

NAVIGATING YOUR WAY THROUGH THE GOVERNMENT STIMULUS PACKAGES

CURRENT AS AT 03 JULY 2020

Perhaps more than any other sector, COVID-19 has brought the tourism and hospitality sectors to a standstill. This pause – while significantly impacting businesses in these sectors – provides an opportunity to think before taking action.

This series of factsheets, written by Deloitte for the South Australian Tourism Commission, will help South Australia’s tourism industry to emerge stronger than before.

The global COVID-19 pandemic is having a significant impact on all of us. The purpose of this guide is to give an overview of the immediate concessions and relief measures available to South Australian tourism businesses and is designed to help you manage your business’ potential short-term cashflow challenges whilst planning for a better tomorrow in these challenging times.

This factsheet provides a summary of available Federal and SA Government stimulus packages, categorised as:

- **Cashflow measures:** A number of the measures released by the Federal and SA Government are designed to keep money in your pockets and to provide needed credit lines where required.
- **Deferral of liabilities:** The Australian Tax Office (ATO) and SA Government also recognise that businesses would be better served in redirecting their cashflows towards maintaining business operations.
- **Investment opportunities:** Whilst the majority of the measures aim to ensure business survival, Governments also acknowledge that businesses must continue to plan for a better tomorrow.

An entity (i.e. Company, Trust, Partnership, Sole Trader) may be eligible for these stimulus package measures provided that the eligibility criteria is met.

Some stimulus packages are only relevant for certain businesses. The following icons have been used as a guide to the eligibility requirements for such packages:



BUSINESSES OPERATING AS A SOLE TRADER



BUSINESSES THAT EMPLOY STAFF



BUSINESSES WITH ANNUAL REVENUE TURNOVER < \$50M



BUSINESSES WITH ANNUAL REVENUE TURNOVER BETWEEN \$50M-\$500M

Stimulus packages listed without an icon can be accessed by a diverse range of businesses.

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CASHFLOW MEASURES – FEDERAL GOVERNMENT

RELIEF PACKAGE	ELIGIBILITY CRITERIA	EXPLANATION	TIMING	ACCESS TO RELIEF PACKAGE
BOOSTING CASH FLOW FOR EMPLOYERS (QUARTERLY LODGERS) 	<p>Employers with aggregated annual turnover < \$50m</p> <p>Lodge Activity Statements quarterly</p>	<p>Your business may receive a tax-free payment of between \$20,000 and \$100,000 from the ATO in two phases</p> <p>The amount of the 1st payment is equal to the amount of the tax withheld on employee's wages during the March and June Quarters, up to a maximum of \$50,000. A minimum of \$10,000 will be paid</p> <p>The amount of the 2nd payment is equal to the amount of the 1st payment</p>	<p>1st payment (as a credit): Upon lodgement of the March and June 2020 activity statements</p> <p>2nd payment (as a credit): Upon lodgement of the June and September 2020 activity statement</p>	<p>Automatically assessed by the ATO. No registration or application is required. Processed as a credit to Activity Statement</p>
BOOSTING CASH FLOW FOR EMPLOYERS (MONTHLY LODGERS) 	<p>Employers with aggregated annual turnover < \$50m</p> <p>Lodge Activity Statements monthly</p>	<p>Your business may receive a tax-free payment of between \$20,000 and \$100,000 from the ATO in two phases</p> <p>The amount of the 1st payment is equal to 300% of the tax withheld on employee's wages for the month of March, 100% for April, May and June, up to a maximum of \$50,000. A minimum of \$10,000 will be paid</p> <p>The amount of the 2nd phase will be equal to one quarter of the amount of the 1st payment, up to a maximum of \$12,500 per payment</p>	<p>1st payment (as a credit): Upon lodgement of the March, April, May and June 2020 activity statement</p> <p>2nd phase of payments (as a credit): Payment will be made upon lodgement of each June, July, August & September 2020 activity statements</p>	<p>Automatically assessed by the ATO. No registration or application is required. Processed as a credit to Activity Statement</p>
SUPPORTING APPRENTICE AND TRAINEE JOBS 	<p>Employers:</p> <ul style="list-style-type: none"> • Hiring apprentices & trainees as at 01/03/20; and • With < 20 full-time employees 	<p>Your businesses may receive a 50% wage subsidy of relevant wages for up to 9 months, from 1 January 2020 to 30 September 2020</p> <p>The amount of the wage subsidy is a maximum of \$21,000 per eligible apprentice or trainee (\$7,000 per quarter, for 3 quarters)</p>	<p>Payment dates not yet advised</p>	<p>Registration is required with an Australian Apprenticeship Support Network (AASN) provider</p> <p>Registrations open 2 April 2020, and claims will close 31 December 2020</p>

