, part-time or casual shift of less than 8 hours, and
32. Don't have paid pandemic-related leave available through your employer (annual leave is not taken into account for this), and
33. Are not receiving income support payments, a state or territory pandemic payment, Pandemic Leave Disaster Payment or state small business payment for the same period. See *'Top up' payments for those on income support* below. Income support payments include Age Pension, Austudy, Carer Payment, Disability Support Pension, Farm Household Allowance, JobSeeker Payment, Parenting Payment, Partner Allowance, Special Benefit, Widow Allowance, Youth Allowance and Income Support Supplement, Service Pension or Veteran Pension from the Department of Veterans' Affairs.

## 'Top up' payments for those on income support

A special separate \$200 a week 'top-up' payment is available to those who currently receive an income support payment through social security, ABSTUDY Living Allowance, Dad and Partner Pay or Parental Leave Pay in addition to their existing payment, if they can demonstrate they have lost more than 8 hours of work and meet the other eligibility requirements for the COVID-19 Disaster Payment.

If you are a member of a couple, you can both apply for this payment.



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## Pandemic Leave Disaster Payment

The Pandemic Leave Disaster Payment is for those who have been advised by their relevant health authority to self-isolate or quarantine because they:

34. Test positive to COVID-19;
35. Have been identified as a close contact of a confirmed COVID-19 case;
36. Care for a child, 16 years or under, who has COVID-19; or
37. Care for a child, 16 years or under, who has been identified as a close contact of a confirmed COVID-19 case; or
38. Care for a person who has tested positive to COVID-19.

### How much is the payment?

The payment is \$1,500 for each 14 day period you are advised to self-isolate or quarantine. If you are a couple, you both can claim this payment if you meet the eligibility criteria.

### Eligibility

The Pandemic Leave Disaster Payment is available if you:

39. Are an Australian citizen, permanent resident or temporary visa holder who has the right to work in Australia; and
40. Are aged 17 years or over; and
41. Are unable to go to work and earn an income; and
42. Do not have appropriate leave entitlements, including pandemic sick leave, personal or carers leave; and
43. Are not getting any income support payment, ABSTUDY Living Allowance, Paid parental leave or Dad and Partner Pay. Income support payments include Age Pension, Austudy, Carer Payment, Disability Support Pension, Farm Household Allowance, JobSeeker Payment, Parenting Payment, Partner Allowance, Special Benefit, Widow Allowance, Youth Allowance and Income Support Supplement, Service Pension or Veteran Pension from the Department of Veterans' Affairs.

The payment is taxable and you will need to declare it in your income tax return. If you are uncertain of your eligibility, talk to [Services Australia](#). If you are concerned about the impact of disaster relief payments on you, talk to us.

## For my business

### Support is available if you are impacted by the Queensland lockdowns.

If your business was impacted by the recent lockdowns in South East Queensland and Cairns and Yarrabah, support is available for your business through the:

1. [QLD 2021 COVID-19 Business Support Grant](#) and the [top-up grants package](#); and
2. The one-off \$1,000 payment to [impacted sole traders](#).

## QLD 2021 COVID-19 Business Support Grant

The [QLD 2021 COVID-19 Business Support Grant](#) provides grants of up to \$5,000 for businesses impacted by the lockdowns plus a 'top-up' grant based on the size of your payroll (see '[Top up' grants package](#) below) bringing the total value of the grant to between \$10,000 and a maximum of \$30,000.

### Eligibility

To be eligible for the grant, you must:

3. Employ staff on your payroll (excluding business owners); and
4. Have a Queensland headquarters (i.e., your principal place of business is located in Queensland) and you were trading in Queensland on 31 July 2021; and
5. Have an ABN continuously held from 30 June 2021; and
6. Be registered for GST; and
7. Have an annual turnover of more than \$75,000 or more during any of the 2018-19, 2019-20 or 2020-21 financial years (new businesses that do not have a full financial year can demonstrate that they will meet the turnover test requirement for 2021-22); and
8. Have experienced a decline in turnover of at least 30% over a 7 day period that includes at least one full day of lockdown compared to turnover during the same 7 day period in July or August 2019. For new businesses that do not have a comparison period, or for businesses where 2019 did not represent a usual trading period, use another period such as July/August 2020.
9. For small and medium businesses:
  - Have an annual Queensland payroll of not more than \$10 million during any of the 2018-19, 2019-20 or 2020-21 financial years.
10. For large tourism operators:
  - Have an annual Queensland payroll of more than \$10 million during any of the 2018-19, 2019-20 or 2020-21 financial years; and
  - Operate in the tourism and hospitality sector (check the [ANZSIC codes](#)). Your details on the [Australian Business Register](#) will need to match these codes and can be updated through your MyGov account.

Employing sole traders who are not receiving the COVID-19 Disaster Payment and non-for-profits are eligible for the grant if they meet the eligibility criteria.

Your business does not have to be located in a locked down local government area to access the grant but businesses that are located outside lock down areas must provide evidence to show a reduction in turnover of more than 30%.

### Queensland lockdown periods

South East Queensland	31 July to 8 August 2021
Cairns and Yarrabah	8 August to 11 August 2021
Any other lockdown	August 2021

Insolvent businesses or businesses whose owners are insolvent or an undischarged bankrupt are ineligible for the grant.

## 'Top up' grants package

Businesses that qualify for the QLD 2021 COVID-19 Business Support Grant will also receive a 'top up' grant based on payroll size:

Top-up grant	Payroll size
\$5,000	Less than \$1.3m
\$10,000	\$1.3m to \$10m
\$25,000	\$10m or more (aimed at tourism and hospitality businesses)

### How to apply

Applications are made online through the [Queensland Rural and Industry Development Authority](#) and close on 16 November 2021.

You will need to submit a [letter from your accountant](#) on their letterhead verifying your business's turnover, decline in turnover, and payroll, **or** submit:

11. Sales data evidencing a reduction in turnover;
12. Payroll records, payroll tax information or other evidence of your business being an employer;
13. BAS statements or other ATO records demonstrating turnover eligibility.

If required, your business's trading location can be verified using your public website or utility bills for the business location.

### Support for sole traders

The [Queensland and Federal Governments have announced](#) a one-off, \$1,000 grant for non-employing sole traders across Queensland that have had a decline in turnover of more than 30%.

The full details of this package are not yet available but you can [register your interest here](#).

# NEW SOUTH WALES

## **If your business is adversely impacted by NSW lockdowns, support is available.**

The NSW and Federal Governments have released a series of measures to support business during extended lockdowns of four weeks or more.

14. Up to \$100,000 in weekly JobSaver cashflow support payments
15. Up to \$15,000 through the expanded NSW 2021 COVID-19 business grants program
16. NSW micro-business grants
17. NSW payroll tax deferrals and a 25% payroll tax waiver
18. NSW rent protections and grants
19. NSW sector support for the arts and accommodation sector

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## **JobSaver: Cashflow Support of up to \$100,000**

JobSaver is a weekly payment between a minimum of \$1,500 and maximum of \$100,000 based on 40% of the NSW payroll payments of your business (including not-for-profits).

Eligible businesses without employees that meet the eligibility criteria (such as sole traders with no employees), will be able to access a payment of \$1,000 per week.

The cashflow support will cease when lockdown restrictions are eased or when the Commonwealth hotspot declaration is removed.

