

Business Employment Incentives



Are you eligible for up to \$6,000 in government funding?

The NSW government has committed substantial funding to promote job creation within NSW businesses by implementing:

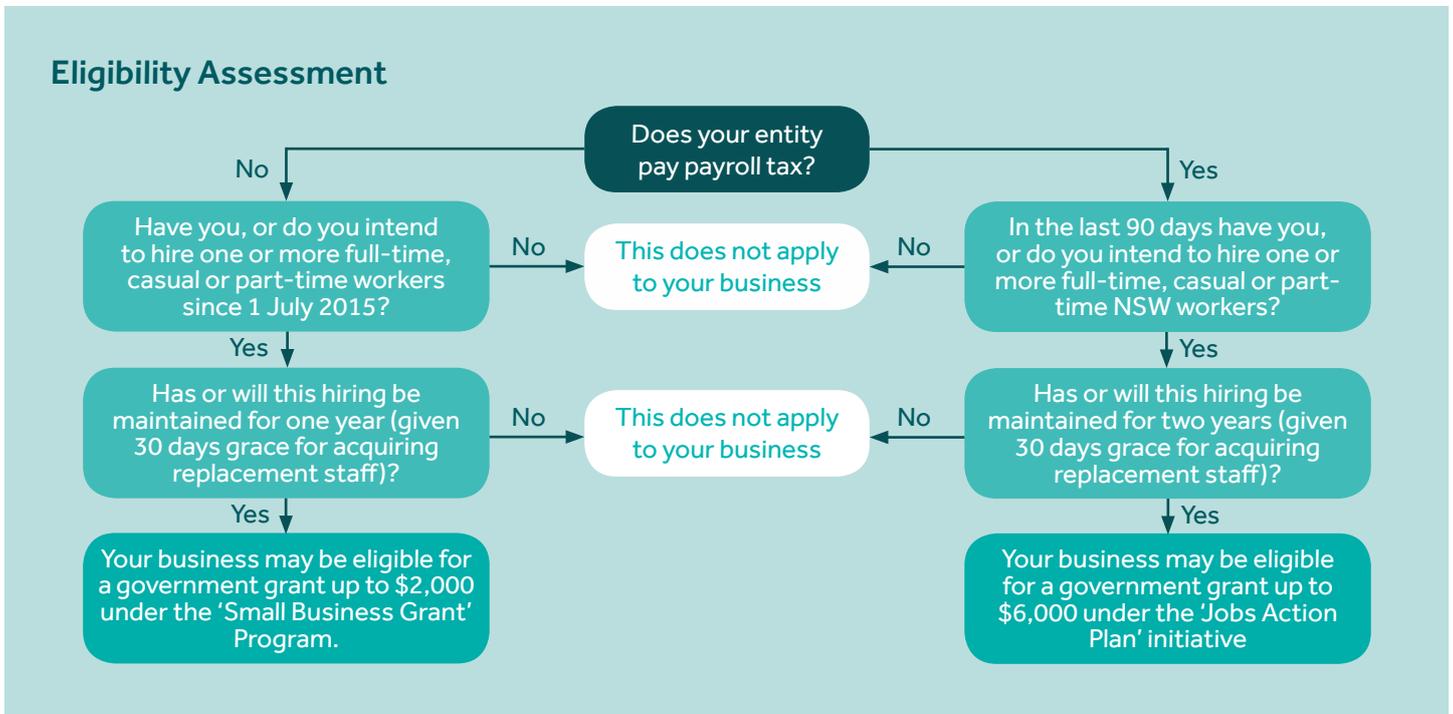
- A Jobs Action Plan Rebate of up to \$6,000 until 30 June 2019 for businesses that pay payroll tax; and
- A small business grant of up to \$2,000 for non-payroll tax paying small businesses from 1 July 2015

The grant and rebate is available to businesses who hire new employees.

Who is eligible?

- Businesses who have employees who work in NSW at least 50% of the time.
- All business types apart from religious and charitable institutions, government-run bodies, schools and most other non-for-profit organisations.

For a quick assessment as to whether or not you may be eligible, please refer to the below chart.



