

COVID-19 Government Support for Charities and Not-For-Profits

Since the onset of COVID-19, Commonwealth, State and Territory Governments have been announcing measures designed to relieve the burden and maintain cash flow for organisations as they respond to challenges presented by the COVID-19 pandemic.

There has been a steady stream of announcements, so it can be difficult to keep up. This guide outlines the most material announcements for not-for-profits and charities, with a focus on Commonwealth Government measures that apply broadly across the not-for-profit sector. It captures new announcements from the Commonwealth made on 7 August 2020. It includes eligibility criteria relevant for many of SVA and Paul Ramsay Foundation's partners. It also provides links to additional resources that highlight available supports at the State and Territory level.

Some organisations may also be able to benefit from additional support specific to their sector. This guide does not include all those supports but does provide links to additional resources.

The guide reflects policy announcements as at 19 August 2020 and will be updated as frequently as required to capture the most material announcements. It has been prepared by Social Ventures Australia with support from the Paul Ramsay Foundation. It was first published on 22 April 2020. Note that government agencies continue to publish additional information about these supports including rules, eligibility criteria, and responses to frequently asked questions. Always check you have the latest information from the respective websites listed.

If you would like further guidance on how these measures might affect your organisation, your eligibility, or how to apply, please explore the links contained in this document.

Note the information in this guide is general in nature and provides a summary only of material announcements as at the date of preparation. It does not comprehensively outline all available supports or detail all eligibility requirements and conditions, nor does it constitute financial, tax or legal advice and readers should seek their own professional advice.

List of available Commonwealth Government supports

Name of measure	Benefit	Entity eligibility	Eligibility criteria	How to apply	More information
Type of support: Cash flow assistance for employers					
JobKeeper	<p>The JobKeeper payment provides wage subsidies to employers significantly affected by COVID-19. Employers are provided a cash transfer in arrears to pay their eligible employee's salary or wages.</p> <p>First stage of payments (from March to 27 September): \$1,500 / fortnight for all workers.</p> <p>On 21 July 2020, the Commonwealth Government announced an extension of JobKeeper, with changed criteria and decreased payments. The details were updated on 7 August. The details are:</p> <p>Second stage of payments (from 28 September to 3 January): \$1,200 / fortnight for full time workers, and \$750 / fortnight for part time workers (less than 20 hours based on February 2020 employment)</p> <p>Eligibility re-tested in September – based on demonstrated turnover reduction (rather than estimated future turnover) across the July-Sept quarter, relative to comparable period (generally corresponding period in 2019).</p> <p>Third stage of payments (4 January to 28 March 2021): \$1,000 / fortnight for full time workers, and \$650 / fortnight for part time workers. Eligibility re-tested in January based on demonstrated turnover reduction across the Oct-Dec quarter, relative to comparable period (generally corresponding period in 2019).</p> <p>A tabulated illustration of the changes for charities, is included in the Appendix.</p>	Charities registered with ACNC (excluding universities and schools)	Turnover (defined as GST turnover, plus donations) has or will likely fall by 15% or more relative to a comparable period. Charities have the option of using either their total turnover, or their turnover excluding government revenue. If you do not meet this criteria, alternative turnover tests may apply.	Employers can register their interest with the ATO.	Treasury website outline of original package and the extension . Australian Tax Office website for further detail.
	Organisations with annual turnover less than \$1 billion	Aggregate turnover has fallen by 30% or more. Alternative turnover tests may apply.			
	Organisations with annual turnover of \$1 billion or more	Aggregate turnover has fallen by 50% or more. Alternative turnover tests may apply.			
	Schools	Must meet non-charity criteria outlined above			
	Childcare services	From 20 July, childcare services were no longer eligible for JobKeeper.			
	Universities	Aggregate turnover has fallen by 30% or more (if turnover <\$1b) or 50% or more (if >1\$b), however, the relevant turnover period must be the 6 months from January 2020.			