Funding is also limited to specific purposes.

### **How to apply**

Applications can be made online through [Service NSW](#) and close at 11:59pm on 18 October 2021.

If your business has successfully applied for the COVID-19 business grant, your business will be automatically eligible for JobSaver but will need to provide the additional information on payroll and headcount.

To apply for JobSaver, you will need your business's Australian income tax return, Notice of Assessment or other documentation demonstrating the business had a national aggregated annual turnover of between \$75,000 and \$250 million for the 2020 income year.

If your business is not on the [highly impacted industries](#) list, you will also need to submit a letter from us demonstrating that that you meet the decline in turnover test.

If your business is in the performing arts sector, please see the [NSW Performing Arts COVID support package](#) – CreateNSW is streamlining all applications through them.

## Eligibility

20. Have an active ABN; and
21. Can demonstrate that your business was operating in NSW as at 1 June 2021; and
22. Had an aggregated turnover between \$75,000 and \$250 million for the year ended 30 June 2020; and
23. Maintain employee headcount as at 13 July 2021 – the number of people you employed in NSW including full time, part time and long-term casuals that have been employed by the business for more than 12 months; and
24. Have experienced a decline in turnover of at least 30% over a minimum 2-week period from the start of the Greater Sydney Lockdown (from 26 June 2021), compared to the same period in 2019. The application will ask you for your lowest fortnightly turnover in this period.

Some businesses are ineligible for JobSaver. These include businesses predominantly earning passive income (rent, interest, or dividends), businesses owned by sovereign entities (foreign Governments), businesses in liquidation or bankruptcy proceedings, businesses that did not have an ABN as at 1 June or backdated their ABN, government agencies, local governments, banks, and universities.

## How is the 40% of payroll calculated?

Your payroll is based on your most recent Business Activity Statement (BAS) lodged with the ATO prior to 26 June 2021 for the 2020-21 financial year. Use the figure at item W1, removing any amounts withheld on behalf of contractors. To determine weekly payroll, divide the amount by the number of days in the BAS period and multiply this by 7.

For businesses with employees outside of NSW, you will need to calculate the amount based on just the NSW employees using the same method you use to report on your BAS.

If your business does not submit a BAS with a W1 amount, use your 2019-20 NSW payroll tax reconciliation return. If your business does not submit a BAS, you will need to contact ServiceNSW to discuss alternatives.

Where an employer's headcount changed because of circumstances outside the control of the employer (such as voluntary resignations, death of an employee) it will not be taken as a reduction in employee headcount on 13 July.

## I don't have employees, can I still qualify?

If your business does not have employees (such as sole traders) but meets all the other eligibility tests, you can apply for JobSaver but only if the individuals associated with and deriving income from the business have not received a Commonwealth COVID-19 Disaster Payment since 18 July 2021. You also need to ensure that the business is the primary income source for the associated person.

## **I have stood down my employees, do they still qualify for the headcount test?**

Yes. If you have stood down your full time, part time or long-term casual employees, they are counted in the headcount. During a stand down the employment relationship remains (their role has not been terminated), the employee is not paid (unless they are taking paid leave), and they continue to accrue annual leave. See the [FairWork website](#) to clarify how and when an employer can stand down employees.

## **An employee has resigned, does this impact my headcount?**

No. If the employee is no longer with the business due to circumstances outside of your control, such as resignation or death, this will not impact the headcount test.

If however you forced the employee to resign or terminated their employment, this will impact on your headcount and eligibility for JobSaver and the COVID-19 business grant. Any actions taken by the business that reduce headcount will need to be reported to Service NSW.

## **How is aggregated annual turnover measured?**

Aggregated turnover is generally your business's annual turnover plus the annual turnover of any business connected with you or that are an affiliate of yours. If you have any related entities that carry on a business, please contact us and we'll work with you on calculating this figure.

Annual turnover generally includes income that has been generated in the ordinary course of carrying on a business. You would normally use GST-exclusive figures for this purpose. ATO guidance suggests that JobKeeper and cash flow boost amounts would probably be ignored as part of this calculation.

## **How is decline in turnover measured?**

In general, GST turnover concepts are used to determine whether the business has suffered a decline in turnover of at least 30%.

However, ServiceNSW has not provided clear guidance on how GST turnover should be calculated for the purpose of this grant. If it is not clear whether your business can pass this test, it may be necessary to contact ServiceNSW to discuss the situation.

## **I don't have a 2019 comparison period, can I still get help?**

Businesses that are not able to meet all the eligibility criteria can still potentially qualify for the grant, but it is necessary to contact ServiceNSW to discuss the situation before applying. Alternatives may be available where:

25. You can demonstrate over a shorter period prior to 26 June 2021 that your aggregated income would have been \$75,000; or
26. Your turnover in the test period in 2019 was not representative of your normal turnover, for example because of bushfires.

You are likely to need us to verify any alternative scenarios for you as part of your application.

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## 2021 COVID-19 Business Grant of up to \$15,000

The COVID-19 Business Grant provides up to \$15,000 to eligible businesses (including not-for-profits and sole traders) with annual wages of up to \$10 million.

The value of the grant is determined by the impact of the lockdown on your turnover. Your business will need to prove a decline in turnover across a minimum 2 week period from 26 June 2021 to 17 July 2021.

Decline in turnover	Grant
70%+	\$15,000
50% or more	\$10,500
30% or more	\$7,500

### How to apply

Applications are made online through [Service NSW](#) and close at 11:59pm on **13 September 2021**.

### Eligibility

The 2021 COVID-19 business grant is available if you:

27. Have an active ABN; and
28. Can demonstrate that your business was operating in NSW as at 1 June 2021; and
29. Have had total annual Australian wages of \$10m or less as at 1 July 2020; and
30. Have had an aggregated annual turnover between \$75,000 and \$50m (inclusive) for the year ended 30 June 2020; and
31. Have unavoidable business costs from 1 June 2021 for which there is no other government support available; and
32. Maintain employee headcount as at 13 July 2021 – the number of people you employed in NSW including full time, part time and long-term casuals that have been employed by the business for more than 12 months; and
33. Have experienced a decline in turnover of at least 30% over a minimum 2-week period from 26 June 2021 to 17 July 2021 compared to the same period in 2019. The application will ask you for your lowest fortnightly turnover in this period.
  34. For businesses and not-for profits on the NSW border with Victoria impacted by lockdown orders that began on 27 May 2021, use the turnover period from 27 May 2021 to 17 July 2021 compared to the same period in May and/or June and/or July 2019.

Some businesses are ineligible for the grant. These include businesses predominantly earning passive income (rent, interest, or dividends), businesses owned by sovereign entities (foreign Governments), businesses in liquidation or bankruptcy proceedings, businesses that did not have an ABN as at 1 June, government agencies, local governments, banks, and universities.



## Can I get the JobSaver and the business grant?

If your business meets the eligibility conditions, you can access both the grant and JobSaver.

If your business does not have any employees, you cannot access the grant if persons associated with the business, and who derive income from it, have applied for, or are receiving, the Commonwealth COVID-19 Disaster Payment.

If your business is in the performing arts sector, please see the [NSW Performing Arts COVID support package](#) – CreateNSW is streamlining all applications through them.

