

CLIENT ALERT: CORONAVIRUS – ATO BUSINESS SUPPORT ANNOUNCED!

Following the Federal Government's stimulus package to protect the Australian economy from the economic impact of the Coronavirus announced on 12 March 2020, and similar stimulus measures announced by various State Governments, the ATO has announced information about the range of assistance options available to taxpayers and primarily small business.

Support will be made available for businesses experiencing financial difficulty as a result of the Coronavirus. The ATO have announced that they are implementing a series of relief options. ***These relief options will not be automatically applied, so you need to contact the ATO to discuss them. Hall Chadwick can contact the ATO on your behalf where we act as your tax agent.***

1. Pay as you go instalments

If you are a quarterly pay as you go (PAYG) instalments payer you can vary your PAYG instalments on your activity statement for the March 2020 quarter. You can do this by lodging a revised activity statement before your instalment is due and before you lodge your tax return for the year. **Businesses that vary their PAYG instalment rate or amount can also claim a refund for any instalments made for the September 2019 and December 2019 quarters.**

If you are a monthly payer and want to vary your instalment rate and claim a refund on previous instalments paid, you will need to phone the ATO on 13 72 26 to discuss.

2. Payment deferrals

If you or your business has been impacted by Coronavirus, you may be able to defer some payments and vary instalments you have due, such as income tax, activity statement (including PAYG instalments), FBT and excise payments by up to four months.

3. Remitting interest and penalties and Low interest payment loans

Where your business is affected by Coronavirus, the ATO will consider remitting interest and penalties applied to tax liabilities incurred after 23 January 2020. Similarly, if you need help to pay your existing and ongoing tax liabilities, we can contact the ATO to discuss entering a low interest payment plan.

4. Monthly GST credits

Businesses on a quarterly reporting cycle may elect to change their GST reporting and payment to monthly, to get quicker access to GST refunds you are entitled to. You can only change from the start of a quarter, so a change now will take effect from 1 April 2020.

Changing your GST reporting cycle to monthly doesn't mean you have to change your PAYG withholding reporting cycle. You can manage this by specifying the roles you are changing.

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Once you choose to report and pay GST monthly, you must keep reporting monthly for 12 months before you can elect to revert to quarterly reporting.

You can change your GST reporting cycle through your tax or BAS agent, in the business portal, or by phoning the ATO on 13 72 26.

The ATO has however reminded employers that they will still need to meet their ongoing super guarantee obligations for their employees by the relevant due dates.

If you or your business are experiencing financial difficulties because of Coronavirus and wish to access any of the above assistance measures, you will need to phone the Emergency Support Infoline on 1800 806 218 or have your tax agent contact the ATO on your behalf.

If you have any questions or would like more information, please contact our office:

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