

COVID-19 Resurgence Wage Subsidy

The new Resurgence Wage Subsidy scheme, which was announced by the Government yesterday, extends its support for businesses through until 10th September 2020.

Eligibility Criteria

- Available to all NZ employers (including sole traders).
- Businesses must have, or expect to have, a revenue decline **of at least 40% for any 14 day period** between 12th August and 10th September 2020 as a result of COVID-19, when compared to a similar period last year.

If your business did not qualify for the wage subsidy extension you may now be able to access this new 2 week payment to assist with paying your employees.

A declaration is required (similar to previous schemes) to agree to retain and pay your employees at least 80% of their normal wages (or at the very least the amount of the subsidy).

How much can you get?

- \$585.80 for people working 20 hours or more per week (full-time rate).
- \$350.00 for people working less than 20 hours per week (part-time rate).

40% Decline in Revenue

Businesses must compare their revenue to the closest period last year and there must be at least a 40% decline. Businesses that have been operating for less than a year can compare their revenue against a 14 day period that gives the best estimation of the revenue decline related to COVID-19.

How to apply

Applications can be made from 1pm on 21st August 2020 until 3rd September 2020.

Please note you can only apply for the Resurgence Wage Subsidy for your employees if you are **not** already receiving payments from one of the previous wage or leave subsidy schemes.

For further information and to make an application please follow the link below:

<https://www.workandincome.govt.nz/covid-19/resurgence-wage-subsidy/index.html#null>

The wage subsidy extension is still available until 1 September 2020. Therefore, to assess which scheme is best for you and for assistance with measuring the 40% revenue decline please contact your Chapmans advisor.

Leave support scheme

There have also been changes to the leave support scheme which is designed to help employers pay employees who are unable to work and must self-isolate.

Businesses applying for the leave support scheme after 1pm on 21st August 2020 no longer have to show a 30% decline in revenue (which was the case with the previous scheme).

For further information, please contact your Chapmans advisor or refer to the link below:

<https://www.workandincome.govt.nz/covid-19/leave-support-scheme/index.html>