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KEY COVID-19 MEASURES (VIC) - APRIL 2020

Source: National Tax & Accountants' Association Ltd: April 2020

CATEGORY	DETAILS AS AT 17 APRIL 2020
Payroll Tax	<p>Payroll tax will be waived (or reimbursed if already paid) for the 2019/20 financial year for businesses with annual Victorian taxable wages up to \$3 million.</p> <p>However, eligible businesses must continue to lodge returns. These businesses will also be able to defer any payroll tax for the first three months of 2020/21 until 1 January 2021.</p> <p>Payments made under the Federal Government's JobKeeper Scheme are expected to be exempt from payroll tax (note, this is yet to be confirmed).</p>
Land tax / rates	<p>The following measures are available:</p> <p>(a) Land tax deferral – Landowners that have at least one nonresidential property and total taxable landholdings below \$1 million may defer their 2020 land tax payments until after 1 January 2021. Full payment will need to be made by 31 March 2021. The State Revenue Office will contact eligible taxpayers.</p> <p>Land tax reduction – Landlords who provide rent relief to tenants impacted by COVID-19 (refer to 3. below) may be eligible for a 25% reduction on the property's 2020 land tax. These landlords can also defer the remainder of their 2020 land tax to 31 March 2021. This relief is also available to landowners who are unable to secure a tenant because of COVID-19.</p>
Relief for landlords and tenants	<p>On 29 March 2020, the Victorian Government committed to implementing a six-month moratorium on rental evictions for commercial and residential tenants in financial distress, and a mandatory code of conduct for commercial tenancies to support small and medium sized businesses affected by COVID-19, as agreed at National Cabinet.</p> <p>On 15 April 2020, the Victorian Government announced a \$500 million package of measures in line with the National Cabinet decisions to support commercial and residential tenants and landlords. Broadly, these include:</p> <ul style="list-style-type: none"> a ban on evictions for residential tenancies, except in some situations;

	<ul style="list-style-type: none"> • a ban on evictions for commercial tenancies involving small and medium-sized businesses, for the non-payment of rent; • a pause on rent increases for commercial and residential properties; and • land tax relief for (commercial and residential) landlords (see 2. above) and rent relief for tenants experiencing financial hardship. <p>These measures will apply from 29 March 2020 for a period of six months.</p> <p>Commercial tenancies</p> <p>As part of the package of measures, commercial tenancy laws will be urgently reformed in line with the Federal Government's 'National Cabinet Mandatory Code of Conduct – SME Commercial Leasing Principles During COVID-19' so that eligible small and medium sized businesses can be granted rental waivers or deferrals.</p> <p>Businesses are generally eligible for these measures if they have an annual turnover of up to \$50 million and have experienced more than a 30% reduction in turnover due to coronavirus.</p> <p>Tenants and landlords who struggle to strike a deal over rent reductions will have access to a fast-tracked dispute resolution service, with Consumer Affairs Victoria or the Victorian Small Business Commission mediating to ensure fair agreements are reached.</p> <p>Coronavirus Rent Relief Grant</p> <p>Tenants experiencing rental hardship due to the COVID-19 pandemic may be eligible for rent assistance (in the form of a grant) of up to \$2,000. The grant is paid directly to the tenant's agent, lessor or landlord to contribute to the tenant's rental payments.</p> <p>To be eligible for the grant, a tenant:</p> <ul style="list-style-type: none"> • should contact their landlord or property manager as soon as possible to negotiate an alternative arrangement, such as rent reduction or deferral of payments; • register their revised rental agreement with Consumer Affairs Victoria (or have gone through mediation); • have less than \$5,000 in savings; and • still be paying at least 30% of their income in rent (household income must be less than \$1,903 per week).
Small business	A one-off grant of \$10,000 is available to small businesses that employ staff if they have a turnover of more than \$75,000, payroll of less than \$650,000 and have been highly impacted by the shutdown restrictions
Liquor licence	All 2020 liquor licence fees will be waived and reimbursed where paid.

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