

Small Business Support Fund Fact Sheet

Today the Premier, Treasurer and Minister for Finance and Small Business announced the Small Business Support Fund - a new \$750 million assistance scheme that will provide grants of \$10,000 for eligible small businesses, who do not pay payroll tax. These grants will provide a cash boost for businesses struggling in the face of an unprecedented economic situation caused by the COVID-19 pandemic, enabling them to keep staff employed and keep their businesses afloat.

To be eligible, businesses will need to:

- Have between 1-19 employees and a turnover of more than \$75,000,
- Have a payroll below the NSW Government 2019-20 payroll tax threshold of \$900,000 (i.e. not pay payroll tax)
- Have an Australian Business Number as at 1 March 2020, be based in NSW and employ staff as at 1 March 2020,
- Be highly impacted by the Public Health (COVID-19 Restrictions on Gathering and Movement) Order 2020 issued on 30 March 2020,
- Use the funding for unavoidable business costs such as utilities, overheads, legal costs and financial advice, and
- Provide appropriate documentation upon application.

Administration

Applications for a \$10,000 small business grant will be available through Service NSW from a fortnight's time until 1 June 2020.

Frequently Asked Questions

Why is the Government offering this grant?

The NSW Government is committed to tackle the challenges posed by COVID-19, keeping people in jobs and business in business. The Government has already announced two response packages, targeted at SMEs with a payroll of less than \$10m and larger businesses with a payroll of great than \$10m. This initiative is aimed at small businesses who do not pay payroll tax but are impacted by COVID-19

What sort of things can the grant be used for?

Grants are to help businesses pay for unavoidable business costs such as utilities and other overheads, and to seek legal, financial and other business advice associated with the current COVID-19 restrictions.

What sort of businesses will it apply to?

Many small businesses in various sectors have been the most impacted by NSW Government directions to either close their premises or significantly change how they operate to help contain the spread of COVID-19 through the community. We expect that a number of small businesses in the retail trade, accommodation and

food services, rental hiring and real estate services, administration and support services, arts and recreation sectors will be among the applicants.

How will you test if a business has been severely impacted?

Small businesses will need to demonstrate how they have been impacted by the *Public Health (COVID-19 Restrictions on Gathering and Movement) Order 2020* issued on 30 March 2020 and that they have experienced a decline in turnover of at least 75 per cent compared to the equivalent period (of at least two weeks) in 2019.

Can sole traders apply?

As long as the eligibility criteria is met, the business can apply for the grant. The Small Business Support Fund will provide funding to small businesses that have between 1-19 employees with a minimum annual turnover of \$75,000.

Other forms of government assistance may be available to those sole traders, including the Commonwealth JobKeeper program.

What will small businesses need to do to apply for this grant?

Small businesses will be able to apply online shortly through [Service NSW](#).

Apart from meeting the criteria on impacts the small business will need to provide a Business Activity Statement, or bank statement and other supporting documents when they lodge their application.

Small businesses receiving the grant will also need to retain receipts and tax invoices for up to five years to demonstrate that they have used their grant in line with the Fund rules and may be subject to a future audit.

Will the employees in these businesses also be eligible for the Commonwealth JobKeeper program?

Yes. Small businesses receiving a grant under this program may also be eligible to apply for the Commonwealth JobKeeper scheme. This program is designed to complement other Commonwealth and State schemes with targeted assistance to the most highly impacted small businesses.

Are businesses that received a grant during the bushfires eligible for this?

Yes if they meet the eligibility criteria of both grant schemes. If a business has been significantly impacted by bushfires and is now highly impacted by the COVID-19 situation, then of course they are eligible for both grants - this is the least we can do for these businesses who have had an absolutely terrible period over the last 5 months.