



MGAA GUIDANCE SHEET

NSW COVID-19 BUSINESS GRANT	
Period Covered	26 th June 2021 to 18 th July 2021.
Application opens	19 July 2021 (and can be made anytime up until 11.59pm on 13 th September 2021.
Eligibility	Eligible NSW Businesses including sole traders and not-for-profit organisations. Non business entities such as investment companies and investment trusts are unlikely to be eligible.
Available Grants	Three different grant amounts will be available depending on the decline in turnover experienced during the restrictions: <ul style="list-style-type: none">• \$7,500 for a decline of 30% or more• \$10,500 for a decline of 50% or more• \$15,000 for a decline of 70% or more

Eligible Criteria ([Click here](#) to for full details)

- Have an ABN and were physically operating in NSW on 1 June 2021. Only one grant is available for a single ABN. Multiple businesses under single ABN are only eligible for one grant;
- Have an aggregated annual turnover of more than \$75,000 and no more than \$50 million for the year ended 30th June 2020. It is understood that turnover of connected entities will be added together to test this turnover, and will be based on income reported in your FY2020 business tax return;
- Have annual Australian wages of no more than \$10 million, as at 1 July 2020. Grouping provisions under NSW Payroll Tax provisions apply;
- Have business costs for which there is no other government support available;
- Maintain your employee headcount as at 13th July 2021 for the period for which your business is receiving payments under this Grant and the Job Saver Scheme ([downloadable guide](#)). You do not lose eligibility if your employee resigns voluntarily;
- Have been able to demonstrate a decline in turnover across a minimum two-week period from 26th June 2021 to 17th July 2021, compared to the same period in 2019 (it is understood it has to be the same dates). It is understood that ATO GST concepts will be applied. This could mean turnover will be tested on Cash or Accrual basis based on how your business is registered for GST purposes;
- There is an expectation that this grant will be used by businesses to pay their business expenses incurred from 1st June 2021 to 18th July 2021, including utilities, wages, rent and other expenses. Refer to Section 4 [here](#) for the full list. Service NSW might request details of cost incurred in a future audit.



What is the Evidence required in support of eligibility

There are different level of evidences required for businesses in 'highly impacted industries list' as compared to others. We urge you to review the links below carefully in preparation of your application.

Details of evidence required in support of eligibility can be found at Section 5 [here](#).

Full Terms and Conditions of the Grant are available [here](#).

Some Frequently Asked Questions :

Who will administer the grant?

Grant application and payments will be administered by Service NSW. [Click here](#) for Grant homepage on Service NSW website.

What if my turnover is less than \$75,000?

You may be eligible for Micro Business Grants. See Micro business grant homepage of Service NSW [here](#). For further guidance, refer to MGAA Guidance Sheet [here](#).

What if I did not have a business in 2019 or my circumstances have changed.

Guidance has now been released and can be accessed on Service NSW website [here](#). We are continuously providing updates through our [MGAA NSW Covid-19 Business Support Updates Guidance Sheet](#).

Will these payments be taxable?

The Federal Government has indicated that these payments **will not** be taxable. Legislation is now being enacted to enable this.

Where can I find more information?

[Click Here](#) for Grant homepage of Service NSW website and proceed to read further links at bottom of this page for complete details.

What is the method of accounting I can use, Cash or Accrual?

Service NSW has now confirmed that the method used for calculating your Decline in Turnover has to be same as your GST reporting registration. Thus if you lodge your BAS on Cash basis, you can only use cash method of accounting for assessing your decline in turnover. We understand a number of businesses would be impacted by the lockdown but might not be eligible because they are still collecting payments for prior invoices. We have raised this concern with our accounting associations for further liaison.