



Interest and penalties

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Remitting interest and penalties incurred before 23 January 2020

Question: My business has been affected by COVID-19. Am I entitled to have all interest and penalties I currently owe remitted?

Answer: We will consider remitting interest and penalties that were incurred on or after 23 January 2020 in line with the COVID-19 remission policy. It will not apply to interest or penalties that were already incurred before 23 January 2020, but we can:

- consider whether your circumstances before 23 January 2020 would enable you to be granted a remission of interest and/or penalties
- arrange to stop interest being charged while the COVID-19-affected period continues, and for the life of a payment arrangement if you put one in place.

Remitting interest and penalties incurred after 23 January 2020

Question: My business has been affected by COVID-19. If I get an ATO debt now, will interest and penalties be remitted?

Answer: The COVID-19 remission applies to interest and penalties that were incurred on or after 23 January 2020.

Entering into a low interest payment plan

Question: What kind of low interest payment plan could I request?

Answer: We are currently able to consider payment arrangements where interest stops being charged going forward while the payment arrangement is in place. Your payment arrangement will still need to be something you are able to comply with and that is acceptable to the Commissioner (in that you will be paying back your debt as soon as possible in the circumstances). Phone us so we can work with you to make sure the options we provide are suitable for your situation.

Adjusting an existing payment arrangement

Question: I am currently in a payment arrangement for my business debt but, due to the impact of COVID-19, I can't keep paying instalments at the same rate. Can I get a change in my repayment rate or defer my next payment date?

Answer: Yes, we can consider adjusting your repayments to something that is manageable within your current cash flow while ensuring you are paying back your debt as soon as possible in the circumstances. A low interest arrangement could also be available to help you address your debt. Phone us so we can work with you to make sure the options we provide are suitable for your situation.

Question: I have a payment arrangement in place to pay my tax debt, but I can't afford to make the payments at the moment because my pay has dropped due to the COVID-19 outbreak. What can I do?

Answer: Phone us to discuss your options. We can suspend, vary or cancel your payment arrangement, and can make sure you are not charged interest on the outstanding debt while you are affected by COVID-19.

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