



Applying for the Government Wage Subsidy – COVID-19: What you need to know

The Government will support employers who face laying off staff or reducing staff hours because of COVID-19. However, the employer must meet certain criteria. Use this worksheet to help you determine if you will be eligible. First, check 2019 revenue against 2020 revenue by filling in this form – it is okay to predict decline in revenue:

Revenue in 2019	Revenue in 2020
February	February
March	March
April	April
May	May
June	June

Has there been a 30% actual - or predicted – decline in **any** of these months? If so, then you also need to confirm:

- The decline is due to the impact of COVID-19;
- You will make best efforts to retain staff and pay them (at least 80% of their usual pay). This should be over the 12 weeks subsidy period;
- You have taken active steps to mitigate the financial impacts of Covid-19. e.g. considering alternative sources of income, seeking interest and principal holidays on debt, consulting with your bank for a loan etc (see below to fill in with examples of that); and

- Staff provide consent for details (names, contacts, IRD numbers and date of birth) to be provided to MSD;
- The predicted drop in income of 30% only needs to be for a **one-month** period, and you should put together a list of factors supporting a predicted drop. That could include the obvious, such as lease income from use of your facilities has stopped or planned fund-raising events and services cannot take place as usual.

Employees

- It does not matter whether your staff are not able to work, are working reduced hours, or remain working, albeit remotely. The important point is that they were on your payroll before the subsidy was announced and will remain so for the 12-week period the subsidy covers.
- Ministers paid a stipend are regarded as employees for the purposes of the wage subsidy and you should include them in your application.
- The amount involved is paid at a flat rate of \$585.80 to a person working 20 hours or more per week, and \$350.00 to a person working less than 20 hours per week. That is a payment of \$7,029.60 for a full-time employee and \$4,200 for a part-time employee.
- The full subsidy must be given to employees (if their normal wages are more than this). The expectation is that 100% of normal salary will be paid. Only if the parish has insufficient funds should it drop below this, in which case the Government's expectation is that at least 80% of the normal salary is paid (inclusive of the subsidy).
- If employees normally earn less than the subsidy received, then the balance can be rolled into a pool to help pay the wages of other employees where their subsidy is less than normal wages.

Making the application

The website to go to and apply is: <https://www.workandincome.govt.nz/products/a-z-benefits/covid-19-support.html>

Make sure you have the following information:

- Your parish IRD number
- Your parish bank account
- A contact person's name and phone number
- Each employee name, IRD number, date of birth, and whether they work under or over 20 hours per week.

Notes:

1. It may be difficult to ascertain what causes a dip in donations and offerings, but it is reasonable to infer that a decline in giving after 1 March 2020 is attributable to COVID-19, in the absence of clear alternative reasons. Some parishes typically experience a one-off increase in March but return to normal in April. If your parish falls into this example, projections for April to June may be better indicators.

2. The worksheet assumes that revenue includes donations, offerings, income, grants, interest etc. This is “gross” revenue received, not your net profit.
3. If a church has good reason to believe that its giving revenue will decline because, for example, members have been made redundant, a residential tenancy has ended, fund raising or usual income earning events are postponed or cancelled etc; then those anticipated effects can be factored in and noted (see below).
4. The application form includes a field to enter your New Zealand Business Number. Most parishes do not have one. This field can be left blank.
5. This worksheet is not required by MSD but should be filled out and kept by the church in case the basis of its application is ever questioned by MSD. MSD can check and verify applications later – so note that an incorrect application could lead to a demand for repayment. However, all you are required to do is your best endeavours and rely on knowledge at the time of applying. You must notify MSD if circumstances change and repay any amount to which you are not entitled. (e.g. an employee leaves).
6. This worksheet is an unofficial guide based on the publicly available information that was to hand on 3 April 2020. Reasonable care has been taken in its preparation, but no responsibility is accepted for any material error or omissions within it.
7. A church that has existed for less than a year can use a suitable month from 2019 as a comparison to show the best estimate of revenue decline.
8. The wage subsidy is **NOT** subject to GST and you should exclude it from your GST returns.
9. The wage subsidy, when included in an employee’s wages is still subject to PAYE, Student Loan and Child Support deductions, and ACC etc.

YOUR PRESBYTERY TREASURER SUPPORT PERSON WILL BE AVAILABLE TO ASSIST YOU IN DETERMINING IF YOU CAN APPLY, AND CAN HELP YOU APPLY. CONTACT DETAILS BELOW:

Presbytery	Contact	Email	phone
Northern Presbytery	Cunny Atchison	caatchison@gmail.com	09 623 3609
Northern Presbytery	Geoff Foster	glfosternz@gmail.com	09 535 7722
Kaimai Presbytery	Martyn Vincent	martyn@presbyterian.org.nz	021 970 862
Central Presbytery	Peter MacKenzie	support@presbyterycentral.org.nz	06 355 5819

Te Aka Puaho	Tania-Rose Taitoko	taniarose@akeaccounting.co.nz	07 307 0099
Pacific Presbytery	Winston Leilua Timalo	clerk@pipresbytery.org	021 492 990
Alpine Presbytery	Gail Weaver	gail@alpinepresbytery.org	021 1615563
Southern Presbytery	Roslyn Boyes	Otago.foundation.trust@xtra.co.nz	03 477 7364

Brief details of mitigation steps taken and other notes on reasons for applying:

Attached:

- Relevant profit and loss statements relied upon at the time of application.
- Notes of any other reasons to suppose that revenue will decline (see note 3 above).
- Staff consents to their details being passed onto MSD (an email will suffice).
- Church leadership minutes authorising the application (confirming that they considered the proposal and decided to apply). This can include email exchanges agreeing to the application.