## I don't employ staff, can I still get the grant?

For sole traders and other businesses without employees, you can access the grant if you meet the other eligibility criteria **but** only if persons associated with the business, and who derive income from it, have not applied for, and are not receiving, the Commonwealth COVID-19 Disaster Payment.

*We can work with you to help assess your eligibility and apply for the grant!*

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## \$1,500 Micro-Business Grants

The micro-business grant provides \$1,500 per fortnight while lockdown restrictions apply to sole traders and other small businesses with aggregated annual turnover between \$30,000 and \$75,000. The grants are available from week one of the lockdown until restrictions are eased.

## How to apply

Applications are made online through [Service NSW](#). Applications close at 11:59pm on 18 October 2021.

Where your business operates through a trust structure, you will need to provide additional information to demonstrate that a national aggregated annual turnover of more than \$30,000 and less than \$75,000 is derived through the trust.

## Eligibility

35. Have an active ABN registered in NSW or can demonstrate your business was operating in NSW as at 1 June 2021; and
36. Have had an aggregated annual turnover of more than \$30,000 and less than \$75,000 for the year ended 30 June 2020; and
37. Have experienced a decline in turnover of at least 30% over a minimum 2-week period from the start of the Greater Sydney Lockdown (from 26 June 2021), compared to the same period in 2019; and
38. Have business costs for which there is no other government support available; and
39. Have not applied for either the 2021 COVID-19 Business Grant or JobSaver; and
40. Have less than 20 full time equivalent employees at 1 June 2021; and
41. If you are an employer, maintain your headcount as at 13 July 2021; and

42. If you do not have employees, such as a sole trader, the business making the application is your primary source of income.

Businesses that received the \$1,500 small business fees and charges rebate can apply for this grant.

If your business does not have any employees, you cannot access the grant if persons associated with the business, and who derive income from it, have applied for, or are receiving, the Commonwealth COVID-19 Disaster Payment.

Ineligible businesses include those predominantly earning passive income (rent, interest, or dividends), or businesses in liquidation or individuals in bankruptcy proceedings.

### **There is a problem with my 2019 comparison period, can I still get help?**

Businesses that are not able to meet all the eligibility criteria can still potentially qualify for the grant, but it is necessary to contact ServiceNSW to discuss the situation before applying. Alternatives may be available where:

43. The business was not operating for the full year to 30 June 2020 (e.g., new businesses) and you can prove the turnover requirements over a shorter period of time.
44. Your business was affected by drought, bushfires or other natural disasters.
45. A business change (acquisition, disposal or restructure) impacted the business' turnover.
46. You're a sole trader or partnership and turnover was impacted by sickness, injury or leave.

You are likely to need us to verify any alternative scenarios for you as part of your application.

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## **Payroll tax relief**

### **Payroll tax and lodgement deadline deferred**

NSW payroll tax has been deferred for July and August 2021 until 7 October 2021 for all businesses.

The due date for the 2020-21 annual reconciliation has also been deferred until 7 October 2021.

**Previous payroll tax deferrals and payment arrangements for 2020-21 due in July 2021 have not been deferred.**

### **25% payroll tax waiver for businesses between \$1.2m and \$10m**

Businesses with Australian wages of between \$1.2 million and \$10 million that have experienced a 30% decline in turnover, will be provided with a 25% payroll tax waiver in 2021-22. Further details of the reduction will be available by the end of August from [RevenueNSW](#).

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## **Rent protections and grants**

Commercial and retail rent protections are in place.

## Eviction moratorium

A short-term eviction moratorium is in place for rental arrears where a residential tenant suffers loss of income of 25% due to COVID-19 and meets certain other criteria. The moratorium applies to tenants with an annual turnover of \$50 million or less.

Commercial and retail landlords will need to attempt mediation before recovering a security bond, or locking-out or evicting a tenant impacted by Public Health Orders.

## Land tax relief

Land tax relief equal to the value of rent reductions provided by commercial, retail and residential landlords to financially distressed tenants is available for up to 100% of the 2021 land tax liability.

See [Residential Tenancies Moratorium Application for rent negotiation](#)

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## Specific sector-based support

### Arts community

Applications have opened for the [NSW Performing Arts COVID support package](#) covering performances impacted by NSW Government Public Health Orders from 26 June 2021.

The funding amount per performance is calculated using a formula of average ticket price multiplied by the number of tickets available for sale and a specified percentage tied to the lockdown period.

To be eligible for funding, you must be one of the following:

47. An eligible venue
48. A producer of an eligible performance scheduled to perform at one of the eligible venues
49. A promoter of an eligible performance scheduled to perform at one of the eligible venues.

See the [full details and the list of eligible venues and performances here](#).

### How to apply

Applications are made online through [SmartyGrants](#).

### Accommodation sector

Business in the accommodation have been advised to apply first for the COVID-19 Business Grant.

In addition, there will be a support package for eligible tourism accommodation providers that have lost business during the school holiday period. Assistance will be based on the number of cancelled 'room nights' of:

50. \$2,000 for up to 10 room nights

51. \$5,000 for 11 or more room nights

To be eligible, you will need to be able to show evidence of cancellations for lost room nights between 25 June and 11 July 2021.

### **Gaming machine tax deferrals**

All businesses paying hotel or club gaming machine tax will be able to defer the taxes for the 2021-22 financial year:

52. Hotels: deferrals for June and September quarter until 21 January 2022.

53. Clubs: deferrals for the August quarter until 21 December 2022.

# VICTORIA

**Support is available if you are impacted by the Victorian lockdowns.**

## **Support for my business**

A new series of grants have been announced to support Victorian business. Here's what we know so far:

### **\$5,000 Business Continuity Fund**

\$5,000 grants will be available to businesses that continue to be impacted by capacity limits imposed by public health restrictions. Eligible businesses in the Melbourne CBD will receive an additional \$2,000.

Twenty-four sectors are covered by the grant including gyms, cafes, restaurants, catering services and hairdressers.

To be eligible, your business must have received or been eligible for the Business Costs Assistance Program.

### **Licensed Hospitality Venue Fund 2021**

Grants of up to \$20,000 will be available through the Licensed Hospitality Venue Fund. Eligible businesses in the Melbourne CBD will also receive an additional \$2,000.

To receive this funding, your business will need to have received or been eligible for the Licensed Hospitality Venue Fund 2021.

### **Small Business COVID Hardship Fund**

A new fund will be established for small businesses with a payroll of up to \$10 million that are not eligible under the existing fund and grant programs.

To receive the grant of up to \$5,000, your business will need to demonstrate a decline in turnover of 70% or more.

### **Alpine Business Support Program**

Additional grants of between \$5,000 and \$20,000 will be made available to Alpine based businesses through the Alpine Support Program.

The Alpine Support program covers six alpine resorts, Dinner Plain, and key businesses located off mountain in the surrounding towns impacted by restrictions and offer a COVID Safe visitor experience for snowboarders and skiers.

Applications for the [Alpine Support Program](#) are not yet open.

## Top-up support

The Victorian Government provided two 'top up' cash grants for businesses impacted by the lockdown declared on 15 July 2021.