Name of measure	Benefit	Entity eligibility	Eligibility criteria	How to apply	More information
Type of support: Cash flow assistance for employers					
<i>Boosting cash flow for employers</i>	Tax-free cash flow boosts of between \$20,000 and \$100,000 delivered through credits in the activity statement system when SME and NFP employers lodge their activity statements, up to the month or quarter of September 2020. This measure has not been extended beyond September 2020. -Delivered through two sets of cash flow boosts from 28 April 2020.	<i>All organisations, including charities and not-for-profits</i>	Have an active ABN, have aggregate annual turnover of less than \$50 million and made eligible payments they're required to withhold (even if the amount withheld is zero).	No application is required. Employers need simply to lodge their activity statements.	Australian Tax Office Website
<i>Supporting apprentices and trainees</i>	A wage subsidy of 50% of an apprentice or trainee's wages for wages paid to March 2021, for small and medium sized businesses that employ an apprentice or trainee.	<i>Small businesses (including social enterprises)</i>	Employing fewer than 20 FTEs who retain an apprentice or trainee that was in training as at 1 July 2020. Claims prior to 1 July 2020, will continue to be based on the 1 March 2020 eligibility date.	Employers can access the subsidy after an eligibility assessment is undertaken by an Australian Apprenticeship Support Network (AASN) provider listed here . Claims must be lodged by 30 June 2021.	Treasury website
	Originally targeted at small businesses until September 2020, in July 2020, the Commonwealth Government announced an extension of the scheme to March 2021, and expansion to include medium sized businesses.	<i>Medium sized businesses</i>	Employing fewer than 20 FTE, or fewer than 200 FTE using a Group Training Organisation, but who retain an apprentice or trainee that was in training as at 1 July 2020		
		<i>Business of any size</i>	That re-engage an eligible out of trade apprentice or trainee from an eligible small or medium business.		
<i>Australian Taxation Office</i>	ATO are also making case-by-case adjustments re deadlines and payments. If you are experiencing difficulties meeting your tax and super obligations, the ATO can defer some payments by up to six months. These may include income tax, activity statement, pay as you go (PAYG) instalments, FBT and excise payments.	<i>All organisations, including charities and not-for-profits</i>	Have an active ABN, have aggregate annual turnover of less than \$50 million and made eligible payments they're required to withhold (even if the amount withheld is zero).	Call the ATO's Emergency Support Info Line: 1800 806 218	Australian Tax Office website

Name of measure	Benefit	Entity eligibility	Eligibility criteria	How to apply	More information
Type of support: Commercial tenancies relief					
<i>Mandatory code for the provision of leasing relief by commercial landlords</i>	<p>The National Cabinet released a mandatory code with principles relating to commercial and residential tenancies, to ensure flexibility in leasing arrangements for those affected by COVID-19. These will be in place for 6 months. The principles include a moratorium on evictions of tenants and the provision of rent relief by commercial landlords, with a binding mediation process</p> <p>The Commonwealth Government is currently considering an extension of the code beyond September.</p>	<i>Employers with lease obligations</i>	<p>The national principles apply to those organisations that are eligible for JobKeeper and have an annual turnover of \$50 million or less.</p> <p>Check announcements in your state for additional eligibility criteria and additional details.</p>	<p>Get in touch with your landlord to engage in good faith negotiations.</p> <p>You must be eligible for JobKeeper (see above).</p>	<p>National Cabinet Mandatory Code of Conduct</p> <p>General information about the Code at Business.gov.au website</p> <p>Or see the ProLegis explanation of the changes (as at 2 June)</p>
Type of support: Business investment incentives					
<i>Instant asset write-off; and Backing Business Investment asset depreciation</i>	<p>Until 31 December 2020, the instant asset write-off threshold will be increased from \$30,000 to \$150,000.</p> <p>Until 30 June 2021, accelerated depreciation deductions will be allowed (up to 50% of the cost of an eligible asset on installation).</p>	<p><i>Charities and not-for-profits that do <u>not</u> have income tax exemptions</i></p> <p><i>Businesses</i></p>	<p>Businesses with an aggregated turnover less than \$500 million. Assets must be new or second hand and installed by specific dates, varying depending on your business size. See Treasury website for details.</p> <p>From 1 January 2021 the instant asset write-off will only be available for small businesses with an aggregated turnover of less than \$10 million and the threshold will be \$1,000.</p>	<p>No application is required.</p> <p>Eligible entities can claim the asset's deductions in their tax return for the financial year.</p>	<p>Instant asset write-off: Treasury website</p> <p>Asset depreciation: Treasury website</p>

