



Collab Accounting P. Ltd.

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This too shall pass away. Let us fight together.

Date: 09th April, 2020

We are all aware of evolving changes in Australia and all over the globe as a result of pandemic COVID-19. This mail is to let you know about how Collab is taking the rapidly changing circumstances to protect the safety and wellbeing of our team, associates and clients located in Australia and at our outsourcing offices, while keeping our continuous delivery and support promise.

We aim to provide continuous support and maintain our services amidst these prevailing circumstances.

Continuous Support

Firstly, we would like to inform you that we are working from home to serve you with the same level of attention, dedication and insight you expect from Team Collab. We are extending that care and services while enabling our team working from home. We are also ensuring the highest level of data security and process quality.

Technology Driven

As always we have focused on improving technology to deliver all our services with the better way. We are securing the digital data, sharing knowledge electronically and using phones and emails to provide you with the support and service you need at whatever point of time.

Feedback is appreciated

We will continuously work together with our teams and with you, to create an atmosphere that supports this changing business environment.

Please let us know of any concern or updates on support@collabaccounting.in. We value your feedback.

Team Collab

Jobkeeper Payment Scheme (JKP)

The Australian Government has come up with an economic initiative which supports the employers to pay their employees with affected business operations and at the same time to support the employees to get the reasonable amount during these difficult circumstances on account of pandemic Covid-19.

Amount of Benefit

Reimbursement of flat \$1500 before tax per fortnight per eligible employee will be given to eligible employer.

Validity

30th March, 2020 to 27th September, 2020

Eligible Employers

Sl. No.	Annual Turnover	Turnover has fallen by
1	Less than \$ 1 billion	Turnover has reduced by 30% compared to corresponding period of last year*
2	More than \$ 1 billion	Turnover has reduced by 50% compared to corresponding period of last year*
3	ACNC registered charities	Turnover has reduced by 15% compared to corresponding period of last year*

*Where no comparison period is available / major expansion has happened during last 1 year then ATO can exercise its discretion to provide the benefit even though 30% / 50% condition is not fulfilled

Eligible Employee

- Was employed as at 1st March 2020 and currently employed during the validity period having at least 16 years of age (including those stood down or re-hired);
- Must be full-time / part-time / long-term casuals (a casual employed on a regular and systemic basis for longer than 12 months as at 1 March 2020);
- Must be an Australian citizen, permanent visa holder, special category visa holder or a New-Zealander being Australian tax resident having special category visa (Subclass 444) at 1st March 2020;
- Must be resident for Australian tax purposes on 1 March 2020;
- Must not be in receipt of a Job-Keeper payment from another employer;
- Must not be in receipt of Parental leave from Services Australia.

Reporting

- Reporting on monthly basis about eligible employees
- Payments made to be reported through STP
- Limited to one JKP in case of multiple employers

Examples

1. Employee with pay of \$ 3000 per fortnight

Employee will be paid - \$ 3000

Employer will get JKP - \$ 1500

Net Benefit to employer - \$ 1500

SG payable on \$ 3000

2. Employee with pay of \$ 1000 per fortnight

Employee will be paid - \$ 1500 (\$ 1000 wages + \$ 500 JKP) - **Minimum Payment**

Employer will get JKP - \$ 1500

Net Benefit to employer - \$ 1000

Net Benefit to employee - \$ 500

SG payable on \$ 1000 and optional on \$ 500

3. Employee with pay of \$ 0 per fortnight (Stood down)

Employee will be paid - \$ 1500 (\$ 1500 JKP) - **Minimum Payment**

Employer will get JKP - \$ 1500

Net Benefit to employee - \$ 1500

SG payable on \$ 0 and optional on \$ 1500

Contact Us

We will be glad to serve you to avail the benefit of this scheme.

You can reach us on support@collabaccounting.in / jimit@collabaccounting.in / virag@collabaccounting.in

Thanking You

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Australian COVID-19 economic stimulus measures

Following recent announcements by the Government of Australia around economic stimulus measures for businesses, employees and others, we've taken the opportunity to summarize some thinking around the same;

Sl. No.	Scheme and Eligibility	Benefit of the scheme	When and how will be available
1	<u>Boosting Cash Flow for Employers</u> Must Employ Workers Employers with aggregated annual turnover including charities under \$50 million in previous year	Tax free cash flow equal to 100% of tax withheld on salary and wages up to \$100,000 (minimum payment \$20,000) in two tranches with a maximum of \$50,000 and minimum of \$10,000 in each tranche. Covers amount withheld from 01 January 2020 to 30 September 2020	The initial cash flow will boost from April to July 2020 and the additional cash flow will boost from July to October 2020. The cash flow boost is generally based on the amount of PAYG withholding during the relevant periods. Employers will need to be registered as employers and form part of the PAYGW system and still need to withhold tax from employee remuneration even if that is a nil withholding required for a period. They needed to be registered as at 12 March 2020 Payment will be provided on the following dates or when business activity statements are lodged if a later date:

