

New Zealand is at Alert Level 4



We trust all our clients and your families are keeping safe and well with the recent changes in Covid-19 alert levels. We appreciate you may have concerns over what is happening re your business and access to us. This newsletter addresses a range of COVID issues and our position to support you.

For the most up to date information on Covid we refer you to [Unite against COVID-19 \(covid19.govt.nz\)](https://covid19.govt.nz)

OUR AVAILABILITY

As we are not an essential service our offices are closed over the level 4 lockdown timeframe. Our team can access their emails remotely and will respond to you, but, we would appreciate your forbearance over any delays in response times that may arise. If you have concerns about queries not being answered please contact Mark or Sonya on the following:

Mark: mark@blackburnegroup.co.nz OR 021 288 6662

Sonya: sonya@blackburnegroup.co.nz OR 0273 730 910

INLAND REVENUE

From a business perspective, no doubt at the front of concerns for many. If your ability to make payments of any tax type (PAYE/GST/Provisional tax) is compromised by Covid-19 issues IRD are waiving penalties and interest, upon application after the full instalments have been paid. Satisfactory arrangements will still need to be made to pay amount outstanding over an acceptable timeframe.

Forthcoming IRD payments:

- Friday 20th August July PAYE
- Monday 30th August June-July GST
- Monday 30th August 2022 1P Provisional tax

WAGE SUPPORT SUBSIDY

If your business cannot operate because of Alert Level 4 restrictions or you will lose revenue, you can apply for the COVID-19 Wage Subsidy scheme to help keep paying your staff.

Businesses and self-employed people must expect a 40% drop in revenue to be eligible to receive the wage subsidy. The wage subsidy is paid in a 2 week lump sum. You can get:

- \$600 per week for each full-time employee
- \$359 per week for each part-time employee

Businesses anywhere in New Zealand can apply for the Wage Subsidy Scheme if they are eligible. Details as to eligibility criteria, in particular period of drop in revenue against which the 40% will be assessed are still to be made available. We expect to know more details when released on Friday.

As an employer you must pass on the full wage subsidy to your employee. If the wage subsidy is more than your employee's pay, you can continue to pay them at their normal rate.

If your business has to physically close but your employees can work from home, and you are not eligible for the Wage Subsidy Scheme, you need to keep paying them their usual salary or wages.

Applications for the August 2021 Wage Subsidy will open on Friday 20 August 2021 at 9am and will be open for 2 weeks. You need to apply through Work and Income. [COVID-19 Wage Subsidy August 2021 - Work and Income](#)

RESURGENCE SUPPORT PAYMENT

The COVID-19 Resurgence Support Payment helps to cover wages and fixed costs for businesses who have been directly affected when there is an increase to Alert Level 2 or higher for a week or more.

To be eligible, your business must have experienced at least a 30% drop in revenue or a 30% decline in capital-raising ability over a 7-day period, due to an increase in Alert Levels.

You can receive \$1,500 per business plus \$400 per full-time employee (FTE), up to 50 FTE. The maximum payment is \$21,500.

If you're a sole trader, you can receive a payment of up to \$1,900.

Applications for the COVID-19 Resurgence Support Payment will open at 8am on 24 August 2021. You need to apply through Inland Revenue. [COVID-19 Resurgence Support Payment \(RSP\) \(ird.govt.nz\)](https://www.ird.govt.nz)

You can apply for both the COVID-19 Resurgence Support Payment and the COVID-19 Wage Subsidy Scheme if you meet all the eligible criteria.

OTHER SUPPORT AVAILABLE

Leave Support Scheme

The Leave Support Scheme is available for employers to help pay workers who can't work from home and meet certain health criteria - for example, they have COVID-19 or are defined as a 'close contact' who has been told to self-isolate for 14 days. [COVID-19 Leave Support Scheme - Work and Income](#)

Short-Term Absence Payment

The Short-Term Absence Payment is to help businesses keep paying eligible workers who can't work from home, and need to miss work to stay home while waiting for a COVID-19 test result (in line with public health guidance). [COVID-19 Short-Term Absence Payment - Work and Income](#)

YOUR BUSINESS CONTINUITY PLAN

If at any stage during the lockdown period, if there is something you would like to discuss or support you feel we can provide to keep your business moving during alert level changes, please do not hesitate to contact us.

On a final note, we acknowledge that this is a very difficult time for you and your families. Please stay safe in your bubble and look after yourselves.

