

Cash-strapped small business

- Help from the ATO

The ATO has announced new measures to help small businesses that are struggling to manage their tax debts in the current economic climate.

12 month GIC-free payment arrangements

Businesses with an annual turnover of less than \$2 million with an activity statement debt can apply to the ATO for a GIC-free payment arrangement from now until 30 June 2010.

Editor: *'GIC' is the 'General Interest Charge', or interest payable on the debt, currently 10.13%*

They will have the GIC remitted for a maximum period of 12 months, provided the payment arrangement is maintained.

Deferred activity statement payment due dates

Small businesses can also request a deferral of payment on their next activity statement.

Businesses with short term cash flow problems that pay quarterly and annually may be granted a deferral of up to two months, with those that pay monthly eligible for up to one month.

Activity statements still have to be lodged on time, but no interest will apply for the period of the deferral.

Editor: *Please contact us if you would like MB+M to approach the ATO on your behalf.*

