

Important message for intermediaries

August | 2021 Issue no: 22

COVID-19 support for businesses

Support for business following alert level change

Significant support is available for your business clients following the rise in alert levels announced by the Prime Minister on 17 August 2021.

These measures include:

- **The Wage Subsidy Scheme (WSS).** This payment will be available nationally to help eligible businesses continue paying staff and protecting jobs. To reflect increased wage costs, the payments have been increased to \$600 for full-time employees and to \$359 for part-time employees. This will be open to applications from 9am on Friday 20 August 2021, with applications initially open for two weeks. For more information on the WSS, see <https://www.workandincome.govt.nz/covid-19/index.html>
- **The Resurgence Support Payment (RSP).** This payment will be available to any business or organisation in New Zealand that experiences at least a 30% drop in revenue or a 30% decline in capital-raising ability over a 7-day period, due to a COVID-19 alert level increase of level 2 or higher. This will be open to applications from 8am on Tuesday 24 August 2021 and will be available until one month after a nationwide return to Alert Level 1. For more information on the RSP, see <https://www.ird.govt.nz/covid-19/business-and-organisations/resurgence-support-payment>
- **The Leave Support Scheme (LSS).** This payment provides a two-week lump sum payment of either \$585.80 per week for full-time workers or \$350 per week for part-time workers who must self-isolate and cannot work from home. The rates increase to either \$600 per week for full-time workers or \$359 per week for part-time workers from Tuesday 24 August 2021. For more information on the LSS, see <https://www.workandincome.govt.nz/covid-19/leave-support-scheme/index.html>
- **The Short-Term Absence Payment (STAP).** This payment provides a one-off (once per 30 days) payment of \$350 for workers who must miss work due to a COVID-19 test and cannot work from home. The rate increases to \$359 from Tuesday 24 August 2021. For more information on the STAP, see <https://www.workandincome.govt.nz/covid-19/short-term-absence-payment>
- **The Small Business Cashflow Scheme (SBCS).** This scheme supports small to medium businesses and organisations struggling with a loss of actual revenue due



to COVID-19. Applications are open until 31 December 2023. For more information on the SBCS, see <https://www.ird.govt.nz/covid-19/business-and-organisations/sbcs>

For details of how to treat these payments with respect of tax, see <https://www.ird.govt.nz/roles/tax-agents/covid-19>

Filing and Paying

We know it may be challenging for you and your clients in the current environment to continue filing returns. However, filing returns ensures information about your clients' businesses is up-to-date and accurate. It will also help support any applications for the Government's COVID-19 relief packages. For details about filing and paying, see <https://www.ird.govt.nz/covid-19/manage-my-tax/filing-and-paying>

We do understand that payment arrangements might need to be made. Businesses that have an amount to pay can set up a repayment plan to pay it over time. This can be for amounts due now or later. For more information, see <https://www.ird.govt.nz/covid-19/manage-my-tax/filing-and-paying/difficulty-in-paying-tax>

If COVID-19 has impacted a business's ability to pay tax on time, a request can be submitted for remission of penalties and interest through myIR. For more information on financial relief, see <https://www.ird.govt.nz/covid-19/manage-my-tax/penalties-and-interest/requesting-financial-relief>

Ngā mihi

Corey Sinclair,
National Lead
Community Compliance
Inland Revenue