Name of measure	Benefit	Entity eligibility	Eligibility criteria	How to apply	More information
Type of support: Access to credit and working capital					
<p><i>Coronavirus SME Guarantee Scheme</i></p>	<p>The Government will provide a loan guarantee of 50% to eligible lenders, to enable loans to SMEs.</p> <p>Loans up to 30 September 2020 will be for a maximum of \$250,000 per borrower, will be unsecured, for up to 3 years, and interest free for 6 months.</p> <p>The Commonwealth Government announced an extension of the scheme on 21 July 2020. From 1 October, loans will be increased to \$1 million, and can be up to 5 years in length.</p>	<p><i>Small and medium sized enterprises</i></p>	<p>Organisations with a turnover of up to \$50 million are eligible to receive the loans. Non-profit organisations are eligible. Loans are subject to lenders' credit assessment processes.</p>	<p>Loans now available, until 30 June 2021.</p> <p>Contact your bank to apply. Approved lenders are listed on the Treasury website.</p>	<p>Treasury website</p>
<p><i>Working capital assistance</i></p>	<p>The Government, through Indigenous Business Australia (IBA), is providing \$50 million to specifically support Aboriginal and Torres Strait Islander businesses over the coming months.</p> <p>IBA will provide support through:</p> <p>(1) Access to advice including a rapid assessment of business positioning, cashflow management and assistance to other government supports; and</p> <p>(2) working capital assistance of up to \$100,000 via a loan/grant package, including a <i>grant of up to 50% of the package</i> amount; and for the loan component, concessional repayments and interest rates terms including zero repayments for the first 12 months.</p>	<p><i>Aboriginal and Torres Strait Islander businesses (including not-for-profits)</i></p>	<p>All Aboriginal and Torres Strait Islander businesses are eligible to apply including not-for-profits, however, businesses who are not eligible for any other government stimulus packages will be prioritised for working capital stimulus assistance.</p>	<p>Arrange for IBA to give you a call here.</p>	<p>Indigenous Business Australia website</p>

