



## Government Releases Coronavirus Stimulus Package

The government has announced several measures that will inject \$17.6 billion dollars into the Australian economy to support business and employment during the coronavirus health crisis.

### How can you benefit?

#### *Direct payment to individuals*

More than six million welfare recipients will receive a tax-free cash payment of \$750.

If you are a recipient of Newstart, the disability support pension, carers' allowance, youth allowance, veterans support payments, family tax benefits, hold a Commonwealth senior health card or are an aged pensioner you may be eligible.

The one-off sum will be paid out from March 31, 2020.

#### *Increase to the immediate asset write off & accelerating depreciation deductions*

The government has increased the threshold for the instant asset write off from \$30,000 to \$150,000 for businesses with an aggregated annual turnover of up to \$500 million.

The increase will only be available from 12 March to 30 June 2020 for new or second-hand assets used or installed ready for use.

Additionally, for purchases over \$150,000 from now and purchases between 1 July 2020 to 30 June 2021, those businesses will be eligible to deduct an additional 50% of the asset cost in the year of purchase.

*Although such incentive offers great tax benefits initially, longer term implications may arise when it comes to sale of the asset. **Chat to our team today and consider the right tax planning relevant to your business.***

#### *PAYG withholding cash flow assistance*

Employers with an aggregated annual turnover of less than \$50 million, that employ staff, between 1 January 2020 and 30 June 2020 will receive a tax-free payment equal to 50% of taxes withheld from employee's salary and wages up to \$25,000.

Eligible businesses that pay salary/wages will receive a minimum of \$2,000 even if they are not required to withhold tax.

Payments will generate automatically following lodgement of BAS' or IAS' and will be received as a credit on your integrated client account from 28 April 2020. Any refunds will be issued within 14 days following this date.

### *Apprentice and trainee wage subsidies*

The government will offer employers a wage subsidy of 50% of the apprentice's or trainee's wage for up to 9 months from 1 January 2020 to 30 September 2020.

The amount is capped at \$7,000 each quarter per each eligible apprentice or trainee.

Where a small business is not able to retain an apprentice, the subsidy will be available to a new employer that employs that apprentice.

***Contact our office today to ensure you are able to take advantage of the stimulus package.  
[admin@accession3.com](mailto:admin@accession3.com) 07 46130311***