

New Zealand Government support package

With the wellbeing of New Zealanders listed as a first priority, the New Zealand Government has released a \$12.1 billion support package in response to the impact and potential impact on employees and businesses from Covid-19.

The package covers three main facets:

- A wage subsidy for businesses affected by COVID-19 and struggling to retain employees as a result;
- Leave and self-isolation support for workers who are required to stay home to self-isolate; and
- Business cash flow and tax measures to support businesses with significant downturn due to COVID-19.

Wage subsidy scheme

The wage subsidy scheme has been set up to assist employers and businesses that are significantly impacted by COVID-19. As of 23 March 2020, this scheme is now open to all New Zealand employers, sole traders, self-employed people, registered charities and incorporated societies and a previous cap on the amount to be spent per business has been removed in preparation for New Zealanders moving to Alert Level 4.

Those applying for this scheme should be prepared to show that their revenue has declined by 30% or more from January–June 2020 and they must be registered and operating in New Zealand.

For more information on the criteria and how to apply, please see the Work and Income website's guidelines here: 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

Leave and Isolation Support

In order to prevent spread and exposure, it is important for everyone to play a part in being vigilant about potential contact and/or symptoms of COVID-19. The leave and self-isolation support is designed to financially support workers who are required to self-isolate or stay home from work, in order to prevent community transmission.

You can apply for this support if you are required to self-isolate (as per the [Ministry of Health's guidelines](#)), you cannot work because you are sick from COVID-19, or you are caring for dependents in either of the previous two scenarios.

For more information on the criteria and how to apply, please see the Work and Income website's guidelines here: 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

Business cash flow and tax measures

Many businesses have been hit hard by the circumstances of COVID-19 and they are able to apply for early refunds on provisional tax, write-offs due to serious hardship and extension of filing dates for income tax as well as remittance of late penalties.

For more information on how to apply for this, please see the IRDs website:

https://www.ird.govt.nz/covid19?utm_source=business.govt.nz&utm_medium=newsletter&utm_campaign=special_cv_edition

On top of these three main support options, there is also funding towards Te Arawhiti to engage with Iwi on COVID-19 response plans; \$30 million targeted to Māori Health services; \$500 million for health services in general; freezes on all rent increases; permanent increases in the weekly benefit under the Winter Energy Payment Scheme for 2020; and a \$600 million aviation support package.

Please see the Covid-19 website for more information on how to apply for financial support:

<https://covid19.govt.nz/government-actions/financial-support/>

Resources used:

\$12.1 billion support for New Zealanders and business <<https://www.beehive.govt.nz/release/121-billion-support-new-zealanders-and-business>> 17 March 2020

Covid-19: Economic Response Package <<https://www.beehive.govt.nz/feature/covid-19-economic-response-package>> 17 March 2020

COVID-19 Economic Package announced <https://treasury.govt.nz/news-and-events/news/covid-19-economic-package-announced?utm_source=business.govt.nz&utm_medium=newsletter&utm_campaign=special_cv_edition> 17 March 2020

COVID-19 Economic Package updated <<https://treasury.govt.nz/news-and-events/news/covid-19-economic-package-updated>> 23 March 2020

Government Actions -> Financial Support <<https://covid19.govt.nz/government-actions/financial-support/>>

Tax relief

<https://www.ird.govt.nz/covid19?utm_source=business.govt.nz&utm_medium=newsletter&utm_campaign=special_cv_edition>

Govt takes significant economic decisions as NZ readies for Alert Level 4 in COVID-19 fight

<<https://www.beehive.govt.nz/release/govt-takes-significant-economic-decisions-nz-readies-alert->

[level-4-covid-19-fight](#)> 23 March 2020

COVID-19 employer support <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>