Name of measure	Benefit	Entity eligibility	Eligibility criteria	How to apply	More information
Type of support: Relaxation of regulations and reporting requirements					
<i>Australian Charities and Not-for-profits Commission</i>	The ACNC has relaxed compliance measures for charities and not-for-profits in response to COVID-19. This includes an extension for submission of Annual Information Statements (AIS) until 31 August 2020, and changes to requirements for annual general meetings. Some governance requirements have been relaxed, including allowing charities to apply a broader interpretation of their organisation's purpose, to assist the community to respond to COVID-19	<i>Charities registered with the ACNC</i>	All eligible	No application is required.	Australian Charities and Not-for-Profits Commission website
<i>Australian Securities and Investments Commission</i>	ASIC has also relaxed compliance measures for corporations, with regards to annual general meetings, reports and financial reporting requirements. If your organisation is a company registered under the Corporations Act, these may apply to you.	<i>Companies registered with ASIC</i>	All eligible	No application is required.	Australian Securities and Investments Commission Website
<i>Flexibility in workplace laws during COVID-19</i>	<p>Changes have been made to the Fair Work Act and to awards to provide flexibility to employers responding to COVID-19. These temporary amendments cease on 28 September.</p> <p>Changes to the Fair Work Act enable employers to manage staff costs for employees that cannot be usefully employed for their usual hours and duties and operate in conjunction with the JobKeeper wage subsidy. The changes apply for 6 months and include: (1) reducing staff days and hours of work; (2) performing any other duties within the employee's skill and competence; and (3) performing duties at a different work location, including the employee's home. Conditions apply.</p> <p>Changes to awards apply until 30 June 2020 and allow affected employees to take 2 weeks of unpaid pandemic leave, or twice as much annual leave at half their normal pay if their employer agrees.</p>	<i>Employers</i>	<p>Changes to the Fair Work Act apply only to employers who qualify for JobKeeper and who become entitled to JobKeeper payments, and to their eligible employees.</p> <p>Changes to awards only affect employers of people covered by those awards (99 awards are affected)</p>	Apply for JobKeeper (see above) to rely on changes to the Fair Work Act.	<p>Fair Work website</p> <p>Or see Gilbert + Tobin's explanation of the changes (as at 9 April)</p> <p>ACTU fact sheet</p>

Name of measure	Benefit	Eligibility criteria	How to apply	More information
Type of support: Government contract extensions				
<i>Ad-hoc</i>	Some government departments are rolling over service contracts that were due to cease at the end of the financial year, and are making amendments to contract requirements. There have not been blanket announcements of these decisions, rather they are occurring on an ad-hoc basis.	Those organisations with government contracts for service delivery.	Contact your government grant contract manager to enquire	N/A

State and Territory based supports

Each State and Territory has announced a series of measures to support organisations in their jurisdictions. Links to information about those supports are included below. Additional links are available in a consolidated format by state at <https://moneysmart.gov.au/covid-19/financial-assistance>. Please note that for many of these types of support, not-for-profits will be considered businesses.

Local governments may also have support measures available in the form of grants, rent relief and rates relief. Please check with your local council.

State or Territory	Information about available supports
New South Wales	Service NSW includes information on support for small businesses (including \$10,000 grants for employers); and Revenue NSW has information on payroll tax relief
Victoria	Business.vic.gov.au includes information on the commercial tenancies relief scheme, as well as on the business support package announced on 10 July 2020 (including \$5,000 grants for employers).
Queensland	Business.qld.gov.au includes information on commercial tenancies relief, payroll tax relief, utility bills relief, industry support schemes and worker retraining funds.
Western Australia	Smallbusiness.wa.gov.au lists support for small business dealing with coronavirus; and elsewhere outlines support available through WA Government's small business stimulus/relief package (including \$17,500 grants for eligible employers). The WA Government website outlines payroll tax measures for eligible Western Australian businesses impacted by the coronavirus
South Australia	The SA Treasury website includes information on support for small businesses (including \$10,000 grants for employers), and payroll tax relief.
Tasmania	Business.tas.gov.au includes information on support for business, and the Tasmanian Government Corona Virus website outlines all stimulus and supports provided by the Tasmania Government
Northern Territory	Businessrecovery.nt.gov.au outlines support available for businesses including a small business survival fund (including grants for employers).
Australian Capital Territory	ACT Government website includes information on commercial tenancies relief, and payroll tax deferral, utilities rebates and industry specific supports

Sector specific supports

This guide highlights measures that are available to not-for-profit organisations and charities generally. There may be other supports that are specific to the sector in which you operate. We suggest you contact your peak body for further advice and information.

