COVID-19

Frequently asked questions — COVID-19 Business Grants

NSW GOVERNMENT

Question	Response
What is included in aggregated annual turnover?	Aggregated annual turnover means the annual Australian turnover of your business as well as the annual Australian turnover of any business that is "connected with you" or any business that is your "affiliate" for the year ended 30 June 2020. Annual turnover includes all ordinary income you earned in the ordinary course of running your business and includes trading stock sales, fees for services you provide, interest from business bank accounts and amounts received to replace business income. It does not include amounts such as the GST you charge on transactions, amounts borrowed, proceeds from selling business capital assets, certain insurance proceeds and JobKeeper payments. It does not include non-assessable, non-exempt (NANE) income. Remember, annual turnover is a reference to gross income, not net profit.
Should the decline in turnover be calculated on a cash or accrual basis?	Decline in turnover will be measured based on the Goods and Services Tax (GST) turnover of your business. As such, if your business accounts for GST on an accrual basis, you should use this method. If your business accounts for GST on a cash basis, you should use this method.
Is an accountant's letter always required to show annual Australian wages, and decline in turnover?	A letter from a Practitioner (which can include a qualified accountant, a registered tax agent or a registered BAS agent) confirming the decline in turnover must be lodged if: • Your business is not on the 'highly impacted industries list'. Refer to Attachment A: List of highly impacted industries of the COVID-19 Business Grant Guidelines: https://www.service.nsw.gov.au/2021-covid-19-business-grant-guidelines#attachment-a-list-of-highly-impacted-industries
Businesses report on a monthly or quarterly basis, how can the decline in turnover be calculated over a two-week period?	The GST definition of turnover will be applied when assessing whether an applicant experienced the required decline in national turnover. You will need to apportion your GST turnover reported in your monthly or quarterly Business Activity Statements so that you only include your GST turnover related to a two-week period between 26 June 2021 and 17 July 2021 and the corresponding period in June and/or July 2019.

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The guideline eligibility states that a minimum two-week period of decline be shown. Can a business use the full three-week period to show the decline?	Yes, a business will be able to use the full three-week period to show the decline in turnover.
Is a business eligible for the grant where they are not paying wages (for example a director drawing down on loans)?	Non-employing businesses (such as sole traders) are eligible to apply for the Grant if all the eligibility requirements are met. However, non-employing businesses are not eligible to apply if persons associated with the business, and who derive income from it, have applied for, or are receiving, the Commonwealth COVID-19 Disaster Payment.
How does JobSaver affect whether a business may be able to receive the 2021 COVID-19 Business Grant?	JobSaver will not have any impact on the 2021 COVID-19 Business Grant. JobSaver commences on 18 July 2021, whereas the Grant is designed to support businesses from 26 June 2021 to 17 July 2021.
Can a business (sole trader) receive the Commonwealth COVID-19 Disaster Payment and the 2021 COVID-19 Business Grant?	No, a business (such as a sole trader) cannot receive both the Commonwealth COVID-19 Disaster Payment and the Grant. Non-employing businesses (which include sole traders) are not eligible to apply if persons associated with the business, and who derive income from it, have applied for, or are receiving, the Commonwealth COVID-19 Disaster Payment. Non-employing business means a business owner who does not have employees. This may include a range of entity types, such as non-employing sole traders or any other businesses without employees.

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What should be included in the accountant's letter noting that a template has been provided on the Service NSW website?	The letter from a Practitioner should follow the template provided by Service NSW. Accordingly, the letter should include the following information: • Applicant's business name, Applicant's business address, Applicant's Australian Business Number (ABN); • Turnover for a minimum 14-day consecutive period between 26 June and 17 July 2021 inclusive; • Turnover for a minimum 14-day consecutive period between 26 June and 17 July 2019 inclusive; • Decline in turnover percentage; and • Details of the Practitioner (including name, position title, contact telephone number, email address, professional registration details and registration number).
Is the Accountant letter able to be edited for the comparison period dates to match the alternate dates as selected by the customer?	The wording in the letter from the Practitioner should be updated to refer to the exact test period being relied upon. It is noted that the decline in turnover test requires testing over a minimum two-week period between 26 June 2021 and 17 July 2021 and compare to the same comparative period over June and / or July 2019.