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FIND OUT MORE

<http://bantacs.com.au/aboutus/>

Back again so soon because there is just so much going on! For the nitty gritty of the stimulus packages make sure you keep up to date by checking our blog www.bantacs.com.au/jblog/coronavirus-stimulus-package/#more-466 every few days!

Askbantacs will cover any questions you have regarding the COVID-19 stimulus <https://taxquestions.com.au/> If you already have a BAN TACS Accountant it is far better to speak to them directly, they will have a much better idea of your circumstances.

We can't encourage you enough to follow us on Facebook that is where we can give you the absolute latest when it happens. Wage Earners and Businesses <https://www.facebook.com/bantacs/> Property Owners <https://www.facebook.com/BANTACSpropertypage/> For Everything Financial Planning: www.facebook.com/BAN-TACS-Financial-Solutions-1022569537944601/

Little Gems:

Here are some insights we have heard from reputable sources:

Government Guaranteed Loans - Considering the loans are unsecured and only 50% guaranteed by the government the 4.5% interest rate that is available is reasonable. These loans are only for a period of 3 years, maximum lend of \$250,000 and you don't have to make repayments for the first 6 months, though interest will be charged during that period.

Nevertheless, if you can meet the normal lending requirements of a bank you will probably get an interest rate of less than 3%.

Further, if you are a Queensland business the QRIDA loans are much better value <http://www.qrida.qld.gov.au/current-programs/covid-19-business-support/queensland-covid19-jobs-support-scheme>

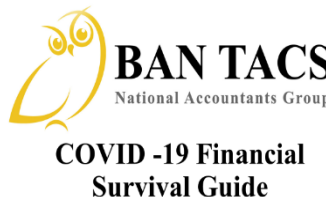
Own Your Business Premises in a SMSF? - As you are probably aware your SMSF would be in breach if you do not pay market rent. The ATO have allowed a concessions for this financial year & next <https://www.ato.gov.au/Individuals/Dealing-with-disasters/In-detail/Specific-disasters/COVID-19/?page=11#ReducingRent>

Extra Time to Pay Tax - The ATO is allowing you to suspend paying your outstanding tax debts for 6 months. It is also worth applying to them to have the interest rate reduced to 3%.

Bank Merchant Fees – Banks are offering Merchant Fee waivers to businesses it is just a matter of asking the questions!

Commercial Property with a Dodgy Tenant - There is more that you can do to help your retail tenant than a rent holiday. Make sure they are aware of all the government stimulus that is available. Costs you nothing and gives you a better chance of still having a tenant at the end of all this. For example, if they are a restaurant they can get a \$750 a week subsidy for each of their employees and start a take away service.

Win Win for more details give them a copy of our blog.



Coronavirus Stimulus Webinar

Some of the ladies from the BAN TACS Accountants group got together to record a webinar on the Coronavirus stimulus package. This webinar gives you the answers damn straight and combined with our blog, invest two hours and you will have a very thorough understanding of what is available. Take some time to consider your business' circumstances then make an appointment to check with us on the best course of action.

Click here <https://www.bantacs.com.au/media-library/webinars/covid-19/>

Working From Home?

Make sure you keep all the necessary records to maximise your tax deductions for working from home.

It doesn't have to affect your CGT main residence exemption if you don't see clients there.

This blog also lists the ways the ATO will try and trip you up.

<https://bantacs.com.au/Jblog/tax-deductions-when-working-from-home/#more-503>



Is Jobkeeper Payment Worth It?

Carefully consider your options before you apply for the job keeper payment unless those employees who you continue to employ do actually make you some money. It is not something you should do just so they qualify for more than the dole. On the dole they will get \$550 per week plus various bonuses, concessions, allowances and maybe rental assistance. If you pay them the maximum job keeper payment they will receive \$750 a week, no extras. They will have to pay tax on that and won't be entitled to the tax offset they may be

if they were on the dole. On top of what you receive from the government which goes direct to the employee you have to consider your other costs such as workers compensation, possibly payroll tax, the risk you will fall into one of the many traps and not qualify after you have paid the employee and consider that even if you stand employees down while they receive this payment, they still accrue leave. Further, you will still have all the single touch payroll responsibilities. Our biggest concern is the payment is a month in arrears. This means that you not only have to have the cash flow to support the arrangement you also take a considerable risk. If the ATO decides that you do not qualify or you miss a deadline then you won't get that month's payment at all and you are out of pocket for a month's wages when you would have put your staff off for that month instead.

I don't see this Job Keeper payment useful to a business that is hesitant to keep on trading not knowing if they will generate enough sales to cover wages. Should they close now rather than get into debt trying. Certainly the government's contribution to the wages bill will make that decision easier. If you do apply for Job Keeper please be aware of the following deadlines.

- 1) Must Register with the ATO before 26th April, 2020 (not just the current expressions of interest) but the online process to do this will not be available on the ATO's unreliable web site until 20th April, 2020. Miss out on managing to get into the ATO web site within that 6 days and it is going to cost you at least \$3,000 per employee.
- 2) To qualify right from the start you have to have paid each eligible employee at least \$3,000 before tax, by the 27th April. No journal entries must be cash. And this needs to be reported through single touch payroll by that day for the best result.

You cannot make an application for the Job Keeper payment until 4th May, 2020. The first week the payments will be processed. So don't expect to get the cash promptly. There will be some sort of monthly eligibility report to be lodged each month that will include reporting turnover for the current month and a projection of turnover for the following month.

Disclaimer: Please note that by the time you read this information it may be out of date. The information is presented in summary form and intended only to draw your attention to issues you should further discuss with your accountant. Please do not act on this information without further consultation. We disclaim any responsibility for actions taken on the above without further advice as to your particular circumstances.

'Liability limited by a scheme approved under Professional Standards Legislation.'