

Practice Update: Special Edition

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NSW announces \$10,000 business support package

The Berejiklian government will offer payments of up to \$10,000 to eligible businesses that have suffered turnover reductions as a result of state lockdowns, along with the deferral of some payroll tax and gaming tax liabilities to August.

On Tuesday, New South Wales Treasurer Dominic Perrottet announced a business support package which will see **small businesses with fewer than 20 full-time employees, and payrolls up to \$1.2 million with turnover of \$75,000 a year**, receive support payments of **up to \$10,000**.

These eligibility criteria have been broadened for businesses in the tourism, hospitality, and accommodation sectors, which will be eligible with **payrolls of up to \$10 million**.

Businesses that suffer turnover reductions of **more than 70 percent** and meet the eligibility criteria will receive the full payment of \$10,000, while those that suffer a reduction of **50 percent** will receive \$7,000, and those that suffer a reduction of **30 percent** will receive \$5,000.

Businesses will be able to apply for the grants from Service NSW later in July, and will need to show the decline in turnover across a **minimum 2 week period after the commencement of major restrictions on June 26**. *The application will require an Accountant's Statement that*

confirms a loss in revenue for the time period compared to the same time in July 2019.

In addition, hotel operators have been offered a deferral on the payment of their payroll and gaming tax liabilities until August.

NSW COVID-19 Budget Expenditure

The state's budget, handed down by Treasurer Dominic Perrottet [last week](#), allotted \$5.1 billion for combating COVID-19, \$800 million of which is set to be spent by the end of the 2021 calendar year.

"The NSW economy rebounded strongly from the challenges of 2020 and we're taking action to ensure we keep that going," Mr Perrottet said.

"We are deploying our fiscal firepower when it matters, by helping small businesses stay in business and keep people in jobs."

National Hotspot COVID-19 Disaster Payment

The state's support will be offered *in addition to* the Commonwealth's [COVID-19 disaster payment](#), which Prime Minister Scott Morrison said will be made to affected workers in Commonwealth-declared hotspots from 1 July.

Workers who are unable to work because of lockdown restrictions lasting **longer than seven days** will be eligible for **\$500 a week** if they normally work more than 20 hours each week, and those who work less than 20 hours receive **\$325 a week** until restrictions ease.

Eligible workers must be aged 17 and older, and will include Australian citizens, residents, and visa holders who are permitted to work in Australia.

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