CASHFLOW MEASURES – FEDERAL GOVERNMENT

RELIEF PACKAGE	ELIGIBILITY CRITERIA	EXPLANATION	TIMING	ACCESS TO RELIEF PACKAGE
SME GUARANTEE SCHEME 	Businesses with aggregated annual turnover < \$50m	Australian Government will provide a 50% guarantee on new unsecured loans used for working capital purposes Maximum amount of the loan is \$250,000, with up to a 3 year term. An initial six-month repayment holiday is available Interest is only charged once the facility is drawn	Scheme is currently open	Applications to be made to participating lenders by 30 September 2020
JOBKEEPER PAYMENTS 	Employers (including self-employed) with: <ul style="list-style-type: none"> • Aggregated annual turnover < \$1bn; and • Turnover has, or is expected to, decline by > 30% in the relevant month or three months compared to the same period last year (the ATO does have discretion to set alternative tests) <i>(for businesses with annual turnover >\$1bn the decline in turnover is expected to be 50% to be eligible)</i>	Eligible businesses will receive a \$1,500 fortnightly payment for each eligible employee Employers must pay each eligible employee at least \$1,500 per fortnight, and notify eligible employees that they are receiving the JobKeeper payment. Employees are required to complete a nomination form and return to their employer. Definition of eligible employee: <ul style="list-style-type: none"> • Currently employed by the business (including those stood down) • Were employed as at 1 March 2020 • Were full-time, part-time, or long-term casual (employed > 12 months) • At least 16yrs old • Australian citizen • Only receiving JobKeeper payments from 1 employer 	Monthly reporting to ATO on eligible employees will be required. Eligible businesses will be able to claim a fortnightly payment up to the fortnight ending Sunday 27 September 2020.	Register on ATO website now

CASHFLOW MEASURES – FEDERAL GOVERNMENT

RELIEF PACKAGE	ELIGIBILITY CRITERIA	EXPLANATION	TIMING	ACCESS TO RELIEF PACKAGE
DEFERRAL OF BANK LOAN REPAYMENTS	Businesses with < \$3m total debt at time of applying for relief	Australian banks are offering deferrals of principal & interest repayments for up to 6 months Interest will still be charged during this period, but it will be capitalised on the loan	Scheme commenced 23 March 2020	Contact your bank directly to discuss individual circumstances
ASSISTANCE FOR AFFECTED REGIONS, COMMUNITIES AND INDUSTRIES	Affected communities and industries will be individually assessed by the Deputy Prime Minister	The Australian Government will be distributing \$1bn of relief through existing and new initiatives for regions, communities & industries disproportionately impacted by COVID-19	As soon as practicable	To be advised, pending Government assessments
ATO - REMITTANCE OF INTEREST & PENALTIES	Businesses with interest and penalties imposed by the ATO	The ATO is remitting any interest and penalties incurred after 22 January 2020	Scheme commenced 20 March 2020	Applications must be made to the ATO, or contact your Tax Agent / Accountant
ATO - MONTHLY ACTIVITY STATEMENT REPORTING CYCLE	Businesses that currently report on a quarterly activity statement lodgement cycle	The ATO is allowing businesses on a quarterly reporting cycle to opt into monthly GST reporting to access GST refunds quickly, as opposed to only once a quarter	Scheme commenced 20 March 2020	Applications must be made to the ATO, or contact your Tax Agent / Accountant

CASHFLOW MEASURES – SOUTH AUSTRALIAN GOVERNMENT

RELIEF PACKAGE	ELIGIBILITY CRITERIA	EXPLANATION	TIMING	ACCESS TO RELIEF PACKAGE
PAYROLL TAX RELIEF 	Businesses with aggregated annual wages < \$4m	Eligible businesses will receive a 6-month payroll tax waiver. No payroll tax will be payable from April 2020 to September 2020 Monthly payroll tax returns must still be lodged	Payroll tax waiver will commence for payroll liabilities arising in April 2020 to September 2020	Automatically assessed by RevenueSA. No registration or application required
BUSINESS AND JOBS SUPPORT FUND	Businesses that have realised loss of income, or other negative impacts, from COVID-19	\$300m fund established to support impacted businesses The SA Government will assess applications and award payments accordingly	As soon as practicable	Applications are encouraged to be made via representative bodies
COMMUNITY AND JOBS SUPPORT FUND	Community services that have realised loss of income, or other negative impacts, from COVID-19	\$250m fund established to support impacted communities The SA Government will assess applications and award payments accordingly	As soon as practicable	Applications are encouraged to be made via representative bodies

