



**TAX ON TIME**  
ACCOUNTANTS

## Tax and Business Relief in Response to COVID-19

### Apprentices and Trainees

#### *Wage Subsidies to Support the Retention of Apprentices and Trainees*

To help small businesses support and retain their apprentices and trainees, the Government has introduced a wage subsidy payment of 50% of the relevant apprentice's or trainee's wages for up to 9 months from 1 January 2020 to 30 September 2020

#### Eligibility

Small businesses (i.e. those employing fewer than 20 full-time employees) with apprentices or trainees can apply.

Where an employer is not able to retain an apprentice, the subsidy will be available to a **new employer** that employs that apprentice.

#### Entitlements

Employers will be reimbursed up to a maximum of \$21,000 per eligible apprentice or trainee (\$7,000 per quarter).

#### For more information or to apply, visit:

Employers can register from early April 2020 and final claims for payment must be lodged by 31 December 2020.

Further information can be found on the Department of Education, Skills and Employment website or the Australian Apprenticeships website.

<http://www.apprenticeshipsupport.com.au/coronavirus-stimulus-package-announcement>

<https://www.education.gov.au/>

Support will also be provided to the National Apprentice Employment Network, who are responsible for coordinating the re-employment of displaced apprentices and trainees throughout their network of host employers across Australia.

<https://naen.com.au/>

#### Example

David's Plumbing David's Plumbing is a small business that employs 10 people, including two full-time Australian Apprentices.

Taylor is a first year Australian Apprentice, aged 20, undertaking a Certificate III qualification. She commenced her apprenticeship with David's Plumbing on 6 February 2020. Taylor receives a weekly wage of \$532.89.

This publication is current as of **24 March 2020**, but we expect that the tax and business-related responses will continue to evolve with our office to promptly provide updates to this publication.

Lisa is a third year Australian Apprentice, aged 29, undertaking a Certificate IV qualification. She commenced her apprenticeship with David's Plumbing on 18 November 2017. She receives a weekly wage of \$772.71.

David's Plumbing are eligible for Supporting Apprentices and Trainees which pays 50 per cent of the apprentices' wages that have been paid by David's Plumbing since 1 January 2020.

David's Plumbing will receive: \$9,059 subsidy for employing Taylor for 6 February 2020 to 30 September 2020; and \$15,068 subsidy for employing Lisa for 1 January 2020 to 30 September 2020.