

## NECA MEMBER COVID-19 UPDATE

### LATEST FEDERAL ANNOUNCEMENTS

#### 1. WORKING FROM HOME DEDUCTIONS

The Australian Taxation Office (ATO) has announced special arrangements this year due to COVID-19 to make it easier for people to claim deductions for working from home.

##### **Working from home claims for 1 March to 30 June:**

There are three ways that you can choose to calculate your additional running expenses for the 1 March – 30 June period:

- claim a rate of 80 cents per work hour for all additional running expenses.
- claim a rate of 52 cents per work hour for heating, cooling, lighting, cleaning and the decline in value of office furniture, plus calculate the work-related portion of your phone and internet expenses, computer consumables, stationery and the decline in value of a computer, laptop or similar device
- claim the actual work-related portion of all your running expenses, which you need to calculate on a reasonable basis.

The ATO is reminding people that the rules for deductions still apply - Taxpayers must have spent the money themselves and not have been reimbursed, the claim must be directly related to earning income, and there must be a record to substantiate the claim.

##### **Working from home before 1 March 2020:**

Claims for working from home expenses prior to 1 March 2020 should be calculated using the existing approaches and are subject to the existing requirements.

For more information: <https://www.ato.gov.au/Individuals/Income-and-deductions/Deductions-you-can-claim/Home-office-expenses/>

#### 2. COMERCIAL TENACIES MANDATORY CODE OF CONDUCT

The National Cabinet agreed that states and territories would implement a mandatory Code of Conduct (the Code), including via legislation or regulation as appropriate, to implement the principles agreed on Friday 3 April. The Code builds on the draft codes submitted by landlord and tenant representative bodies in the commercial property sector.

The purpose of the Code is to impose a set of good faith leasing principles for application to commercial tenancies (including retail, office and industrial) between

owners/operators/other landlords and tenants, in circumstances where the tenant is a small-medium sized business (annual turnover of up to \$50 million) and is an eligible business for the purpose of the Commonwealth Government's JobKeeper programme.

National Cabinet agreed that there would be a proportionality to rent reductions based on the tenant's decline in turnover to ensure that the burden is shared between landlords and tenants. The Code provides a proportionate and measured burden share between the two parties while still allowing tenants and landlords to agree to tailored, bespoke and appropriate temporary arrangements that take account of their particular circumstances.

### **Expectation of banks and financial institutions**

National Cabinet noted that it expects Australian and foreign banks along with other financial institutions operating in Australia, to support landlords and tenants with appropriate flexibility as they work to implement the mandatory Code.

### **Rent relief for Commonwealth properties**

The Commonwealth Government is waiving rents for all its small and medium enterprises and not-for-profit tenants within its owned and leased property across Australia.

The Rent Relief Policy will include a mutual obligation requirement on the small and medium sized enterprises and not-for-profit tenants to continue to engage their employees through the JobKeeper initiative where eligible, and if applicable, provide rent relief to their subtenants.

For more information: <https://www.pm.gov.au/sites/default/files/files/national-cabinet-mandatory-code-ofconduct-sme-commercial-leasing-principles.pdf>

## **3. ADVOCACY UPDATE**

### **Amendments to Fair Work Act to enable flexibility in Enterprise Agreements**

NECA is urging the Federal Government to consider a number of amendments to the *Fair Work Act 2009* to provide flexibility in Enterprise Agreements in response to the COVID-19 pandemic.

In a submission to the Attorney General and Minister for Industrial Relations, the Honourable Christian Porter, MP, NECA has proposed allowing for provisions to be included in Enterprise Agreements similar to those recently adopted in Schedules to several awards to 'cater for the unique circumstances pertaining to the COVID-19 pandemic'.

[Link to media release and letter](#)

## **LATEST STATE AND TERRITORY ANNOUNCEMENTS**

Contact your local NECA Chapter website for regular updates.