

GOVERNMENT SUPPORT



To all NSW Affiliated Bridge Clubs – Government Support

Notice 2 - Based on information known as at 17 April 2020

Dear «SECRETARY» and «CONTACT»,

This document updates information on the Government support most likely to be of relevance to NSW affiliated bridge clubs who are suffering a loss of all or most of their income as a result of COVID-19. The major support applies to those clubs who employ staff but funding is available for other items as well.

Part A – Federal Government Support

Cash Flow Boost via Business Activity Statements

If you held an active ABN on 12 March 2020, lodge a Business Activity Statement (“BAS”) which includes deduction of PAYG tax from employees then you may be eligible for a cash flow boost in your Activity statement for March (due on 28 April). Further boosts are then also available for your next two quarterly Activity statements.

How much?

Between \$20,000 and \$100,000. The most likely amount for qualifying bridge clubs will be \$10,000 in the March BAS (due 28 April) and \$5,000 in each of the June and September BAS’s (28 July and 28 October respectively).

What do we have to do?

Nothing. This will automatically be provided after you lodge your BAS.

Where can we get more information?

https://treasury.gov.au/sites/default/files/2020-04/fact_sheet-boosting_cash_flow_for_employers.pdf

JobKeeper

The JobKeeper scheme is now law and applies to businesses that have suffered a significant loss of revenue due to the COVID-19 pandemic. The following gives a broad overview of the scheme and how it might benefit some bridge clubs and their employees.

Can my club use the JobKeeper scheme?

Your club is likely to find the scheme of value if you:

- a) Have paid employees; and
- b) Have lost at least 30% of your revenue compared to last year. If, like most bridge clubs, your club has ceased operations then you will definitely satisfy this part.

What does it do?

Broadly for “eligible employees” (see below) the government will fund \$1,500 per person per fortnight for up to 6 months.

The government pays that to you. You must pass it on to the eligible employees (note you must pay the full \$1,500 to them (before tax) – even for people who currently earn less than that).

If you are continuing to pay eligible staff then the \$1,500 represents a government subsidy to you towards the costs of their wages.

If you are not currently continuing to pay staff, the \$1,500 may now allow you to retain them to help get your operations ready to be back up and running as soon as possible after it is deemed safe for clubs to re-open.

When does it start and how long does it last?

30 March 2020. It will run for up to 6 months until 27 September 2020.

Who are eligible employees?

These broadly include those who are:

- full-time
 - part-time
 - casual and have been for at least 12 months*
- Were employed on 1 March 2020;
 - Have your club as their primary employer; and
 - Remain on your books as an employee (or were stood down but are now rehired).
 - Meet certain residency requirements

* *Casuals must have been employed for at least 12 months on a “regular and systematic” basis. They also cannot have another permanent employment role.*

What about people who invoice us as contractors?

You will be unable to receive any payments for these people. However, someone with an ABN that is self-employed may be eligible to join the scheme in their own right (e.g. if their own business has suffered a similar drop in revenue).

How do we join the scheme?

At this stage you can still register interest through the ATO website:

<https://www.ato.gov.au/Job-keeper-payment/>

This will ensure you receive updates. An online application form to join the scheme is supposed to be available on the ATO website from 20 April.

We will clearly qualify. What should we be doing in the meantime?

You need to identify who your eligible employees are (the ones who meet the criteria above that you intend to retain in future).

You should send them an Employee Nomination Notice which can be found here:

<https://www.ato.gov.au/Forms/JobKeeper-payment---employee-nomination-notice/>

The employer needs to complete Section A and each employee needs to complete Section B. These forms should be returned to you by 30 April. You do not have to lodge them with the ATO, you merely retain them. This is where the employees confirm they are eligible for the scheme and whether you are their primary employer or not. You will need to advise the ATO of all these people as part of your application for the scheme.

When do we need to pay employees and when do we get paid?

JobKeeper operates in fortnights. The first fortnight is 30 March to 12 April, the 2nd from 13 April to 26 April.

In order to claim for the first two fortnights, you must have paid your employees by 30 April.

If you normally pay employees by the month you can still do so as long as the equivalent monthly amount to the JobKeeper amount is paid. This works out at \$3,250 a month.

The ATO will pay you monthly in arrears, the first payment being in early May backdated to 30 March will cover the first two JobKeeper fortnights.

Where can we get more information?

The relevant Government Treasury website is: <https://treasury.gov.au/coronavirus/jobkeeper>

This contains factsheets for employers and employees as well as FAQs and examples.

The following site may also be useful:

<https://www.business.gov.au/risk-management/emergency-management/coronavirus-information-and-support-for-business/jobkeeper-payment>

Part B – NSW State Government Support

Small business support grants are available from the NSW State Government as well.

These are being administered through Service NSW and require an online application.

What is available?

Small businesses that have suffered a significant decline in revenue may be eligible for a small business grant of up to \$10,000.

Can my club qualify?

You need to:

- Have a turnover above \$75,000
- Be registered with an ABN at 1 March 2020

- Employ between 1 and 19 people at 1 March 2020
- Have experienced at least a 75% decline in turnover compared to the same time last year
- Have business costs not otherwise covered by government assistance

What can it be spent on?

Funds can be used to pay for things not otherwise covered by government assistance. Therefore it cannot be used to pay wages for eligible employees (JobKeeper does that) but it can include things like utilities, rates, insurance, etc.

Where can we get more information?

Guidelines are here:

<https://www.service.nsw.gov.au/small-business-covid-19-support-grant-guidelines>

How do we apply?

Applications are open until 1 June 2020 and can be made here:

<https://www.service.nsw.gov.au/transaction/apply-small-business-covid-19-support-grant>

Note a fair bit of information is required and, annoyingly, you cannot save an application and return to it later. Therefore work out in advance what you need and have everything to hand.

Part C – Local Government Support

Clubs are advised to keep an eye out for additional support from their local Councils. The City of Sydney Council have recently announced assorted grants, other local Councils in NSW may well have done, or will do, the same.

Disclaimer

The above is not formal advice and should not be relied upon. Anyone seeking further or definitive information should consider obtaining their own independent advice.

Yours sincerely,



Chairman, New South Wales Bridge Association