

Economic Response to COVID-19 – Financial Support for Businesses

Last updated 23 June 2021

Federal Government

Name	Description	Timing	Need to apply or automatic payment?	Eligibility check and more information
Keeping/ recruiting employees and trainees				
Keeping apprentices and trainees	<p>The expanded wage subsidy supports employers with <200 employees who retain at least one apprentice or trainee as at 01/07/20. A wage subsidy of 50% of the apprentice's or trainee's wage is paid from 01/07/20 – 31/03/21 up to a maximum of \$7,000 per quarter.</p> <p>Employers of any size that re-engage an eligible out-of-trade apprentice or trainee are eligible for a subsidy.</p>	Expanded subsidy: Applies to wages paid from 01/07/20 – 31/03/21	<p>Must apply.</p> <p>Application forms to be made available from your Registered Training Organisation.</p> <p>Final claims must be lodged by 30/06/21.</p>	<p>Australian Government:</p> <p>treasury.gov.au/coronavirus/businesses/apprentices-and-trainees</p>
JobMaker	<p>A hiring credit scheme to assist businesses to employ job seekers aged 16 – 35 years. Eligible employers can receive hiring credit for each eligible additional employee they hire between 07/10/20 – 06/10/21.</p> <p>Can claim from 01/02/2021 if criteria are met. Eight claim periods in total until the scheme ends.</p>	Scheme ends 06/10/2022.	<p>Must apply.</p> <p>Must register before the first claim period you are applying for.</p>	<p>Australian Tax Office:</p> <p>www.ato.gov.au/General/JobMaker-Hiring-Credit/</p>
JobTrainer (for employees)	<p>Funding for additional training places including dental assisting. Courses are fully or partly subsidised.</p> <p>Available to eligible Victorians in a range of industries identified as having a genuine skills need and employment growth, in areas including health.</p> <p>Available through the Victorian TAFE network and other training providers.</p>	Available from Oct. 2020.	<p>Must apply.</p> <p>Payment directly to trainee to cover/ subsidise the course.</p>	<p>Trainee eligibility:</p> <ul style="list-style-type: none"> - Australian citizen, permanent resident, New Zealand citizen or asylum seeker - 17-24 years old when the course starts - Job seeker of any age, where a job seeker is defined as a person who holds a valid and current Health Care Card, Pensioner Concession Card or Veteran's Gold Card; or is unemployed.

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				Australian Government – National Careers Institute: www.myskills.gov.au/jobtrainer
Tax deductions, waivers and deferrals				
Increasing the instant asset write-off	<p>For assets first used or installed ready for use between 12/03/20 – 30/06/21, the instant asset write-off threshold increased from \$30,000 to \$150,000 and expanded access to include businesses with aggregated annual turnover of <\$500 million.</p> <p><u>Recent changes</u> From 7:30pm on 06/10/20 – 30/06/22, temporary full expensing allows a deduction for:</p> <ul style="list-style-type: none"> • The Business portion of the cost of new eligible depreciating assets for businesses with an aggregated turnover <\$5 billion or for corporate tax entities that satisfy the alternative test • The business portion of the cost of eligible second-hand assets for business with an aggregated turnover <\$50 million • The balance of a small business pool at the end of each income year in this period for businesses with an aggregated turnover <\$10 million. 	TBC	Automatic if business and assets meet eligibility criteria but need to claim each eligible asset. Speak to your accountant for further information.	<p>Australian Government: www.business.gov.au/risk-management/emergency-management/coronavirus-information-and-support-for-business/government-assistance-for-business</p> <p>ATO: www.ato.gov.au/Business/Depreciation-and-capital-expenses-and-allowances/Simpler-depreciation-for-small-business/Instant-asset-write-off/</p>
Backing business investment	<p>Acceleration of depreciation deductions for eligible businesses for the 2019-20 and 2020-21 income years.</p> <p>Benefit: a tax deduction of 50% of the cost of an eligible asset on installation, with existing</p>	Applies to eligible assets acquired after announcement and first used or installed ready for	Automatic if business and asset meet eligibility criteria, but need to claim each eligible asset. Speak to your accountant for further information. Deductions can be claimed when lodging your tax return for the income year.	Australian Government: www.business.gov.au/risk-management/emergency-management/coronavirus-information-and-support-for-business/government-assistance-for-business