CASHFLOW MEASURES – SOUTH AUSTRALIAN GOVERNMENT

RELIEF PACKAGE	ELIGIBILITY CRITERIA	EXPLANATION	TIMING	ACCESS TO RELIEF PACKAGE
WAIVER OF LIQUOR LICENCE FEES	<p>Current holders of the following liquor licence categories:</p> <ul style="list-style-type: none"> • General (no bottleshop) • Hotel (no bottleshop) • On premises • Residential • Restaurant and Catering • Club • Liquor Production and Sales • Small Venue 	<p>Eligible licensees will receive a full waiver of annual liquor licensing fees for 2020-21</p>	<p>Waiver of fees for the 2020-21 financial year</p>	<p>Apply by contacting Consumer and Business Services.</p>
REDUCTION OF LIQUOR LICENCE FEES	<p>Current holders of the following liquor licence categories:</p> <ul style="list-style-type: none"> • General (including bottleshop) • Hotel (including bottleshop) 	<p>Eligible licensees will receive a reduction in annual liquor licensing fees for 2020-21</p>	<p>Reduction of fees for the 2020-21 financial year</p>	<p>Apply by contacting Consumer and Business Services.</p>
WAIVER OF SHORT-TERM TAKEAWAY LIQUOR LICENCE FEE	<p>Current holders of the following liquor licence categories:</p> <ul style="list-style-type: none"> • Restaurant and Catering • Residential • Small Venue • Club • On premises 	<p>Eligible licensees can apply for a short-term takeaway liquor licence at no cost.</p> <p>This licence will enable the sale of alcohol for takeaway or delivery with meals.</p>	<p>Scheme will be available from 26 March 2020 and operate until notified by Consumer and Business Services (CBS)</p>	<p>Apply online</p>

CASHFLOW MEASURES – SOUTH AUSTRALIAN GOVERNMENT

RELIEF PACKAGE	ELIGIBILITY CRITERIA	EXPLANATION	TIMING	ACCESS TO RELIEF PACKAGE
LAND TAX REFORM TRANSITION FUND	Company groups with an increase to land tax liability > \$2,500 as a result of the incoming changes to land tax aggregation rules	Relief, under the Land Tax Transitional Fund, for increased land tax liability as a result of new aggregation rules will be increased from 50% to 100%, for eligible assessments in the 2020 financial year	Relief will apply to increases in land tax liability from 1 July 2020	Applications for access to the Land Tax Transitional Fund closed 31 July 2020.
FEE RELIEF FOR NATURE-BASED TOURISM BUSINESSES	SA nature-based tourism business that hold a Commercial Tour Operator (CTO) license	CTO license fees will be waived for 6 months	6-month fee waiver applies from 1 April 2020 – 30 September 2020	Automatically assessed and no application is required.
RENT RELIEF FOR NATURE-BASED TOURISM BUSINESSES	SA nature-based tourism business that lease Crown Land	Crown Land rent will be waived for 6 months	6-month fee waiver applies from 1 April 2020 – 30 September 2020	Automatically assessed and no application is required.

DEFERRAL OF LIABILITIES – FEDERAL GOVERNMENT

RELIEF PACKAGE	ELIGIBILITY CRITERIA	EXPLANATION	TIMING	ACCESS TO RELIEF PACKAGE
ATO – DEFERRAL OF TAX LIABILITIES	Taxpayers that are currently registered for: <ul style="list-style-type: none"> • Income tax; or • GST; or • PAYG withholding; or • PAYG instalments; or • FBT 	The ATO is deferring by up to 6 months the payment of amounts due through activity statements (including GST & PAYG instalments), income tax assessments and FBT assessments Lodgements must still be made by relevant due dates	Scheme commenced 20 March 2020	Applications must be made to the ATO, or contact your Tax Agent / Accountant

