

COVID-19 GOVERNMENT SUPPORT FOR BUSINESSES

WAGE SUBSIDY AND LEAVE PAYMENTS – INSTRUCTIONS TO APPLY

Each business operator can apply for the subsidies themselves, with support from their accountant if necessary. Please follow the steps below to assess your eligibility, and to ensure you are keeping the appropriate documentation.

1. Read through the information on the subsidies here:
 - a) https://workandincome.govt.nz/products/a-z-benefits/covid-19-support.html?utm_source=business.govt.nz&utm_medium=newsletter&utm_campaign=special_cv_edition#null
2. Decide if you need to apply now, or if you have the resources to wait.
 - a) Waiting will give you more definite financial information to work with.
 - b) It will also allow business who are in the most severe need to be processed first.
3. If you decide to apply now, decide which to apply for:
 - a) **Wage Subsidy** – this is a once-only lump sum payment for 12 weeks' worth, at the relevant rate per employee or self-employed person. This includes your own income as the business owner.
 - b) **Leave Payment** – this is for a few weeks at a time but can be applied for multiple times.
4. If applying for the **Wage Subsidy**, think about the 30% decrease criteria:
 - a) The wording in the application is “... **I am / or about to** experience at least a 30% decline of actual revenue...”
 - b) This indicates that the applications can be made **before** a full month of diminished sales has occurred. Most applications submitted this early will be relying on this. This is fine for heavily public-facing businesses who are experiencing a dramatic decrease – however for those with a less significant decrease, it would be advisable to wait until your figures can substantiate the claim.
 - c) The 30% decline is based on total sales (revenue, not net profit after expenses). Use your bank statements, or a ledger printout from your accounting software: a 1-month period from a year ago, compared to the current 1-month period.

- d) To calculate a 30% decline:
 - i. Take the Last Year figure and multiply it by 0.3, e.g. LY \$1,000 x 0.3 = \$300.
 - ii. Then subtract the answer from the original figure to show what an exactly 30% decline would be, e.g. \$1,000-\$300 = \$700
 - iii. If your actual sales this year are lower than this answer, you have a greater than 30% decline, e.g. if This Year is \$600, you have experienced more than a 30% decline compared to Last Year
 - e) You need to make notes to show you have satisfied this criteria “your business must have taken active steps to mitigate the impact of COVID-19”. Starting ideas are here: <https://covid19.govt.nz/help-and-advice/for-businesses-and-organisations/sole-traders/>
5. If applying for the **Leave Payment**
- a) This is for people who cannot work due to the need to self-isolate (per MoH guidelines) and who cannot work from home.
 - b) <https://www.health.govt.nz/our-work/diseases-and-conditions/covid-19-novel-coronavirus/covid-19-novel-coronavirus-health-advice-general-public/covid-19-self-isolation>
 - c) The guidelines appear to be restricted to the mandatory self-isolation when returning from overseas, or if actually sick with Covid-19 or caring for someone else who is. We are seeking clarification whether the subsidy applies in broader applications.
6. Please note that the application form itself does not require exact details of your basis for eligibility.
- a) It will either be checked while they are processing your application, or it will be subject to review later down the track.
 - b) It appears that there is potential for some businesses to receive the payment, then find out later they were not actually eligible.
 - c) Therefore, it is important that you keep careful records about your basis for applying. Having the details on hand will also mean the application process goes smoothly when details are requested – this is likely to be via phone.
 - d) The WINZ website states: “You will need to declare you meet the criteria for payment as part of your application. All payments will be subject to audits and reviews.” In other words, the onus is on the business owner to ensure they are eligible when applying.

Self-Employed Application

Required information is flagged with "*"

* I am applying because

My staff are self-isolating due to COVID-19 or caring for a dependent who is self-isolating due to COVID-19 and can't

My business has been impacted by COVID-19 and I am/or about to experience at least a 30% decline of actual revenue.

My staff are self-isolating due to COVID-19 or caring for a dependent who is self-isolating due to COVID-19 and cannot work from home.

My staff are sick with COVID-19 or caring for someone who is sick with COVID-19 and can't work from home.

Select one of these three

* I confirm that I have read and understood and agree to this [declaration](#)

* Business IRD Number

* Employment Type

* IR Customer Name

NZ Business Number (NZBN)

* Business address
Should match existing details held by IRD if possible.

* Contact Name

* Note: Contact Email and Contact Mobile may be used for further communication regarding your application.

* Contact Email

* Contact Mobile

Contact Other Phone

* Bank Account Preferred Bank Account

Bank (2) Branch (4) Account (7) Suffix (2-3)

Your account suffix will either be 2 or 3 digits depending on your bank. Please enter it exactly as it appears.

*1. Company IRD number if you have a company, likewise for a Partnership or Trust. Otherwise your Personal IRD number if you are a Sole Trader. If you have several trading entities, I would suggest applying under the entity that has the most activity/turnover.

*2. The information states that Sole Traders and Partnerships who do not already have an NZBN need to apply for one. However it is not a Required field here, so submit your application without it, then apply for one at the same time.

Submit

Employers complete this section as well.

The full subsidy must be passed on to employees you apply for.

Affected employees you wish to claim a subsidy for.

If you wish to claim a subsidy for yourself, enter your own details as well as those of your employees.

First name Last name Date of Birth IRD Number Employment Type

(dd/mm/yyyy)

Add Employee

Submit

Subsidy	Amount	Criteria	Notes
Wage Subsidy – Full Time	\$585.80 per week 12 weeks' worth as a lump sum	Employee or self-employed person works 20+ hours per week	Eligible only once
Wage Subsidy – Part Time	\$350.00 per week 12 weeks' worth as a lump sum	Employee or self-employed person works <20 hours per week	Eligible only once
Leave Payment – Full Time	\$585.80 per week	Employee or self-employed person works 20+ hours per week	Available for 8 weeks from 17/3/2020. Can apply multiple times in that period.
Leave Payment – Part Time	\$350.00 per week	Employee or self-employed person works <20 hours per week	Available for 8 weeks from 17/3/2020. Can apply multiple times in that period.

*Disclaimer: We have compiled these guidelines based on our understanding of the information currently available. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the information within. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on these guidelines.
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