



Stimulus relief package and what this could mean for **INDIVIDUALS & FAMILIES**

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A number of measures have been put in place to support Australians and the economy in response to the Coronavirus.

We have put together some information to summarise the key measures for **individuals and families** and to assist you in understanding the help that could be available to you and your loved ones.

When will the announced benefits become available?

All of the measures recently announced up to 22 March 2020 have now been legislated. While some benefits are available to be accessed immediately, others will commence in the coming weeks and months.

Outlined below is a summary of some of the key measures and important key dates.

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\$750 cash payments

Two payments of \$750 each will be paid to eligible income support recipients and concession card holders. The first tax-free payment is expected to be automatically paid to eligible recipients from 31 March 2020. The second payment will be available to those who aren't eligible for the Coronavirus supplement (see below) and will be automatically paid from 13 July 2020.

Eligibility for payment one

To be eligible, you must be residing in Australia and have been eligible for one of the income support payments, or a holder of one of the concession cards listed in the table below on a day between 12 March and 13 April 2020. If you had applied for an eligible payment and are subsequently granted the payment, you will also be eligible for the one-off payment. These individuals will also be entitled to a second payment of \$750 *unless eligible for the Coronavirus supplement* (see below).

Income Support Payments		Concession Cards
Age Pension	Austudy	Pensioner Concession Card
Disability Support Pension	Youth Allowance	Commonwealth Seniors Health Care Card
Carer Payment	Special Benefit	Veteran Gold Card
Carer Allowance	Sickness Allowance	
Wife Pension	Family Tax Benefit (including Double Orphan Pensions)	
Parenting Payment	Farm Household Allowance	
Widow B Pension	Veteran Service Pension	
ABSTUDY (Living Allowance)	Veteran Income Support Supplement	
Bereavement Allowance	Veteran Compensation Payments	
Partner Allowance	War Widow Pension	
Widow Allowance	Veteran Payment	
Newstart Allowance		

Coronavirus Supplement

The Coronavirus supplement of \$550 per fortnight will be paid to new and existing recipients of:

- JobSeeker Payment
- Youth Allowance (Jobseeker)
- Parenting Payment
- ABSTUDY
- Austudy
- Farm Household Allowance, and
- Special Benefit.

The supplement will be paid over the next six months and will be paid automatically with your ordinary fortnightly entitlement. It will be paid from 27 April.

Existing social security recipients - change in circumstances

If you're already receiving a particular benefit or payment and your circumstances change due to COVID-19, your benefit may remain unchanged. However, a change in circumstances that is not a result of COVID-19 will be assessed under the ordinary rules, and may impact your entitlement. All changes should be reported to Centrelink or DVA within 14 days.

- **Recipients of Carer Payment** who are impacted will not have their benefits changed.
- **Child Care Subsidy:** if your child cannot attend childcare as a result of COVID-19, but you're still charged a fee from your childcare provider, you may still receive the subsidy for up to 42 days of absence. This applies also to non-COVID-19 related absences. If your activity hours change, you don't need to update your activity tests where it is due to a requirement to self-isolate, or if you're on leave.
- **Newstart or Jobseeker:** Recipients with mutual obligations (for example Newstart or Jobseeker recipients who usually need to be actively looking for work, volunteering, or doing some paid work) will be provided flexible options to ensure your safety. This may apply where you're unable to satisfy these requirements because you're self-isolating, or you're a primary carer, caring for a child whose school has closed, or a disabled adult whose day service closes. You may receive an exemption from this requirement without a need for medical evidence.
- **Youth Allowance (student):** Activity requirements for study will be amended. This means that if you're a student and you're unable to attend studies due to the virus, you may be exempt from meeting this requirement.
- **Students and trainees:** If you're self isolating at home or your education provider closes or reduces your study load, your payment won't change. You must remain enrolled in study and have a plan to return and must tell Centrelink if this doesn't apply to you.

Applying for a new benefit – impacted by COVID-19

Depending on your circumstances, you may be eligible to apply for a number of payments. You may have been stood down, made redundant, or have had your hours significantly reduced. It's also possible that you've needed to stop working to care for someone.

Also, if you're unable to work, are in isolation or hospital, or you need to care for children as a result of COVID-19, you may also be eligible to apply for a payment for a period of time.

Ordinarily, most benefits and concession cards have either an income test, and assets test, or both, to determine your eligibility. However, if you apply for a social security benefit or concession card and your claim is related to COVID-19, some of the ordinary eligibility rules may be waived for approximately six months. Also, if you're an employee, and you are diagnosed with COVID-19 or are in isolation, you may be eligible for an income support payment if you are not also accessing employer leave entitlements, or income protection policy benefits.

If you're a sole trader or you're self-employed you may also be eligible for a payment if your business has been suspended or turnover has reduced significantly.

New category of Crisis Payment

Individuals claiming an income support payment may be eligible for a Crisis Payment under a proposed new category, if they are required to self-isolate at home due to the Coronavirus.

At the time of claiming the Crisis Payment, a person must:

- have made a claim and qualify for an income support payment, and
- satisfy requirements of any legislative instruments made by the Minister, including the need to self-isolate.

The one-off Crisis Payment is tax-free and is equal to one week your income support payment (basic rate).

Waiting periods and assets testing

The ordinary one-week waiting period that applies to some payments is waived when claiming because you're impacted by COVID-19. The Liquid Assets Waiting Period (LAWP) is also waived if you're entitled to the Coronavirus Supplement. If you've already applied for a payment and are currently serving a LAWP, you won't need to serve the remainder of the waiting period. This also applies if you've applied for a payment which is eligible for the Coronavirus Supplement. The Income Maintenance Period and Compensation Preclusion Periods continue to apply. This means that if you've received a redundancy payment or a lump sum amount of unused leave entitlements, you may not be eligible for a payment straight away.

The assets test is not applied when determining your entitlement to JobSeeker Payment, Youth Allowance (Jobseeker) and Parenting Payment for six months. The income test continues to apply and may reduce the amount of the payment you're eligible for. If you're a member of a couple, your partner's income is taken into account when determining your eligibility.

To access these measures, recipients of JobSeeker Allowance and Youth Allowance (Jobseeker) cannot be receiving employer benefits (such as sick leave or annual leave payments) or income protection payments at the same time.

Reduction in deeming rates (applicable to Centrelink Pension calculations)

A further reduction in deeming rates was announced on 22 March. The deeming rates will reduce as follows:

	Current	From 1 May 2020
Lower deeming rate	1.0%	0.25%
Upper deeming rate	3.0%	2.25%

The deeming thresholds are unchanged at \$51,800 (single) and \$86,200 (couple) which are generally indexed on 1 July each year. The rates will take effect from 1 May 2020, and any additional entitlement will be paid from that date.

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Other measures

Additional measures announced include:

- Support for regions and communities impacted by the virus with reliance on tourism, agriculture and education
- Administrative relief provided by the ATO for certain tax obligations, such as lodging tax returns and activity statements, which will be assessed based on individual circumstances, and
- Comprehensive health package of \$2.4 billion.

You may wish to contact the ATOs Emergency Support Infoline on 1800 806 218 or email COVID-19Taxissues@ato.gov.au.

Next steps

To find out more about these are any other issues or concerns you may have, please contact your financial adviser.

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