Jobs Action Plan Rebate

The Job Action Plan is a key priority of the NSW government. The plan provides NSW businesses with a payroll tax rebate when they employ new workers in new eligible employment.

Having commenced on 1 July 2011, the scheme has since been extended to 30 June 2019 while the maximum rebate has also increased to \$6,000.

To be eligible for the scheme you must be registered as an employer and paying payroll tax in NSW.

What is eligible employment?

The employment of a person is included in the rebate scheme if the employment meets all of the following conditions:

- A person is employed, full-time, part-time or on a casual basis, in a position that is a new job.
- The employment commences on or after 1 July 2011.
- The employment is maintained for a period of at least 2 years, to be eligible for the full rebate.
- The services of the employee are performed wholly or mainly in NSW.

What is a new job?

A new job is created if the number of your full-time equivalent (FTE) employees increases and that FTE is maintained over a 2 year period from the creation of the new position. If your FTE falls below the required number, for more than 30 days any time during the year, the Chief Commissioner may refuse to pay the rebate.

When and how do I receive payment?

The rebate is paid by Electronic Funds Transfer in two parts, on the first and second anniversary of employment of an additional person in a new job.

Note: The maximum rebate paid for each year cannot exceed your total payroll tax liability for that year.

	1st Anniversary	2nd Anniversary
1 July 2011 to 30 June 2014	\$2,000	\$2,000
1 July 2013 to 30 July 2016	\$2,000	\$3,000
31 July 2016 and onwards	\$2,000	\$4,000

How does my business register for the grant?

You can apply through the Rebate Scheme (Jobs Action Plan) online claim application at <http://www.revenue.nsw.gov.au/info/online/payroll/jap>

The required timeline for registering and claiming the grant is as follows:

- Register for the scheme within 90 days after the employment commences; and
- Claim the grant within 30 days after the end of the year of employment

From 23 November 2015, businesses are only able to extend this timeframe under extraordinary circumstances.

Conditions:

There are certain conditions that apply to the payment of the rebate, including:

- the maximum amount of rebate payable per FTE employee to an employer should not be affected by the payroll tax liability attributed to the new employee's wages.
- for part time and casual employees, the rebate will be pro-rated based on FTE hours of employment.
- if the increase in the FTE is not maintained for the second year, you will not be required to repay the rebate for the first year of employment.