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	depreciation rules applying to the balance of the asset's cost.	use until 30/06/21.		ATO: www.ato.gov.au/Business/Depreciation-and-capital-expenses-and-allowances/Backing-business-investment---accelerated-depreciation/
Payroll tax refund/ deferral	<p>Businesses with annual taxable wages up to \$3 million had their payroll tax for the 2019-20 financial year waived.</p> <p>Eligible Victorian businesses can also defer 2020-21 payroll tax liabilities with payrolls up to \$10 million based on their 2019-20 financial year returns, until the 2021-22 financial year.</p> <p>2020-21 and 2021-22 payroll tax may be waived for eligible employers after applying the New Jobs payroll tax credit.</p>	See State Revenue Office website.	<p>Automatic. The State Revenue Office to directly contact eligible businesses to reimburse them for payroll tax already paid in the financial year.</p> <p>More information about the administration of these relief measures sent directly to eligible businesses.</p>	State Revenue Office: www.sro.vic.gov.au/coronavirus-payroll-tax-relief
Land tax relief	<p><u>2020</u> Landowners that have at least one non-residential property and total taxable landholdings below \$1 million had the option of deferring their 2020 land tax payment and may be eligible for a reduction.</p> <p><u>2021</u> Land tax reduction and deferral for landlords, including those with properties that have multiple tenancies, and commercial owner-occupiers, and vacant residential land tax waiver.</p>	<p><u>2020</u> Payment to be made by 31/03/21 (may accept late applications by 30/09/21 if couldn't make the payment before the closing date for reasons outside your control).</p> <p><u>2021</u></p>	Automatic: The State Revenue Office contacted all taxpayers who are eligible for this deferral.	State Revenue Office: www.sro.vic.gov.au/coronavirus-land-tax-relief

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		Payment to be made by 30/06/21.		
Business loans and assistance for businesses experiencing financial difficulties				
Supporting the flow of credit (loans for small and medium businesses)	Provides easier access to credit for small and medium enterprises (SMEs) to access additional funding to help support them through the upcoming months, including:	Coronavirus SME Guarantee Scheme: Second phase: 01/10/20 - 30/06/21	Need to apply through your financial institution/ lender.	Business.gov.au: www.business.gov.au/Risk-management/Emergency-management/Coronavirus-information-and-support-for-business/Coronavirus-SME-Guarantee-Scheme Australian Government: treasury.gov.au/coronavirus/sme-guarantee-scheme Australian Banking Association: www.ausbanking.org.au/covid-19/the-business-relief-package/
	Coronavirus SME Guarantee Scheme (second phase): <ul style="list-style-type: none"> Loans up to \$1 million per borrower The loans will be up to five years – a repayment holiday is not required but may be offered at the discretion of the lender The loans can be either unsecured or secured (excluding residential property) Interest rates will be determined by lenders (capped at 10%) – interest rates on variable rate loans may increase if market interest rates increase over time Third phase: Extends the length and size of loans available to businesses, increase the amount of eligible businesses and increase the Government's guarantee of each loan from 50% to 80%.	Third phase: 01/04/21 – December 2021		
	Quick and efficient access to credit for small businesses The Government is providing an exemption from responsible lending obligations for lenders providing credit to existing small business customers. This	Quick and efficient access to credit for small businesses: Ongoing from 01/03/21.		

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	<p>exemption was made permanent and applies to any credit for business purposes, including:</p> <ul style="list-style-type: none"> • new credit • credit limit increases • credit variations and restructures 			
Small business loan repayments	<p>The Australian Banking Association announced Australian deferral of bank loan repayments for small businesses affected by COVID-19 for six months. A further four month deferral may have been available while your loan was restructured.</p> <p>The second phase of support was implemented following the first six months.</p> <p>New credit reporting principles: Where customers are approaching the end of their initial COVID-19 deferral period, banks may be able to give customers more time and space to project or repair their credit scores by being more generous in the way they report to the credit bureau.</p>	Phase two began after the first six month deferral period.	Must apply to your financial institution.	<p>Australian Banking Association: www.ausbanking.org.au/campaigns/financial-hardship/</p> <p>www.ausbanking.org.au/covid-19/</p> <p>www.ausbanking.org.au/covid-19-support-phase-two/creditreporting/</p>
Relief for financially distressed businesses	<p>Initiatives to lessen the threat of actions that could unnecessarily push a business into insolvency. The Government initially temporarily increased the threshold at which creditors can issue a statutory demand on a company and the time companies have to respond to statutory demands they receive. The package also included relief for directors from any personal liability for trading while insolvent.</p> <p>Long term changes were announced by the Government on 24/09/20 (effective from 01/01/21).</p>	Depends on individual circumstances.	<p>Speak to your accountant. Contact the ATO for assistance on tax-related obligations:</p> <ul style="list-style-type: none"> • ATO Emergency Support Infoline - 1800 806 218 	<p>Australian Government: treasury.gov.au/coronavirus/businesses/your-safety-net</p> <p>ATO: www.ato.gov.au/General/Dealing-with-disasters/</p>