The cash grants are paid automatically to businesses that successfully received a grant from the *Business Costs Assistance Program Round Two* or the *Licensed Hospitality Venue Fund 2021* (including regional businesses). The 16 July 2021 and 21 July 2021 top-up payment amounts are summarised below:

	Top-up amounts
<a href="#">Licensed Hospitality Venue Fund</a>	\$3,000 and \$4,200
<a href="#">Business Costs Assistance Program</a>	\$2,000 and \$2,800

You will not need to take any further action. The grant is paid automatically from mid-July.

## I did not apply for the original grants but would like to apply for the top-up?

The top up payments are not available if your business did not receive the original grants.

However, the Business Costs Assistance Program Round Two will re-open for applications by the end of July. If eligible, your business will receive the grant and the top up payments.

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## Support for commercial tenants and landlords

From 28 July, commercial landlords must provide rental relief to eligible tenants that matches the tenants' COVID-19 impacted decline in turnover under the reintroduced *Commercial Tenancy Relief Scheme*.

To be eligible for relief, commercial tenants must have an annual turnover of less than \$50 million and have suffered a decline in turnover of at least 30% as a result of COVID-19.

To support landlords, the Victorian Government will create a Landlord Hardship Fund.

Where an agreement cannot be reached between the tenants and landlord, the parties are encouraged to enter negotiations directly, with the Victorian Small Business Commission (VSBC) available to provide mediation if required. See [Commercial tenancy relief for Victorians in small business](#), for further details.

From 28 September 2020, the eligibility tests to access JobKeeper for employers changed, along with the amount of the JobKeeper payment for employees and business participants. To receive JobKeeper from 4 January 2021, employers will need to assess their eligibility again.

Eligibility for one JobKeeper period does not entitle you to, or exclude you from, payments in another period. Each eligibility period is addressed separately. That is, there might be businesses that qualified for the first tranche of JobKeeper, don't qualify for the second tranche but qualify for the third.

## Eligible businesses

### Eligible employers

An eligible employer is an employer that:

- On 1 March 2020, carried on a business in Australia or was a non-profit body pursuing its objectives principally in Australia; and
- before the end of the JobKeeper fortnight, it met the original decline in **turnover test\***:

15% or more	50% or more	30% or more
ACNC-registered charity (excluding universities, or schools within the meaning of the GST Act – these entities need to meet the basic turnover test)	<p>Large businesses where aggregated turnover for the test period is:</p> <ul style="list-style-type: none"> <li>• likely to be \$1 billion or more; or</li> <li>• aggregated turnover for the previous year to the test period was \$1 billion or more</li> </ul> <p>A small business that forms part of a group that is a large business must have a <math>\geq 50\%</math> decline in turnover to satisfy the test.</p>	All other qualifying entities

- And, was not:
  - on 1 March 2020, subject to Major Bank Levy for any quarter ending before this date, a member of a consolidated group and another member of the group had been subject to the levy; or
  - a government body of a particular kind, or a wholly-owned entity of such a body; or
  - at any time in the fortnight, a provisional liquidator or liquidator has been appointed to the business or a trustee in bankruptcy had been appointed to the individual's property.

1 March 2020 is an absolute date. An employer that had ceased trading before 1 March, commenced after 1 March 2020, or was not pursuing its objectives in Australia at that date, is not eligible.

*\*Additional tests apply from 28 September 2020.*



## Business owners

Business owners:

- sole traders with an ABN, and
- **one** partner in a partnership, adult beneficiary of a trust, director or shareholder who works in the business (i.e., only one person in a partnership, one beneficiary of a trust, or one director / shareholder are eligible for JobKeeper payments).

will be eligible for the JobKeeper payment if the following conditions are met:

- The entity carried on a business on 1 March 2020 and is **not** a not-for-profit entity; and
- Had an ABN on 12 March 2020; and
- Had some business income in the 2018-19 income year included in a tax return that was lodged by 12 March 2020; or made some supplies connected with Australia in a tax period that started on or after 1 July 2018 and ended before 12 March 2020 and notified the ATO of this (e.g. on an activity statement lodged with the ATO) by 12 March 2020. *The Commissioner can potentially extend the deadline for holding an ABN, lodging the 2019 tax return or lodging a relevant activity statement.*
- Passed the decline in turnover test; and
- The individual **was not**:
  - employed by the business at any time in the relevant fortnight; or
  - a permanent employee of another entity at the time the individual gives the nomination notice (i.e., they do not hold a full time or part time role with another employer); or
  - a nominated JobKeeper employee of any other business; or
  - entitled to parental leave pay or dad and partner pay or workers' compensation payments for being totally incapacitated for work.
- **As at 1 March 2020**, the individual satisfied all of the following:
  - Aged 16 years or over; and
  - If they are aged 16 or 17 years, they are either financially independent or are not undertaking full-time study;
  - Actively engaged in the business; and
  - An Australian resident under the Social Security Act or an Australian tax resident who holds a special category visa \*\*

If the criteria have been met, the individual is eligible if they were actively engaged in the business in the fortnight of the JobKeeper payment, and they agreed to be nominated for JobKeeper payments and confirmed they pass the eligibility criteria.

### What about the directors who work in the business?

If more than one director wants to access JobKeeper payments, they need to meet the eligibility criteria of an employee (see *Eligible employees*). To be an employee a director would have received salary/wages and this has been reported as salary/wages on activity statements, payment summaries, tax returns etc. If a director merely receives a distribution from the business then they are unlikely to be an employee.

## The decline in turnover test

For businesses already enrolled in JobKeeper, to receive payments from 28 September 2020, you need to meet an extended decline in turnover test based on **actual GST turnover**.

Businesses that are enrolling for the first time, need to meet the basic eligibility test and the decline in turnover test/s for the relevant period.

	30 March to 27 September 2020	28 September to 3 January 2021	4 January 2021 to 28 March 2021
<b>Decline in turnover test</b>	Projected GST turnover for a relevant month or quarter is expected to fall by at least 30% (15% for ACNC-registered charities, 50% for large businesses) compared to the same period in 2019.*	Actual GST turnover in the <b>September 2020 quarter</b> (July, August & September) fell by at least 30% (15% for ACNC-registered charities, 50% for large businesses) compared to the same period in 2019.*	Actual GST turnover in the <b>December 2020 quarter</b> (October, November & December) fell by at least 30% (15% for ACNC-registered charities, 50% for large businesses) compared to the same period in 2019.*

\* *Alternative tests may apply*

Most businesses will generally use their Business Activity Statement (BAS) reporting to assess eligibility. However, as the BAS deadlines are generally not until the month after the end of the quarter, **eligibility for JobKeeper will need to be assessed in advance of the BAS reporting deadlines** to meet the wage condition for eligible employees.

The ATO has the power to extend the time an entity has to pay employees in order to meet the wage condition. For the JobKeeper fortnights starting 28 September 2020 and 12 October 2020 the ATO is allowing employers until 31 October 2020 to meet the wage condition for all employees included in the JobKeeper scheme.

### Calculating GST turnover

Calculating GST turnover for tranches 2 and 3 of JobKeeper is different to the original JobKeeper requirements as entities will only be using current GST turnover figures (not projected GST turnover).

When applying the new turnover reduction tests for the September 2020 quarter and December 2020 quarter, entities that are registered for GST must use the same method that is used for GST reporting purposes. That is, if the entity is registered for GST on a cash basis then a cash basis needs to be used to calculate current GST turnover for the purpose of these new tests. Entities that are not registered for GST can choose whether to calculate GST turnover using a cash or accruals basis, but must use a consistent method.

