

COVID-19 – Economic Support Packages

EXECUTIVE SUMMARY

BUSINESSES

Federal Government announcements

- Employers to receive a minimum of \$20,000 and a maximum of \$100,000 PAYG withholding tax credit. The first tax credit will be 100% of their PAYG tax withheld from wages, with a minimum of \$10,000 and up to a maximum of \$50,000. (Starts from the March BAS)
- The second tax credit will be a minimum of \$10,000 and up to a maximum of \$50,000 for PAYG tax withheld up to 30 September 2020.
- Subsidies to employers of apprentices and trainees for eligible employers.
- Relaxed limits for insolvency and statutory demands for financially distressed businesses.
- Instant Asset-Write off limit increased from \$30,000 to \$150,000 for assets installed by 30/6/2020. Limit for eligibility for SME increased from \$50 million to \$500 million.
- Backing Business Investment – increased depreciation rates for new assets acquired up to 30/6/2021.
- Government guarantees for 50% of new SME unsecured loans up to \$250,000.

Victorian Government announcements

- Payroll tax refunded for 2019/20 for businesses with payroll <\$3 million
- Deferred 2020 land tax for eligible land-owners.
- Hardship allowances offered by Australian banks such as deferred loan repayments, waived fees and increased credit limits.

INDIVIDUALS

Federal Government announcements

- Coronavirus supplement of \$550 per fortnight for people on income support payments.
- Eligibility for income support payments expanded for employees, the self employed and carers affected by the Coronavirus
- Two separate \$750 payments to eligible income support recipients and concession card holders.
- Early access to superannuation for people that lose employment due to Coronavirus
- Temporary reduction to pension draw-down minimums from retirement funds
- Temporary reduction to social security deeming rates

Victorian Government announcements

- Emergency relief essential goods packages for Victorians in isolation