

1. **The Department of Small Business Development SMME Relief Fund**

The Department of Small Business Development has made over R500 million available immediately to assist small and medium enterprises that are in distress through a simplified application process. Please contact your BAN accountant should you require any assistance. Click on the link below to access the application form.

<http://www.smmesa.gov.za/>

2. **The Department of Tourism Relief Fund**

The Department of Tourism has made an additional R200 million available to assist SME's in the tourism and hospitality sector who are under particular stress due to the new travel restrictions. Please contact your BAN accountant should you require any assistance. Click on the link below to access more information.

[https://www.tourism.gov.za/AboutNDT/Ministry/News/Pages/COVID-19 interventions for the tourism sector.aspx](https://www.tourism.gov.za/AboutNDT/Ministry/News/Pages/COVID-19%20interventions%20for%20the%20tourism%20sector.aspx)

3. **Covid-19 Temporary Employee/Employer Relief Scheme (TER)**

The government has utilized reserves within the UIF system to extend support to those workers in SME's and other vulnerable firms who are faced with loss of income and whose companies are unable to provide support. This scheme was promulgated on the 26th March, a copy of the Gazette is attached for your perusal.

If your business cannot pay its employees due to the financial stress the current lockdown will cause, please ask your Ban accountant to provide you with advice on the TER (Temporary Employer Relief) funding information and procedure to apply.

4. **Some Tax Relief**

The following relief measures are only applicable to **fully tax compliant businesses**. In our view, the following is not enough to assist businesses.

- (a) Using the tax system, SARS will provide a subsidy of up to R500 per month for the next 4 months for those private sector employees earning below R 6500.00 per month under the Employment Tax Incentive scheme.
- (b) SARS "will work towards" accelerating the payment of employment tax incentive reimbursements from twice a year to monthly to get cash into the hands of compliant employers as soon as possible
- (c) Tax compliant businesses with a turnover of less than R50 million per annum **will be allowed** to delay 20% of their PAYE (pay-as-you-earn) liabilities over the next 4 months and a "portion" of their provisional company income tax payments without penalties or interest over the next 6 months.

5. **Banks: Debt Relief, Financing and Application or Extension of Overdraft Facilities**

Among new measures the Reserve Bank has implemented steps that would support banks providing payment holidays for some categories of customers, which would allow banks to restructure loans without requiring they classify these loans as “distressed”. Banks would thus not have to increase the amount of capital they hold, which is usually a requirement for loan restructuring.

Here are some of the big banks that have already developed approaches to debt relief and other measures. Other banks will follow suit within the next few days, so please watch out for press releases.

Standard Bank

Standard Bank has offered its small and medium business customers a three-month debt holiday during the uncertain times caused by Covid-19. The bank said its team was dedicated to helping business with practical advice and assistance for any contingency plans.

<https://www.standardbank.co.za/southafrica/business/covid-19>

Nedbank

Nedbank says that they are committed to supporting their clients during this time of uncertainty and have a number of solutions available to assist clients in good standing who are impacted by this pandemic.

<https://www.nedbank.co.za/content/nedbank/desktop/gt/en/news/press-room-media-centre/Pressroom/2020/commits-assist-clients-cashflow-challenges.html>

First National Bank

On the 23rd March, FNB said it could assist the SMEs to stabilise cash flow and consumers who wanted to cover unexpected expenses. “We will make further announcements on the nature of this support in the days ahead,” FNB said.