

To: Forum Directors, Presidents, CEOs & Area Executives

From: Nick Leggett, Chief Executive

## **COVID-19 Factsheets and updates from the RTF**

Each day more information comes to hand on the New Zealand response to COVID-19. The RTF is updating its dedicated web page <https://www.rtfnz.co.nz/covid-19/> regularly.

It is important to use the accurate and verified information from the New Zealand Government as it applies to the New Zealand situation with COVID-19, not rely on information in the media or social media.

Yesterday, the Government announced its economic package and we have produced this Fact Sheet explaining what that means and where to get more information or apply for the support.

Yesterday, you should have received our first Fact Sheet outlining how businesses should be gearing up for what's ahead, and advice from the Centers for Disease Control and prevention (CDC) specific to trucking operations in an influenza pandemic.

Please ensure this information gets out to as wide an audience as possible. Information and communication are essential in these challenging times.

# Fact sheet 2 - COVID-19



On 17 March, the New Zealand Government announced an **economic package to fight COVID-19**, including \$12.1 billion support for New Zealanders and business.

The \$12.1 billion package includes:

- Initial \$500 million boost for health
- \$5.1 billion in wage subsidies for affected businesses in all sectors and regions, available from 17 March
- \$126 million in COVID-19 leave and self-isolation support
- \$2.8 billion income support package for our most vulnerable, including a permanent \$25 per week benefit increase and a doubling of the Winter Energy Payment for 2020
- \$100 million redeployment package
- \$2.8 billion in business tax changes to free up cashflow, including a provisional tax threshold lift, the reinstatement of building depreciation and writing off interest on the late payment of tax
- \$600 million initial aviation support package

More information on the wage subsidy scheme, including how to apply, and other support for businesses can be found at [www.govt.nz/coronavirus](http://www.govt.nz/coronavirus) and [www.business.govt.nz](http://www.business.govt.nz). You can access the packages announced via the Work and Income website [www.workandincome.govt.nz](http://www.workandincome.govt.nz)

The packages that will work for the trucking industry are outlined below and there is more information on our website [here](#).

## Wage subsidies

Wage subsidies will be available for all employers who have suffered, or are projected to suffer, at least a 30% decline in revenue compared to last year for any month between January 2020 and the end of the scheme in June 2020.

**Applications can be made from 17 March, for the next 12 weeks.**

The amount of support is \$585.80 per week for a

full time employee (20 hours or more) or \$350 per week for a part time employee (less than 20 hours).

The payment will be made for a lump sum for a period covering 12 weeks.

The Government's fact sheet is available on our website [here](#).

## COVID-19 leave and self-isolation support

The purpose of this is to support workers financially to support workers financially to self-isolate, or while ill with COVID-19.

It is available to any employer, sole trader or self-employed person. The payments will be \$585.80 per week for full time and \$350 per week for part time workers.

The Government's fact sheet is available on our website [here](#).

## Business cash flow and tax measures

There are a number of changes to ensure business cashflow including reintroducing depreciation on commercial and industrial buildings; immediate deductions for low value assets; fewer small businesses having to pay provisional tax; and writing off interest on some late payment of tax.

Increasing the threshold to pay provisional tax from \$2,500 to \$5,000 allows more small taxpayers to delay paying their taxes. This means they have until 7 February the following year they file to pay their tax, instead of having to pay in instalments throughout the year.

The Commissioner of Inland Revenue will be given the power to waive interest on late tax payments for taxpayers who have had their ability to pay their tax on time significantly adversely affected by the COVID-19 outbreak.

The Government's fact sheet is available on our website [here](#).

The IRD has information about COVID-19 and tax relief on its website <https://www.ird.govt.nz/covid-19-novel-coronavirus/tax-relief>