

Important message for intermediaries

November | 2021 Issue no: 43

Business support under the COVID Protection Framework

Kia ora koutou

The Minister of Finance has announced a number of changes to the financial support for businesses once New Zealand moves into the COVID Protection Framework at 11.59pm on December 2nd.

The changes are as follows:

- There will be a one-off Transition Payment to acknowledge the restrictions businesses have faced due to the higher Alert Levels in Auckland, Waikato and Northland. This payment operates in the same way as the Resurgence Support Payments, with the same criteria. Businesses and organisations with reduced income between 3 October and 9 November may be eligible. Applications will open in myIR on December 10.
- There are no additional rounds of the Wage Subsidy or Resurgence Support Payment planned.
- There will be a change to the Resurgence Support Payment eligibility criteria to allow existing businesses that changed ownership on or after July 18 to receive the payments. This will come into effect from December 10.
- The Leave Support Payment will change to a weekly payment (rather than fortnightly).

That means the following financial support is available to businesses and self-employed.

Resurgence Support Payments and Transition Payment

There are six Resurgence Support Payments currently open for applications. In each case a business or organisation must show reduction in income in a consecutive seven-day period within the 'affected revenue period'. The income during this seven-days must be at least 30% lower than a normal seven-days of income during the six weeks prior to 17 August. People apply through myIR at www.ird.govt.nz. Refer next page.



The six payments are as follows:

Period	Amount	Final day to apply
17 Aug to 1 Nov 2021	Up to \$1,500 + \$400 per FTE	1 December 2021
8 Sep to 1 Nov 2021	Up to \$1,500 + \$400 per FTE	1 December 2021
1 Oct to 1 Nov 2021	Up to \$1,500 + \$400 per FTE	1 December 2021
22 Oct to 1 Dec 2021	Up to \$1,500 + \$400 per FTE	13 January 2022
5 Nov to 1 Dec 2021	Up to \$3,000 + \$800 per FTE	13 January 2022
19 Nov to 1 Dec 2021	Up to \$3,000 + \$800 per FTE	13 January 2022

A one-off Transition Payment becomes open for applications in myIR on December 10. It operates in exactly the same way as a Resurgence Support Payment, with the following details:

Period	Amount	Final day to apply
3 Oct to 9 Nov 2021	Up to \$4,000 + \$400 per FTE	13 January 2022

From December 10, the final three RSP payments and the Transition Payment will become available to businesses that have changed ownership on or after July 18. The business must be carrying on the same or similar activity as before the change in ownership.

There are no more Resurgence Support Payments planned.

Wage subsidy

The eighth round of the Wage Subsidy is still open for applications at www.workandincome.govt.nz. The last day to apply is 9 December. There are no more Wage Subsidy rounds planned.

Short-term Absence Payment and Leave Support Scheme

The Short-term Absence Payment and Leave Support Schemes remain available to help pay employees who are required to stay home to await test results or are required to self-isolate, where those employees are unable to work from home. Applications can be made at www.workandincome.govt.nz. The Leave Support Scheme will change to be a weekly payment - further details will be found on that website in due course.

Small-Business Cashflow (Loan) scheme

Applications for the Small-Business Cashflow (Loan) scheme remain open until 31 December 2023.

Help with paying your tax

Inland Revenue may be able to help businesses by cancelling penalties and interest if they can't pay their tax on time or in full because of COVID-19. If cashflow is an issue at the moment please contact us as soon as you're able to and set up an instalment



arrangement. Then, so long as you keep to the terms of that arrangement you won't have to pay any penalties and interest. The easiest way to contact Inland Revenue is through myIR. Either tick the box on the screen about instalment arrangements saying you have been affected by COVID-19 or send us a message explaining your situation.

Sector-specific support

Note that other forms of sector-specific support remain available, including the Tourism Communities: Support, Recovery and Re-set Plan, Strategic Tourism Assets Protection Programme, Events Transition Support Payment, Cultural Sector Emergency Relief Fund and Auckland business support package (announced on the 22nd October).

Ngā mihi

Corey Sinclair,
National Leader
Community Compliance
Inland Revenue