



COVID-19 Economic response for NFPs

- <https://www.ato.gov.au/Non-profit/Newsroom/General/COVID-19-Economic-response-for-NFPs/>
- Last modified: 25 Mar 2020
- QC 61935

COVID-19 Economic response for NFPs

We are working hard to help NFPs impacted by [COVID-19](#).

If you are experiencing difficulties meeting your tax and super obligations, we can defer some payments by up to six months. These may include income tax, activity statement, pay as you go (PAYG) instalments, FBT and excise payments.

We don't apply these payment deferrals automatically. If you need assistance, contact our Emergency Support Infoline 1800 806 218.

Boosting cash flow for employers

Legislation has been enacted to provide temporary cash flow support to eligible NFPs during the economic downturn associated with COVID-19.

This will be done through two sets of cash flow boosts delivered from 28 April 2020.

Eligible NFPs will receive tax-free cash flow boosts of between \$20,000 and \$100,000 delivered through credits in the activity statement system when they lodge their activity statements.

NFPs that have been granted a lodgment deferral will have the cash flow boost made at the time lodgment is made. This ensures that eligible entities that have received deferrals, for example, due to recent natural disasters, still have extended time to lodge and will not miss out of the cash flow boost.

Eligibility

Your NFP is eligible if you:

- employ staff

- held an ABN on 12 March 2020 and continue to be active
- have an aggregate annual turnover of less than \$50 million (generally based on prior year turnover)
- made eligible payments that you are required to withhold from (even if the amount you need to withhold is zero).

Charities registered with the Australian Charities and Not-for-profits Commission are eligible, regardless of whether they held an active ABN, if they meet the other eligibility requirements.

Accessing the cash flow boost

You do not need to apply for the cash flow boost.

All you must do is lodge your activity statements. The cash flow boost will be automatically credited to your account.

You will not receive the cash flow boost before 28 April 2020, even if you lodge early.

Timing

Initial cash flow boost

If you lodge:

- quarterly, you will be eligible to receive the credit for:
 - quarter 3, March 2020 (lodgment due date 28 April 2020)
 - quarter 4, June 2020 (lodgment due date 28 July 2020).
- monthly, you will be eligible to receive the credit for the lodgment periods of:
 - March 2020 (lodgment due date 21 April 2020)
 - April 2020 (lodgment due date 21 May 2020)
 - May 2020 (lodgment due date 21 June 2020)
 - June 2020 (lodgment due date 21 July 2020).

Additional cash flow boost

Eligible NFPs who received initial cash flow boosts will receive additional cash flow boosts for the periods June to September 2020, equal to the total amount of initial cash flow boosts received. This will be delivered in either two or four instalments, depending on your reporting period.

Calculating the cash flow boost

Initial cash flow boost

Your initial cash flow boost is based on the amount of your PAYG withholding.

Eligible NFPs that withhold tax on their employees' salary and wages will receive a

credit equal to 100% of the amount withheld, up to a maximum of \$50,000. The minimum credit will be \$10,000, even if the amount required to be withheld is zero. However you will not be eligible to receive any more cash flow boosts until your PAYG withholding exceeds \$10,000 over the relevant periods

Additional cash flow boost

The amount of additional cash flow boosts you are entitled to is based on the value of initial cash flow boosts you received.

If you lodge quarterly business activity statements, you will receive 50% of your total initial cash flow boosts for each activity statement.

If you lodge monthly business activity statements, you will receive 25% of your total initial cash flow boosts for each activity statement.

For the most up to date information, regularly check back to our [COVID-19](#) page. We continue to work through the best way to administer this cash flow boost and our website is the best place to get information relevant to you.

We are working on getting the cash flow boost to you as soon as we can and understand your business may be under significant pressure at this time.

See also:

- [Boosting cash flow for employers](#)
- [COVID-19 frequently asked questions](#)

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

Copyright notice

© Australian Taxation Office for the Commonwealth of Australia

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).