The COSS networks have been compiling information and resources for the social and community sector, which may also be relevant to other not-for-profits:

National: [ACOSS Community Hub](#)

New South Wales: [NCOSS - COVID-19 Community Sector Resource](#)

Victoria: [VCOSS - COVID-19 and the community sector](#)

Queensland: [QCOSS - COVID-19 page on Community Door](#)

Western Australia: [WACOSS - Community Services COVID-19 resources](#)

South Australia: [SACOSS - Responding to COVID-19](#)

Tasmania: [TASCOSS](#)

NT: [NTCOSS - COVID-19 - Advice for social and community services](#)

ACT: [ACTCOSS - COVID-19](#)

SVA has written a **guide for social enterprises**: ['7 Steps for keeping the lights on: Support for social enterprises \(COVID-19 impact response\)](#). Thanks to the support of Gandel Philanthropy, SVA is also offering free business continuity and restructuring support in response to COVID-19 for six to 10 selected social enterprises and Indigenous businesses, through [SVA Upscaler](#). Email [Nathan Sowell](#) for support.

Other helpful guides

A number of organisations have produced guides summarising the available supports from government and their implications. These should be used with caution, as they fall rapidly out of date due to the pace of new government announcements. Some guides we consider useful are included below.

- **Guidance on legal issues:**
 - **Justice Connect's [COVID-19 response for Non-for-profits](#).** A range of resources, webinars and briefing notes on the most pressing issues COVID-19 poses for not-for-profits, including employment, contracts, governance and insurance. Prepared with the assistance of Clayton-Utz. Last updated 22 July. Justice Connect can also refer eligible NFP organisations to one of the law firms that participates in their [pro bono service](#). Note that law societies in different states often have their own pro bono referral services. The Law Institute of Victoria refers on to Justice Connect, and the [Law Society of NSW's service can be found here](#).
 - **ProLegis Lawyer's ['COVID-19: Legal Issues for Charities and Not-for-Profits'](#).** Outlines legal issues that not-for-profits and charities should consider in light of COVID-19. Last updated 19 May.
- **Guidance on creating a COVID-19-safe workplace.** The ['Damn Good Advice on Creating a COVID-19- Safe Workplace: A Guide For NFP Boards and Managers'](#), was prepared by Our Community's Safe our Sector campaign. The guide sets out the steps organisations need to take when thinking of bringing their staff and volunteers back to their usual workplace.
- **Indigenous Business Australia (IBA) [COVID-19 information videos](#):** A four-part video series on managing businesses during the COVID-19 pandemic, targeted for Aboriginal and Torres Strait Islander businesses. Much of this content will also be relevant for not-for-profits, particularly where they relate to employer obligations, financial responsibilities and managing contracts.
- **Institute of Community Directors Australia** has compiled a [library of capacity-building resources for not-for-profits](#).
- **Mann Judd Advisory and accountants:** Published a [webinar explaining Financial Reporting changes from ASIC & ACNC](#), on 25 May.

Appendix: Summary table on JobKeeper duration and eligibility, for charities

Phase	Duration	Eligibility test (vs same period in 2019)*	Eligibility threshold	Eligibility restrictions	Payment rate**	
					FT	PT
Phase 1	30 Mar – 28 Sept 2020	Predicted turnover decline over either the April-June 2020 quarter, or any month from April-Sept 2020	15% (either total turnover or total excluding government)	Schools and universities must have 30% turnover decline. Universities face additional criteria. Childcare excluded from 20 July.	\$1500	
Phase 2	27 Sept 2020 – 3 Jan 2021	Actual turnover decline in the July-Sept 2020 quarter			\$1200	\$750
Phase 3	4 Jan – 28 Mar 2021	Actual turnover decline in the Oct-Dec 2020 quarter			\$1000	\$650
Phase 4	29 Mar 2021 onwards	None	None	None	None	

* Alternate turnover tests are available in some circumstances.

** Rates are per fortnight. Full-time rate applies to all eligible employees who, in the four weeks of pay periods before 1 March 2020 OR before 1 July 2020, were working in the business or not-for-profit for 20 hours or more a week on average. Anyone who worked fewer hours gets the part-time rate. The period with the higher number of hours is to be used for employees who were eligible at 1 March 2020.