Small Business Grant

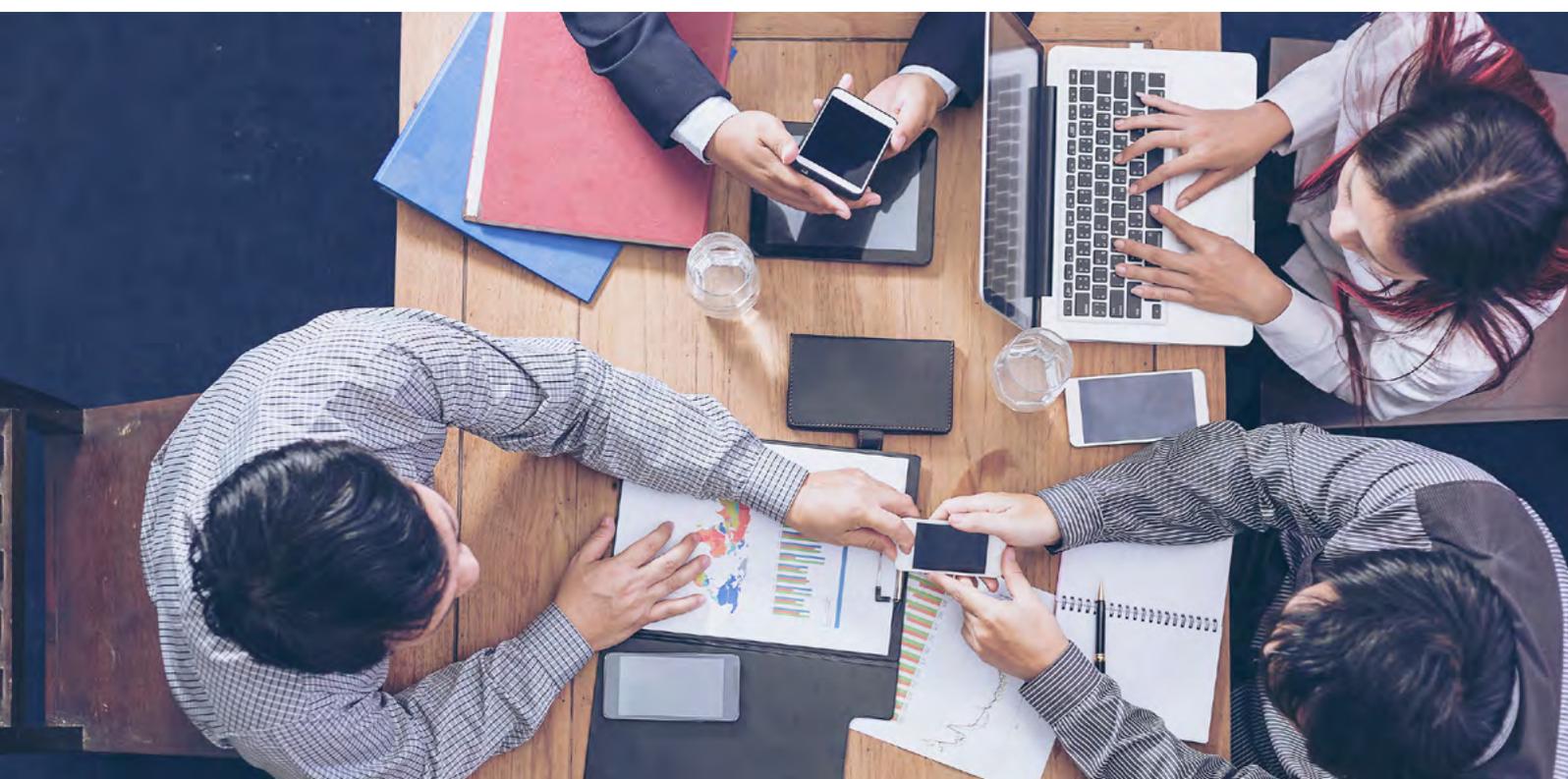
The Small Business Grant is another key priority of the New South Wales Government. The grant is designed to encourage the nearly 650,000 small businesses in New South Wales that do not pay payroll tax to hire new employees and expand their business. For full-time employees the grant amount is \$2,000.

In the case of part time or casual employees, the grant amount will be pro-rated based on FTE hours of employment.

Who is eligible?

To be eligible for the grant your business must:

- have an active ABN.
- not have a payroll tax liability, during the 12 month employment period of a new person as at 30 June of the financial year.



What is eligible employment?

A business will receive the grant if all the following employment conditions are met:

- A person is employed in a position that is a new job.
- The employment commences on or after 1 July 2015 and before 1 July 2019.
- The employment is maintained for a period of 12 months.
- Your number of full-time equivalent (FTE) employees, prior to creating a new position must increase and be maintained over a 12 month period.
- The services of the employee are performed wholly or mainly in NSW.

What is a new job?

A new job is created if the number of your full-time equivalent (FTE) employees increases and that FTE is maintained over a 12 month period from the creation of the new position. If your FTE falls below the required number, for more than 30 days any time during the 12 months, the Chief Commissioner may refuse to pay the grant

When and how do I receive payment?

The grant is paid by Electronic Funds Transfer when claimed on the 12 month anniversary date of the new job. The grant is a one off payment per new position and is paid when a claim is made on the 12 month anniversary of when the position was created.

How does my business register for the grant?

Registering for the grant is available from 1 July 2015 via the Small Business Grant (Employment Incentive) online application at <http://www.revenue.nsw.gov.au/info/online/sbg>

Ordinarily you would:

- Register for the scheme within 60 days after employment commences; and
- Claim the grant within 60 days after the end of the year of employment

But the NSW government may accept late applications made by your business with appropriate justification.

How Nexia can assist

To confirm your eligibility for either of these programmes or to assist in the application process please do not hesitate to contact a Nexia Advisor.

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