Current GST turnover includes proceeds from the sale of capital assets, unless the sale is input taxed. Current GST turnover includes taxable and GST-free supplies, but should exclude input taxed supplies

such as residential rental income and financial supplies like dividends, interest etc. JobKeeper and ATO cash flow boost payments should be excluded from the calculation along with other payments that don't represent consideration for a supply made by the entity such as certain State based grants.

### What if you don't have a comparison period or there was a one-off event?

Alternative decline in turnover tests might be available if your business fails the original decline in turnover test or the extended Jobkeeper decline in turnover test for the fortnights starting on or after 28 September 2020.

#### Irregular turnover

The irregular turnover test is for businesses that cannot pass the decline in turnover tests because their GST turnover is irregular or 'lumpy', for example what often occurs in the building and construction industry, but not because of seasonal variations.

To understand if your turnover is irregular, look at the 12 months before the test period and divide the 12 months into 3 month periods. If the lowest GST turnover for any of these 3 month periods is no more than 50% of the highest of the 3 month periods then the test can be applied as long as the entity turnover is not cyclical. Alternatively, you can look at the 12 months before 1 March 2020 instead of the 12 months immediately before the test period.

If your GST turnover is irregular you can compare your current GST turnover for the test period with the average current GST turnover for the 12 months immediately before the applicable test period or 1 March 2020, multiplied by 3.

#### Example irregular turnover

Red Co received JobKeeper previously and needs to pass the extended decline in turnover test if it is to receive JobKeeper from 28 September 2020 for its employees.

Red Co's current GST turnover for the quarter ending 30 September 2020 (July, August and September 2020) is \$88,000.

Red Co cannot pass the basic version of the decline in turnover test for the quarter ending 30 September 2020. Using the 1 March 2020 test date, Red Co works out if its turnover is irregular and it is able to apply the alternative test for irregular income.

To do this, Red Co takes the highest GST turnover for the 3 months pre 1 March 2020 (\$200,000) and its lowest (\$75,000). \$75,000 is 38% of \$200,000, which is no more than 50% of the highest turnover for a qualifying 3 month period. As a result, Red Co can apply the alternative irregular income test.

*Continued over...*

<b>3 month periods pre 1 March 2020</b>	<b>GST turnover</b>
March, April, May 2019	\$ 75,000
June, July, August 2019	\$ 100,000
September, October, November 2019	\$ 150,000
December 2019, January, February 2020	\$ 200,000
<b>Total current GST turnover</b>	<b>\$ 525,000</b>
Average monthly GST turnover (\$525,000/12)	\$ 43,750
Average monthly GST turnover multiplied by 3	\$ 131,250

Red Co finds the average monthly GST turnover for each of the whole months in the 12 month period pre 1 March 2020 by dividing the total GST turnover by 12 ( $\$525,000/12 = \$43,750$ ). This average monthly GST turnover is then multiplied by 3 to find the GST turnover comparison period figure ( $\$43,750 \times 3 = \$131,250$ ).

Red Co's decline in turnover is 32.2% ( $(\$131,250 - \$89,000)/\$131,250 = 32.2\%$ ). Red Co passes the alternative irregular income decline in turnover test.

*Adapted from Explanatory Statement Coronavirus Economic Response Package (Payments and Benefits) Alternative Decline in Turnover Test Rules (No. 2) 2020*

### New business starting before 1 March 2020

There are two alternative tests that may apply to businesses that were in operation on or before 1 March 2020 but do not have the trading history for the comparison period:

- Comparing actual GST turnover for the test period (for example, September quarter 2020) with the average turnover since the entity commenced (using whole months); or
- Comparing the actual GST turnover for the test period with the turnover of the 3 months immediately before 1 March 2020 (for example, comparing the September quarter 2020 with the 3 months prior to 1 March 2020).

#### Example new business

Creative Enterprise Company (CEC) incorporated on 4 November 2019 and commenced trading two weeks later. CEC cannot use the basic decline in turnover test as it does not have a comparison period.

CEC's current GST turnover for the quarter ending 30 September 2020 (July, August and September 2020) is \$5 million. Its current GST turnover for the comparison period is:

*Continued over...*

Month	GST turnover
December 2019	\$2,800,000
January 2020	\$2,700,000
February 2020	\$3,500,000
<b>Total</b>	<b>\$9,000,000</b>

December 2019 is the first whole month after CEC commenced trading.

When the comparison period for pre 1 March 2020 (December 2019 to February 2020) is compared to current GST turnover for the quarter ending 30 September 2020, the decline in turnover is 44.4%  $((\$9,000,000 - \$5,000,000) / \$9,000,000 = 44.4\%)$ . CEC passes the alternative new business decline in turnover test.

If CEC had commenced on 4 December 2019 and only had two whole months of trading prior to 1 March 2020, it would average its GST turnover for January and February 2020 and multiply the average by 3.

Month	GST turnover
January 2020	\$2,700,000
February 2020	\$3,500,000
<b>Total</b>	<b>\$6,200,000</b>
Average monthly GST Turnover $(\$6,200,000 / 2)$	<b>\$3,100,000</b>
Average monthly GST turnover multiplied by 3	<b>\$9,300,000</b>

When pre 1 March 2020 GST turnover (\$9,300,000) is compared to current GST turnover for the quarter ending 30 September 2020, the decline in turnover is 46.2%  $((\$9,300,000 - \$5,000,000) / \$9,300,000 = 46.2\%)$ . CEC passes the alternative new business decline in turnover test.

*Adapted from Explanatory Statement Coronavirus Economic Response Package (Payments and Benefits) Alternative Decline in Turnover Test Rules (No. 2) 2020*

## Disposals, acquisitions and restructures

An alternative test is available where there has been a disposal or acquisition of part of the business, or restructure in the business, or combinations of those, during the comparison period and this changed the entity's current GST turnover.

The alternative test compares the GST turnover for the test period with the current GST turnover for the relevant month immediately after the disposal, acquisition or restructure, multiplied by 3. If there is not a whole month after the last acquisition, disposal or restructure, and before the turnover test period, then the month immediately before the turnover test period is used.

Where there have been multiple disposals, acquisitions or restructures, you can use the whole month immediately after any of the disposals, acquisitions or restructures, multiplied by 3 for the alternative test.

### Example restructure

First Co's GST turnover for the quarter ending 30 September 2020 (July, August and September 2020) was \$200,000.

First Co acquired another business in December 2019. Because the acquisition took place during December 2019, First Co cannot use the 2019 September quarter as its comparison period. The first whole trading month after December 2020 is January 2020 which had GST turnover of \$100,000.

The alternative test enables First Co to use the GST turnover from January 2020 of \$100,000 and multiply this by 3 to determine its GST turnover for the comparison period.

Month	GST turnover
January 2020	\$100,000
Comparison period (January 2020 x 3)	\$300,000

First Co's decline in turnover is 33.3% ( $(\$300,000 - \$200,000) / \$300,000 = 33.3\%$ ). First Co passes the alternative new business decline in turnover test.