		Quarterly lodgers:- <table border="1"> <tr> <td>Q3</td> <td>28 April 2020</td> <td>First initial boost payment</td> </tr> <tr> <td>Q4</td> <td>28 July 2020</td> <td>Final initial and first additional</td> </tr> <tr> <td>Q1</td> <td>28 October 2020</td> <td>Final additional payment</td> </tr> </table>			Q3	28 April 2020	First initial boost payment	Q4	28 July 2020	Final initial and first additional	Q1	28 October 2020	Final additional payment												
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		Monthly lodgers - <table border="1"> <tr> <td>March 2020</td> <td>21 April 2020</td> <td>First initial boost payment (three times)</td> </tr> <tr> <td>April 2020</td> <td>21 May 2020</td> <td>-</td> </tr> <tr> <td>May 2020</td> <td>21 June 2020</td> <td>-</td> </tr> <tr> <td>June 2020</td> <td>21 July 2020</td> <td>Final initial and first additional</td> </tr> <tr> <td>July 2020</td> <td>21 August 2020</td> <td>-</td> </tr> <tr> <td>August 2020</td> <td>21 Sept. 2020</td> <td>-</td> </tr> <tr> <td>Sept. 2020</td> <td>21 October 2020</td> <td>Final additional payment</td> </tr> </table>			March 2020	21 April 2020	First initial boost payment (three times)	April 2020	21 May 2020	-	May 2020	21 June 2020	-	June 2020	21 July 2020	Final initial and first additional	July 2020	21 August 2020	-	August 2020	21 Sept. 2020	-	Sept. 2020	21 October 2020	Final additional payment
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2	<p>Supporting apprentices and trainees</p> <p>Employers with less than 20 full time employees and must have engaged apprentices / trainees as at 01 March 2020.</p>	<p>Tax free wage subsidy upto 50% of apprentice's or trainee's wages for 9 months starting from 01 January 2020 upto a maximum amount of \$7,000 per quarter totaling to \$21,000 in total per eligible apprentice / trainee</p>	<p>Applications will open in early April 2020 through the Australian apprenticeship support network provider, which will assess eligibility. Final claim must be lodged by 31 December 2020.</p>																						
3	<p>Income support for individuals</p> <p>Can not avail if one is enjoying annual leave / sick leave or income protection insurance.</p>	<p>Tax free \$550 per fortnight additional payment for some income support recipients in addition to the current rate of payment.</p>	<p>Payments will commence from 27 April 2020.</p> <p>As an alternative to registering directly with Centrelink, eligible recipients can log onto their myGov account which has a button that says 'intent to claim'.</p>																						

4	<p>Payments to support households</p> <p>To social security, veteran and other income support recipients and eligible concession card holders.</p>	<p>Tax free two \$750 payments</p>	<p>The first payments will commence automatically from 31 March 2020 and the second payment from 13 July 2020.</p>
5	<p>Loans to SMEs</p> <p>Businesses with aggregated annual turnover under \$50 million in previous year</p>	<p>Government will provide 50% guarantee on new short-term unsecured loans of up to \$250,000</p> <p>The loans will be for up to 3 years with an initial 6 month repayment holiday and are unsecured.</p> <p>No requirement of Security from borrower.</p>	<p>The loans will commence in April 2020 and be available for loans made by participating lenders until 30 September 2020</p>
6	<p>Instant asset write-off</p> <p>Businesses with aggregated annual turnover under \$500 million in previous year</p>	<p>Instant asset write off for asset purchased from 12 March 2020 until 30 June 2020 having cost less than \$150,000 (Earlier it was \$30,000).</p> <p>Available per asset basis</p>	<p>Starts from 12 March 2020 until 30 June 2020</p>
7	<p>Accelerated depreciation</p> <p>Businesses with aggregated annual turnover under \$500 million in previous year</p>	<p>50% immediate deduction for the costs of eligible new assets upon installation, with existing depreciation rules applying to the balance of the asset's cost, until 30 June 2021.</p>	<p>Starts from 12 March 2020 until 30 June 2021</p>

8	<p>Withdrawal of superannuation</p> <p>After 01 January 2020</p> <p>Sole traders whose business is suspended or reduction in turnover by more than 20% or</p> <p>Unemployed or</p> <p>Eligible for job seeker or</p> <p>Individual whose working hours have been reduced by more than 20%</p>	<p>Tax free withdrawal of up to \$10,000 per year for FY19/20 and FY20/21.</p>	<p>Individuals will be able to apply for early release of superannuation from 20 April 2020.</p>
9	<p>Deferral of statutory payments</p> <p>All Businesses / Individuals</p>	<p>The ATO may allow deferral by up to six months for the payment of tax amounts including amounts due through the BAS (e.g. PAYG instalments and PAYG withholding), income tax assessments, FBT assessments and excise etc. by affected businesses.</p>	<p>Need to inform to ATO</p>
10	<p>GST deferral</p> <p>All Businesses</p>	<p>The ATO is allowing affected businesses on a quarterly reporting cycle to opt into monthly GST reporting to get quicker access to any GST refunds.</p>	<p>Need to inform to ATO</p>

11	PAYG variance All Businesses	The ATO is allowing affected businesses to vary PAYG instalment amounts. Businesses that vary their PAYG instalment to zero can also claim a refund for any instalments made for the September 2019 and December 2019 quarters.	Need to inform to ATO
12	Remission of penalties	The ATO will consider remitting any interest and penalties that have been applied to tax liabilities on or after 23 January 2020.	Need to contact ATO
13	Bank loan deferral for SMEs Businesses with a loan of up to \$10 million and	Deferral of loan payments for upto six months.	The measures are available on an opt-in basis and apply to current customers with existing facilities 90 days prior to applying.

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Thanking You

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