



## COVID-19 Wage Subsidy August 2021

This information is a guide only. The Wage Subsidy declaration on the Work and Income website has full details of eligibility criteria and obligations, and prevails over any other information.

- The COVID-19 Wage Subsidy August 2021 is a payment to support employers throughout New Zealand, so they can continue to pay employees and protect jobs for businesses affected by the continuation of Alert Levels 3 and 4 and the COVID Protection Framework since the COVID-19 outbreak 17 August 2021.
- The Wage Subsidy August 2021 has been paid in two-week lump-sum payments at the rate of \$600 a week for each full-time employee and \$359.00 a week for each part-time employee.
- So far there have been seven Wage Subsidy payments.
- Each round is a new application, and businesses must make sure they meet all the eligibility criteria for each application.
- If you applied for previous wage subsidies, you can apply for Wage Subsidy #8 two weeks after your last application. So, if you applied on Thursday 25 November, you can apply for Wage Subsidy #8 on Thursday 9 December. Early applications can't be accepted. You need to wait until the end of the two-week payment before you apply.
- If you didn't apply for the earlier subsidies, you can still apply for Wage Subsidy #8 from Friday 26 November providing you meet all the eligibility criteria.
- Applications can be made through the Work and Income website [www.workandincome.govt.nz/wagesubsidy](http://www.workandincome.govt.nz/wagesubsidy)
- **To ensure your application is processed as quickly as possible, it's important the information you put in your application matches what is held by Inland Revenue** (eg IR number, name, bank account, employee details including name and IR number).
- You should check you're applying for the correct payment. Some businesses have applied for the Leave Support Scheme or the Short-Term Absence Payment when they meant to apply for the COVID-19 Wage Subsidy August 2021. (Businesses can only receive one of these three COVID-19 payments for the same employee at the same time.)

## **Eligibility Criteria**

- It's important you read all the information carefully, including the declaration you are agreeing to, and make sure you comply.
- The revenue test is a decrease of at least 40%. This means:
  - Your business needs to have had (or predict to have) a minimum 40% decline in revenue in the 14 days between 23 November and 6 December, when compared with their revenue during a typical 14-day period in the six weeks immediately before the Alert Level escalation.
  - Businesses with highly seasonal revenue can compare their revenue to the same period in 2020 or 2019, if they can show that the seasonal nature of their business makes it harder for them to meet the revenue test using the default comparison period.
- Calculating the revenue decline test depends on whether your business is fully, partly or not located in an area that moves from Alert Level 3 to the COVID-19 Protection Framework. See the declaration for more details.

## **After the payment is made**

- If your business revenue decline doesn't eventuate you will need to repay the subsidy.
- Your businesses will need to prepare and keep evidence to support their declaration (but you don't need to provide this on application).
- MSD will complete background checks and target integrity activity. This means a sample of applicants will be asked for proof of revenue decline.