*Adapted from Explanatory Statement Coronavirus Economic Response Package (Payments and Benefits) Alternative Decline in Turnover Test Rules (No. 2) 2020*

If the business restructured during July 2020, then use the first month after the restructure to determine the comparison period. For example, August 2020 turnover multiplied by 3 and compare this to the September 2020 quarter.

### Substantial increase in turnover

This alternative test applies to businesses that were on a strong growth path before the pandemic hit.

The test can be applied if turnover increased:

- by 50% or more in the 12 months before the turnover test period or before 1 March 2020, or
- by 25% or more in the 6 months before the turnover test period or before 1 March 2020, or
- by 12.5% or more in the 3 months before the turnover test period or before 1 March 2020.

If the entity is using the period immediately before the turnover test period to determine whether there is a substantial increase in turnover, then the alternative test compares GST turnover for the test period (for example, the September 2020 quarter) with turnover for the 3 months immediately before the test period.

If the entity is using the period immediately before 1 March 2020 to determine whether there is a substantial increase in turnover, then the alternative test compares GST turnover for the test period (for example, the September 2020 quarter) with turnover for the 3 months immediately before 1 March 2020.

### Example substantial increase

Blue Co was on a strong growth trajectory before the pandemic hit.

In February 2019, Blue Co's GST turnover was \$50,000 and \$80,000 in February 2020. Over the 12 months between February 2019 and February 2020, Blue Co grew by 60% and is able to apply the substantial growth alternative test using 1 March 2020 as the reference point (as over the 12 month period, Blue Co grew by 50% or more).

Blue Co's current GST turnover for the quarter ending 30 September 2020 was \$150,000.

Blue Co's GST turnover for the comparison period was:

Month	GST Turnover
December 2019	\$70,000
January 2020	\$75,000
February 2020	\$80,000
<b>GST turnover</b>	<b>\$225,000</b>

Blue Co's decline in turnover is 33.3% ( $(\$225,000 - \$150,000) / \$225,000 = 33.3\%$ ). Blue Co passes the alternative substantial increase decline in turnover test.

*Adapted from Explanatory Statement Coronavirus Economic Response Package (Payments and Benefits) Alternative Decline in Turnover Test Rules (No. 2) 2020*

### Drought and natural disaster

This test is for businesses that were in (or partially in) a declared drought or natural disaster zone in 2019 as a result, do not have an appropriate comparison period.

Assuming the drought or disaster impacted GST turnover, the alternative test enables you to use a period in the year immediately preceding the year in which the drought or natural disaster was declared for the decline in turnover test comparison.

A declared drought zone includes an area subject to a formal declaration of drought by a Commonwealth, State, Territory or local government agency. It also includes an area for which there has been a public identification or acknowledgment that the area is drought affected by one of these agencies. See:

- [National Drought Map](#)
- [Australian Government Bureau of Meteorology](#) Monthly Drought Statements, maps, rainfall and rainfall deficiency statistics
- [Queensland drought situation map](#)
- [NSW Combined Drought Indicator map](#), and
- [South Australia Drought Affected Areas](#) map.

For disasters, see the [ATO's Specific disasters](#) page.



### Example drought

Manu's business was impacted by drought in 2019 and the area where his business is located was declared a drought zone.

His current GST turnover for the September 2020 quarter is \$260,000.

However, as his business was severely impacted by drought in the September quarter of 2019, he does not have a relevant comparison period. In 2018, his business was not in a declared drought zone and he uses the September 2018 quarter for his comparison period.

Month	GST Turnover
July 2018	\$120,000
August 2018	\$120,000
September 2018	\$140,000
<b>GST turnover</b>	<b>\$380,000</b>

The decline in turnover for Manu's business is 31.6% ( $(\$380,000 - \$260,000) / \$380,000 = 31.6\%$ ). Manu's business passes the alternative drought/disaster decline in turnover test.

If the September quarter in 2018 was also in drought, Manu would look back to the 2017 September quarter. Manu's comparison period is the closest year in which he wasn't in a declared drought or natural disaster zone.

*Adapted from ATO example*

### Sole trader or small partnership with sickness, injury or leave

For sole traders and small partnerships (i.e., 4 or fewer partners) with no staff, this test provides an alternative where the sole trader or partner has been sick, injured or was on leave during the comparison period.

In these cases, the month immediately before the month with sickness, injury or leave is used, then multiplied by 3. For example, if a sole trader was away in September 2019 and the time away has impacted on turnover, August 2019 is used instead and then multiplied by 3.

### **Example sole trader**

Alex is a sole trader with no employees. His GST turnover for September 2020 was \$150,000.

Alex wants to know if he can pass the decline in turnover test. However, Alex was sick and could not work for most of September 2019 and his illness had a major impact on his turnover - with no work, no money was coming in. Because his illness impacted his turnover, he cannot use the 2019 September quarter as his comparison period. Instead, he uses the turnover from August 2019 of \$75,000, the month immediately before he got sick. He multiplies this amount by 3 (\$225,000) and compares this to the September 2020 quarter's GST turnover.

Alex's decline in turnover is 33.3%  $((\$225,000 - \$150,000) / \$225,000 = 33.3\%)$ . Alex passes the alternative decline in turnover test.

*Adapted from Explanatory Statement Coronavirus Economic Response Package (Payments and Benefits) Alternative Decline in Turnover Test Rules (No. 2) 2020*

## **Groups**

If your business is part of a group, each entity and its employees need to meet the eligibility tests in their own right.

## **Special test for service entities**

In circumstances where an employment entity is used within a business group and that employment entity is unable to demonstrate a sufficient decline in its own turnover, the employment entity can potentially refer to the decline in turnover of the operating entities it services. While this allows some special purpose service entities that provide employee labour to group members to access the JobKeeper scheme, access to this test does depend on the way the group is structured. The detail of this test is complex so please contact us if you think this test is likely to apply to your business.

If the test applies it will refer to the combined GST turnovers of the related group members using the services of the employer entity.

## **Not-for-profits**

A number of modifications apply to not-for-profit entities when it comes to calculating GST turnover under the original decline in turnover test. It appears that the same modifications will generally also apply when determining whether a not for profit entity passes the new decline in turnover tests for the September 2020 and December 2020 quarters.

## **Wage condition**

To be eligible to receive JobKeeper payments, the employer must meet a wage condition. That is, employers must have paid the eligible employee at least the applicable JobKeeper payment for the relevant fortnight.

The ATO reimburses the employer for the JobKeeper payment monthly in arrears.

As noted above, for the JobKeeper fortnights starting 28 September 2020 and 12 October 2020 the ATO is allowing employers until 31 October 2020 to meet the wage condition for all employees included in the JobKeeper scheme.

ENDS

## Eligible employees

From 3 August 2020, the eligibility tests for employees were changed to enable a greater number of employees to access JobKeeper.

Previously, an employee had to be employed by the relevant entity on 1 March 2020 to be eligible for JobKeeper payments. Someone employed as a casual on that date also must have been employed on a regular and systematic basis for the 12 month period leading up to 1 March 2020.

Now, employees who were previously ineligible for JobKeeper because they were not employed by the entity on 1 March 2020 may be able to receive JobKeeper payments if they were employed by the entity on 1 July 2020 and can fulfil all of the other eligibility requirements. If an employee already passed all the relevant conditions at 1 March 2020 then they don't need to be retested using the 1 July 2020 test date.

