

Tuesday, 17 November 2020

## **GROUNDBREAKING SUPPORT TO HELP BUSINESSES GROW AND CREATE JOBS**

Businesses are set to benefit from thousands of dollars in tax relief and a raft of other support measures designed to improve their cashflow and help them hire more staff as the NSW Government pushes forward with its COVID-19 stimulus and economic recovery plan outlined in the 2020-21 NSW Budget.

From \$1,500 digital vouchers for smaller enterprises to cover government fees and charges, to relief from payroll tax, and a three-year extension of the Business Connect program, businesses are at the forefront of the NSW Government's 2020-21 Budget, providing billions of dollars in support.

Minister for Finance and Small Business Damien Tudehope said the Budget was all about bolstering businesses as NSW plans for its post-pandemic future.

"Many businesses across NSW have faced the triple challenges of droughts, bushfires and COVID-19 this year and it's important that we support them at this critical time," Mr Tudehope said.

"Small businesses make up 97.5 per cent of businesses in NSW and they are the backbone of the economy; if we keep businesses in business, we keep people in jobs and help create new ones as we drive the State's economic recovery."

Key Budget measures to support business and jobs include:

- A two-year payroll tax rate cut from 5.45 per cent to 4.85 per cent and a permanent increase in the payroll tax threshold from \$1 million to \$1.2 million. These tax cuts, **worth \$2.8 billion**, will provide an **average saving of around \$34,000 a year** for the next two years for businesses liable for payroll tax;
- **\$500 million** for an Out & About digital voucher program providing \$100 worth of digital vouchers to NSW residents to spend on eating out and entertainment activities to boost businesses and encourage people to spend locally;
- **\$472 million** for new digital vouchers worth \$1,500 which can be used by small businesses under the payroll tax threshold towards the cost of government fees and charges;
- **More than \$39 million** in a funding boost for the Business Connect program which has been extended for a further three years to support small businesses across the State to access targeted business advice;
- **\$5 million** for the NSW Small Business Commission to establish a new tendering support service under a four-year program, providing small business with practical tips and assistance to prepare and submit Government tenders;
- **Almost \$2 million** to continue the small business rebate program, providing up to \$500 to support small business owners and sole traders who buy and install safety equipment; and
- A temporary extension to 28 March 2021 of the National Cabinet Mandatory Code of Conduct – SME Commercial Leasing Principles for retail tenants only

with an annual turnover of less than \$5 million. Landlords who provide rent reductions between 1 January 2021 to 28 March 2021, to eligible retail tenants experiencing financial distress due to the pandemic, can apply for land tax relief of up to 25 per cent on the land leased for the 2021 land tax year.

More information on the payroll tax changes will be made available on the [Revenue NSW](#) website.

For information on the Out & About scheme, visit [nsw.gov.au](#) Information on the digital vouchers will become available on the [Service NSW](#) website in the coming weeks.

For information on Business Connect visit [business.nsw.gov.au/businessconnect](#).

For more on the small business rebate program visit [safework.nsw.gov.au/advice-and-resources/rebate-programs/small-business-rebates](#).

For more information on the (COVID-19) commercial leases regulation and the land tax relief available for eligible landlords, please visit [service.nsw.gov.au/campaign/covid-19-help-small-businesses/commercial-lease-support](#)

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