DEFERRAL OF LIABILITIES – SOUTH AUSTRALIAN GOVERNMENT

RELIEF PACKAGE	ELIGIBILITY CRITERIA	EXPLANATION	TIMING	ACCESS TO RELIEF PACKAGE
PAYROLL TAX DEFERRAL 	Businesses with: <ul style="list-style-type: none"> • Aggregated annual wages > \$4m; and • Evidence of being significantly impacted by COVID-19 	Eligible businesses will be able to defer payroll tax payments for up to 6 months from April 2020 to September 2020 (payments for that 6 month period will be due October 2020) Monthly payroll tax returns must still be lodged	Payroll tax deferral will commence for payroll liabilities arising in April 2020 to September 2020 Payments will be deferred until October 2020	Online application is currently being developed by RevenueSA
LAND TAX DEFERRAL	Businesses liable for land tax	3rd and 4th quarter land tax assessments will be eligible for deferral for up to 6 months Quarterly assessments will continue to be mailed as usual	Applicable to 3rd and 4th quarter assessments, with deferral up to 6 months	Information will be provided by RevenueSA with each assessment sent No application or requirement to contact RevenueSA

INVESTMENT OPPORTUNITIES – FEDERAL GOVERNMENT

RELIEF PACKAGE	ELIGIBILITY CRITERIA	EXPLANATION	TIMING	ACCESS TO RELIEF PACKAGE
<p>ENHANCEMENTS TO INSTANT ASSET WRITE-OFF</p> 	<p>Businesses with aggregated annual turnover < \$500m</p>	<p>Eligible businesses can claim an immediate tax deduction for new & second-hand assets acquired and installed ready for use between 12 March 2020 and 31 December 2020, with a cost of < \$150,000</p> <p>The \$150,000 threshold applies on a per asset basis</p> <p>Not all assets are eligible for immediate deduction. Exclusions include capital works and horticultural plants</p>	<p>Scheme applies to assets acquired and installed ready for use from 12 March 2020 to 31 December 2020</p>	<p>Tax deduction to be claimed in 2019/20 and 2020/21 income tax return, subject to appropriate record keeping and substantiation</p>
<p>BACKING BUSINESS INVESTMENT – ACCELERATED DEPRECIATION</p> 	<p>Businesses with aggregated annual turnover < \$500m</p>	<p>Eligible businesses unable to access the above instant asset write-off, due to the asset's cost > \$150,000 can claim an immediate tax deduction for 50% of the cost of the acquired asset at the time of installation</p> <p>The remaining 50% balance of the cost of the asset will be deducted in accordance with existing tax depreciation rules</p> <p>Excluded assets include:</p> <ul style="list-style-type: none"> • Second-hand assets • Capital works • Assets first used and installed post 31 December 2021 	<p>Scheme applies to assets acquired and installed ready for use from 12 March 2020 to 30 June 2021</p>	<p>Tax deduction to be claimed in 2019/20 or 2020/21 income tax returns, subject to appropriate record keeping and substantiation</p>

INVESTMENT OPPORTUNITIES – SOUTH AUSTRALIAN GOVERNMENT

RELIEF PACKAGE	ELIGIBILITY CRITERIA	EXPLANATION	TIMING	ACCESS TO RELIEF PACKAGE
<p>SKILLS FOR BUSINESS PACKAGE – APPRENTICES & TRAINEES</p> 	Employers hiring apprentices & trainees	<p>The following incentives are available for eligible businesses under the Skills for Business package:</p> <ul style="list-style-type: none"> • Group Training Boost: Up to \$5,200 off the charge-out rate for a new apprentice or trainee through a Group Training Organisation • Equipped for Growth: Up to \$5,000 grant when a new apprentice is hired • Equipped for Work: Up to \$1,000 reimbursed for equipment and services when a new apprentice is hired • Equipped for Training: Travel & accommodation allowance to assist with cost of apprentice’s off-the-job training 	Scheme commenced 19 March 2020, and applies new training contacts signed by 31 August 2020	<p>If already registered as an employer of apprentices, apply for relevant packages online</p> <p>If not yet registered as an employer of apprentices, register online</p>

South Australian Tourism Commission (SATC) has engaged Deloitte to provide business support to the South Australian tourism industry following the COVID-19 pandemic. The information contained in this factsheet is based on or derived from information that is publically available. None of the information provided takes into account the objectives, financial situation or needs of any person or business. Neither Deloitte nor SATC is, by means of this factsheet, rendering financial or professional advice. SATC and Deloitte shall not be responsible for any loss due to any reliance on this factsheet.

This factsheet is current as at 03 July 2020 and does not address changes subsequent to this date.

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