- On **1 July 2020** (previously 1 March 2020):
  - Was aged 16 years and over; and
    - If the individual was aged 16 or 17, was either financially independent or was not undertaking full-time study;
  - Was an employee other than a casual, or was a long-term casual\*;
  - Was an Australian resident (under the meaning of the [Social Security Act 1991](#)), or a resident for tax purposes and held a Subclass 444 (Special category) visa\*\*.
- And, at any point during the JobKeeper fortnight:
  - Was an employee of the employer (including employees that have been stood down or rehired); and
  - Was **not** an excluded employee:
    - An employee receiving parental leave pay or dad and partner pay; or
    - An employee receiving workers compensation payments in relation to total incapacity.
- And, has provided the [JobKeeper Payment Employee Nomination](#) to the employer:
  - Agreeing to be nominated by the employer as an eligible employee under the JobKeeper scheme; and
  - Confirming that they have not agreed to be nominated by another employer; and
  - If they are a long-term casual, they do not have permanent employment with another employer.

*\*A 'long term casual employee' is a person who has been employed by the business on a regular and systematic basis during the period of 12 months that ended on the applicable testing date (previously 1 March 2020, but changing to 1 July 2020). These are likely to be employees with a recurring work schedule or a reasonable expectation of ongoing work.*

## JobKeeper payments

From 28 September 2020, the payment rate for JobKeeper will taper from the flat rate of \$1,500 and split into a higher and lower rate.

JobKeeper payment	30 March to 27 September 2020	28 September to 3 January 2021	4 January 2021 to 28 March 2021
Worked 80 hours or more in the <i>reference period</i>	<ul style="list-style-type: none"> <li>\$1,500 per fortnight per employee</li> </ul>	<ul style="list-style-type: none"> <li>\$1,200 per fortnight per employee or business participant</li> </ul>	<ul style="list-style-type: none"> <li>\$1,000 per fortnight per employee or business participant</li> </ul>
Worked less than 80 hours in the <i>reference period</i>		<ul style="list-style-type: none"> <li>\$750 per fortnight per employee or business participant</li> </ul>	<ul style="list-style-type: none"> <li>\$650 per fortnight per employee or business participant</li> </ul>

## What's a reference period?

	Reference period	Hours
<b>Eligible employees</b>	The 28 days finishing on the last day of the last pay period that ended before either: <ul style="list-style-type: none"> <li>1 March 2020, or</li> <li>1 July 2020.</li> </ul>	Actual hours worked including any hours for which they received paid leave (e.g., annual, long service, sick, carers and other forms of paid leave) or paid absence for public holidays. An employee's 'actual' hours might be different to their contracted, ordinary hours or hours they are paid for.
<b>Eligible business participants</b>	February 2020 (29 days)	Active engagement in the business.
<b>Religious practitioners</b>	February 2020 (29 days)	Activities in pursuit of your vocation for your institution.

### Eligible employees

Eligible employees that have been employed on a full time basis since 1 March 2020 or 1 July 2020 will generally receive the higher JobKeeper rate (as full time employees work more than 80 hours in 28 days) .

Businesses however will need to determine the rate applicable to eligible part-time and casual employees.

The reference period is the 28 day ending at the end of the most recent pay cycle for the employee ending before:

- 1 March 2020; or
- 1 July 2020.

For eligible employees who have been employed since 1 March 2020, employers need to choose the reference period that provides the best outcome for the employees. For many employers, this will be the pre COVID-19, 1 March 2020 reference date.

For eligible employees employed since 1 July 2020, use the pay periods prior to 1 July 2020.

If the pay cycle is longer than 28 days, a pro-rata calculation needs to be done to determine the average hours worked and on paid leave across an equivalent 28 day period. For example, if the relevant monthly pay cycle has 31 days, you take the total hours for the month and multiply this by 28/31.

In order for an employer to receive JobKeeper payments from 28 September 2020 onwards they must notify the ATO of the payment rates for all eligible employees. The employer must then notify its employees within 7 days of advising the ATO of the payment rate.

**Example – fortnightly pay cycle**

Emma has been a permanent part-time employee of a bus company since 2010.

The company has a fortnightly pay cycle ending on Fridays. The bus company is an eligible employer as they have suffered a decline in turnover of more than 30%.

Using the company’s payroll cycle, Emma’s hours for the **1 July 2020 reference period** are:

Payroll period	Week	Hours
23 May 2020 to 5 June 2020	Week 1	20
	Week 2	19.5
6 June 2020 to 19 June 2020	Week 3	20
	Week 4	19 <i>annual leave</i>
<b>Total hours</b>		<b>78.5</b>

Emma’s annual leave in February is included in her total hours as any hours for which an employee received paid leave (e.g., annual, long service, sick, carers and other forms of paid leave) or paid absence for public holidays, are included.

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Emma's hours for **the 1 March 2020 reference period** are:

Payroll period	Week	Hours
1 February 2020 to 14 February 2020	Week 1	20
	Week 2	22
15 February 2020 to 28 February 2020	Week 3	20
	Week 4	19
<b>Total hours</b>		<b>81</b>

Assuming the bus company continues to be eligible for JobKeeper payments, the company is eligible to receive the higher rate of \$1,200 per fortnight between 28 September 2020 to 3 January 2021 for Emma, and \$1,000 per fortnight for 4 January 2021 to 28 March 2021 assuming Emma remains employed. This is because Emma worked 80 hours or more for the 1 March 2020 reference period. Had she worked less than 80 hours, she would be eligible for the lower rate of JobKeeper.

*Adapted from the Explanatory Statement*

### Example – monthly pay cycle

Antonio has been a permanent employee of a Lai Industries since 2010.

The company has a monthly pay cycle that ends of the 15th of each month. The company is an eligible employer as they have suffered a decline in turnover of more than 30%.

Using the company's payroll cycle, Antonio's hours for the **1 July 2020 reference period** are:

Payroll period	Hours
16 May 2020 to 15 June 2020 (31 days)	85
<b>Total hours over payroll period</b>	<b>85</b>
<b>Total hours over 28 day reference period</b>	<b>76.8</b>

As the reference period is 28 days, Lai Industries need to pro-rata Antonio's hours.

$$28 \text{ days} / 31 \text{ day payroll period} \times 85 \text{ (total hours worked over payroll period)} = 76.8 \text{ hours.}$$

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Antonio's hours for the **1 March 2020 reference period** are:

<b>Payroll period</b>	<b>Hours</b>
16 January 2020 to 15 February 2020 (31 days)	85 worked 80 leave
<b>Total hours over payroll period</b>	<b>165</b>
<b>Total hours over 28 day reference period</b>	<b>149</b>

$28 \text{ days} / 31 \text{ day payroll period} \times 165 \text{ (total hours worked over payroll period)} = 149 \text{ hours.}$

Assuming the Lai Industries continues to be eligible for JobKeeper payments, the company is eligible to receive the higher rate of \$1,200 per fortnight between 28 September 2020 to 3 January 2021 for Antonio, and \$1,000 per fortnight for 4 January 2021 to 28 March 2021 assuming Antonio remains employed.

*Adapted from the Explanatory Statement*

## **What happens if the reference period does not represent the employee's typical arrangements?**

Alternative tests are available where:

- There reference period is not typical of the employee's hours or you use a rostering system and there is no typical pattern in a 28 day period; or
- The employee started work during the reference period.

