

The New Zealand Government currently has two payments available to support employers affected by COVID-19. For latest details of the full range of support for businesses please visit <u>https://covid19.govt.nz/</u>

The Government have put these packages together in a very expedited manner, in order to help as many businesses as possible to ensure that they can retain as many jobs as possible over these unprecedented times. Although a lot of thought has gone into the packages, given the turnaround, it will be no surprise that not every scenario has been considered and therefore the payments are based on a high level of trust and expectation that businesses will act in good faith when claiming funds. Questions are being answered as and when specific scenarios come to light, and in some cases there may be changes that impact you, such as the extension of the funding so it is no longer capped at \$150k per employer.

We have been inundated with calls from employers and payroll people asking for information to assist them in understanding what they can and/or can't do with the respective payments, including advice on how to process and report on different payments in the payroll system and general ledgers.

It is important that you understand your obligations as an employer for the duration of the funding as it is possible that audits will take place after things settle down, post lockdowns etc.

Wage Subsidy

For eligible employers, this covers 12 weeks at \$585.80 per week for those working 20 hours or more and \$350.00 for those working less than 20 hours, per employee.

Leave Payment

A company can apply multiple times for one or multiple employees who meet the **self-isolation criteria** to be paid \$585.80 per week for those working over 20 hours or more, and \$350.00 for those working less than 20 hours, per person. This payment is for COVID-19 leave.

Please be mindful that you need to be aware of how to process any payments in accordance with the following, to name a few:

- Tax Administration Act
- Holidays Act 2003
- Kiwisaver Act 2007
- Criteria of subsidies as outlined in the application/agreement

How we can help

We can provide assistance with understanding

- eligibility criteria
- obligations to employees
- how to claim
- how to pay employees
- how to account for the funds in your ledger



Integrity1 has worked with several employers to date to assist them in setting up the necessary payments and leave categories in various New Zealand payroll systems, in order to support their specific requirements around these COVID-19 subsidy payments.

We are able to assist you with:

- System configuration
- Processing transactions
- General Ledger coding

Note we also have staff able to assist with payroll processing and back-fill, as well as recruiting of temp and permanent payroll staff in the event of illness, to ensure your payroll function remains operational and people get paid on time in this critical time

<u>Contact us</u> if you need any assistance.

Summary

Please be advised that this situation is fluent and may change or new help may become available as things progress. In order to be sure you have the latest information, please refer to the <u>COVID-19 Government website</u>. There is also a helpline you can call for advice. **0800 779 997** (8am-1am, 7 days a week) or on **0800 22 66 57** (9am-5pm, Monday-Friday)