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Victorian Government

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Jobs Victoria Fund	<p>Wage subsidies of up to \$20,000 for eligible employers hiring eligible job seekers. Employers can apply for a wage subsidy for up to 20 FTE employees depending on the size of the business.</p> <p>At least 60% of jobs supported through this initiative will be for women, as their employment opportunities were most significantly impacted by the pandemic.</p> <p>To receive the subsidy, employers must employ someone from at least one of the following priority groups before applying for the Fund:</p> <ul style="list-style-type: none"> • Women >45 years of age • Young people <25 years of age • Long-term unemployed (>6 months) job seekers • Job seekers registered with a Jobs Victoria partner • Aboriginal and/ or Torres Strait Islander people • People with disability • People seeking asylum/ refugees • Newly arrived migrants from non-English speaking backgrounds • Veterans • People previously employed under the Working for Victoria initiative 	Opened 26/03/21	Must apply.	<p>Victorian Government – Jobs Victoria: jobs.vic.gov.au/about-jobs-victoria/our-programs/jobs-victoria-fund</p>
COVIDSafe Deep Cleaning Rebate	Small and medium sized businesses that hire a professional cleaning service for deep cleaning after a suspected/ confirmed COVID-19 case has attended their work premises while infectious may be eligible for a rebate from the Victorian Government. The	From 25/11/20	Must apply.	<p>Business Victoria: business.vic.gov.au/grants-and-programs/covid-safe-deep-cleaning-rebate</p>

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	rebate covers up to 80% of cleaning costs, capped at \$10,000 (for a total cleaning cost of \$12,500).			
Commercial tenancy relief scheme	<p>Closed.</p> <p>Commercial tenants experiencing difficulty paying rent can request rent relief using a template letter from Business Victoria: business.vic.gov.au/tools-and-templates/rent-relief-letter-of-request-template</p> <p>Round two of the Commercial Landlord Hardship Fund opened on 16/02/21.</p>	Closed.	Discuss with your landlord/tenant or VSBC for mediation.	<p>Victorian Small Business Commission (VSBC):</p> <p>E: enquiries@vsbc.vic.gov.au, Ph: 13 8722 www.vsbv.vic.gov.au/your-rights-and-responsibilities/retail-tenants-and-landlords/</p> <p>Mandatory Code of Conduct on Commercial Leasing: www.pm.gov.au/sites/default/files/files/national-cabinet-mandatory-code-ofconduct-sme-commercial-leasing-principles.pdf</p>

Further information

- **ADA COVID-19 information:** www.ada.org.au/Covid-19-Portal/Dental-Professionals
- **Business Victoria:** www.business.vic.gov.au/
- **Business.gov.au:** www.business.gov.au/Risk-management/Emergency-management/Coronavirus-information-and-support-for-business
- **Australian Taxation Office (ATO)**
 Businesses impacted by COVID-19 can phone the ATO Emergency Support Infoline on 1800 806 218 for help tailored to their circumstances. Further information from the ATO can be found [here](#).
- **National Debt Helpline:** ndh.org.au/
 Information and advice about managing debt. Also provides financial counselling through live chat on the website.

Health and Wellbeing

COVID-19 has created many challenges, particularly for those living in metropolitan Melbourne. We're doing everything we can to provide you with all the support we can during this difficult time. The ADAVB offers members free confidential counselling through LifeWorks. For phone counselling 24/7, call 1300 361 008. The Dental Board of Australia [Dental Practitioner Support Service](#) is available to all dental practitioners, and [Beyond Blue](#) and the [Department of Health and Human Services](#) provide mental health support, tips and advice.

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The Victorian Government's [Partners in Wellbeing](#) hotline provides support and free access to business advisors and financial counsellors. Ph. 1300 375 330, 9am – 10pm weekdays.