### **Reference period not typical**

Where the reference period is not typical of an employee's hours, for example they took unpaid leave, or your business was in a drought or bushfire zone, or the employee was stood down etc., you can use an earlier 28 day period or multiple 28 day periods that more accurately represent the employee's typical arrangements.

The reference period becomes the 28 day period ending at the end of the most recent pay cycle for the employee before 1 March 2020 or 1 July 2020 in which the employee's total number of hours of work, of paid leave and of paid absence on public holidays was representative of a typical 28-day period. That is, you select the next 28 day period before 1 March 2020 or 1 July 2020 that represents the employee's typical employment pattern.

### Example – alternative payroll period

George has been a permanent part-time employee of a restaurant since 2018.

The company has a fortnightly pay cycle ending on Fridays. The restaurant is an eligible employer as they have suffered a decline in turnover of more than 30%. George did not work in May or June 2020.

Using the company's payroll cycle, George's hours for **the 1 March 2020 reference period** are:

Payroll period	Week	Hours
1 February 2020 to 14 February 2020	Week 1	18
	Week 2	22
15 February 2020 to 28 February 2020	Week 3	0 unpaid leave
	Week 4	24
<b>Total hours</b>		<b>64</b>

George typically works a minimum of 18 hours in any given week. However, in week 3, George took unpaid leave. As week 3 is not typical of George's arrangement, the restaurant uses another 28 day period before 1 March 2020 that is typical of his arrangements.

Payroll period	Week	Hours
4 January 2020 to 17 January 2020	Week 1	24
	Week 2	18
18 January 2020 to 31 January 2020	Week 3	22
	Week 4	24
<b>Total hours</b>		<b>88</b>

Using the alternative test, George is eligible for the higher JobKeeper rate.

For workers that don't have a typical pattern because of a rostering system like fly-in-fly-out workers, an average of the hours worked over the employee's rostering schedule and proportionally adjusted over 28 days can be used to work out a typical 28-day period.

### Employee started work during the reference period

Where an employee started work during the 28 days prior to either 1 March 2020 or 1 July 2020, you can use a forward-looking alternative test. In these circumstances, use the pay cycle immediately on or after 1 March 2020 or 1 July 2020. For employers with fortnightly or weekly pay cycles, you must use consecutive weeks.

Where an employee was stood down, use the first 28 day period starting on the first day of a pay cycle on or after 1 March 2020 or on or after 1 July 2020 in which they were not stood down.

### Sale of business or changes within a group

Where the business changed hands or the employee changed employment within a wholly owned group, the hours worked with the previous employer cannot be counted. Instead, use the pay cycle immediately

on or after 1 March 2020 or 1 July 2020. For employers with fortnightly or weekly pay cycles, you must use consecutive weeks.

If the employee has been stood down, use the first 28 day period starting on the first day of a pay cycle on or after 1 March 2020 or on or after 1 July 2020 in which they were not stood down.

### **What happens if employee salary is not linked to hours?**

Some employees will automatically qualify for the higher JobKeeper payment rate. Broadly, this applies if the employer has incomplete records of total hours of work and paid leave, including where salary, wages, commissions, bonuses etc are not tied to an hourly rate or contracted rate.

The employee must also fall within specific categories, including:

- They were paid at least \$1,500 in the reference period;
- They were required to work at least 80 hours under an industrial award, enterprise agreement or contract; or
- It is reasonable to assume that they worked at least 80 hours during the applicable period.

### **Business owners and sole traders**

The reference period for business participants is the month of February 2020 (the whole 29 days).

A business participant is a sole trader or self-employed with an ABN, or one partner in a partnership, adult beneficiary of a trust, director or shareholder who works in the business (i.e., only one person in a partnership, one beneficiary of a trust, or one director / shareholder can be eligible for JobKeeper payments for a particular entity).

The test to determine eligibility is based on the hours of active engagement in the business carried on by the entity. This requires an assessment of the hours that the business participant was actively operating the business or undertaking specific tasks in business development and planning, regulatory compliance or similar activities in an applicable reference period.

Other than sole traders and self-employed, a business participant must provide a declaration to the business entity confirming their hours worked over the reference period.

For JobKeeper payments from 28 September 2020, the business must notify the Tax Commissioner about whether the higher or lower rate applies to the business participant and notify the participant within 7 days of providing this notice to the Commissioner.

Where February 2020 was not typical of the participant's hours, an alternative test can be used:

- Not typical - use the next typical 29 day period
- Commenced work during February 2020 – use March 2020
- Not employed by the employer but still an eligible religious practitioner for JobKeeper purposes - use March 2020

## Religious practitioners

The reference period for eligible religious practitioners is the month of February 2020.

A religious practitioner is a minister of religion or a full time member of a religious order who undertakes activities in pursuit of their vocation as a member of a religious institution.

The payment rates are based on the number of hours they spent doing an activity, or series of activities, in pursuit of their vocation as a religious practitioner as a member of the religious institution in the reference period. For example:

- Performance of the rituals or practices of the religious institution (including participation in services, prayer, contemplation or meditation, insofar as they constitute such rituals or practices); and
- Furtherance of the objectives of the religious organisation (including missionary or charitable work, insofar as they constitute such an objective).

The religious practitioner must provide a declaration to their institution confirming their hours worked over the reference period.

For JobKeeper payments from 28 September 2020, religious institutions must notify the Tax Commissioner about whether the higher or lower rate applies to each of their eligible religious practitioners and notify the practitioner within 7 days of providing this notice to the Commissioner.

Where February 2020 was not typical of the practitioner's hours, an alternative test can be used:

- Not typical - use the next typical 29 day period
- Commenced work during February 2020 – use March 2020
- Not employed by the employer but still an eligible religious practitioner for JobKeeper purposes - use March 2020

## JobKeeper fortnights

	JobKeeper fortnight		Payment rate		
1	30 March 2020 – 12 April 2020	JobKeeper 1.0	\$1,500 per fortnight		
2	13 April 2020 – 26 April 2020				
3	27 April 2020 – 10 May 2020				
4	11 May 2020 – 24 May 2020				
5	25 May 2020 – 7 June 2020				
6	8 June 2020 – 21 June 2020				
7	22 June 2020 – 5 July 2020				
8	6 July 2020 – 19 July 2020				
9	20 July 2020 – 2 August 2020				
10	3 August 2020 – 16 August 2020				
11	17 August 2020 – 30 August 2020				
12	31 August 2020 – 13 September 2020				
13	14 September 2020 – 27 September 2020				
14	28 September 2020 – 11 October 2020			JobKeeper 2.0	High rate: \$1,200 Low rate: \$750
15	12 October 2020 – 25 October 2020				
16	26 October 2020 – 8 November 2020				
17	9 November 2020 – 22 November 2020				
18	23 November 2020 – 6 December 2020				
19	7 December 2020 – 20 December 2020				
20	21 December 2020 – 3 January 2021				
21	4 January 2021 – 17 January 2021	Eligibility period 3	High rate: \$1,000 Low rate: \$650		
22	18 January 2021 – 31 January 2021				
23	1 February 2021 – 14 February 2021				
24	15 February 2021 – 28 February 2021				
25	1 March 2021 – 14 March 2021				
26	15 March 2021 – 28 March 2021				