

COVID Level 4 Update 3

The following items are things that we've come across in the last few days and wanted to share with you:

Wage Subsidy Scheme

- Your business must have or predicted to have a decline in revenue of at least 40%. Keep your calculations on how you figured this decline % out.
- A reminder that under the Privacy Act you must obtain written (if practicable) consent from your employees before you can apply for the wage subsidy. It's not always easy to obtain written consent, so a txt response is adequate. If you've got a verbal consent, document this, date time etc.
- You can't lawfully compel or require any of your employees to use their leave entitlements for the period that you receive the wage subsidy. You need to provide them at least 14 days notice. However should they elect to take leave that is fine, once again just make sure you receive written confirmation.

Resurgence Support Payment

- The RSP requests that you provide an amount of your previous 7 days income pre-lockdown (5 working days). Many contracting clients don't have a definitive amount available to insert. If you can access your daily loadout online then you can calculate that.
- OR look at last month's total income received divide by the number of working days in that month and multiply by 5 to give a reasonable indicative number
- This affected revenue period then needs to be compared to a regular 7 day revenue period that starts and ends in the 6 weeks prior to the level 4 lockdown. Again, ensure you keep how you arrived at your figures.
- IRD request the RSP is paid into your bank account. We've found that updating the bank account at IRD then connects this bank a/c to ALL tax types. You may have tax refunds held at the IRD which are intended to be transferred to other tax types, ie GST, RWT or DWT and are NOT to be refunded. If you do receive an unexpected IRD deposit to your bank a/c, (other than the RSP) please contact us immediately then we can contact IRD to request the repayment and have any penalties/interest remitted. Contact Diana our tax administrator on: diana@blackburnegroup.co.nz

Alert Level 3

We can re-open our offices if the rest of NZ gets the go-ahead tomorrow to reduce to level 3..... looking forward to that update!

Stay safe, be kind and remember to wear your mask!

If you have any queries or want to discuss further, contact your Manager, Mark or Sonya.

