

COVID-19 Support Payment (CSP)

Applications closed for the COVID-19 Support Payment (CSP) on 5 May 2022. We cannot accept late applications.

Three fortnightly payments were available.

The periods covered by these payments were:

- First CSP – 16 February 2022 to 4 April 2022
- Second CSP – 7 March 2022 to 4 April 2022
- Third CSP – 21 March 2022 to 4 April 2022.

The CSP was a payment to help support viable and ongoing businesses or organisations which experienced a 40% or more drop in revenue as a result of 1 or more of the following COVID-19 circumstances:

- the widespread presence of COVID-19 in the New Zealand community
- the public health legislative measures taken in order to reduce the spread of COVID-19 in the New Zealand community
- any business circumstances that are, or are reasonably likely to be, a consequence of the circumstances described above.

The COVID-19 circumstances include, but were not limited to:

- businesses not being able to operate to usual levels due to staff having to self-isolate
- businesses impacted by New Zealand based supply chain disruptions
- lower retail and recreation movements in a region (for example in a CBD) due to customers working from home or self-isolating.

They did not include circumstances where businesses that were able to operate under the Red setting of the COVID Protection Framework, but had chosen to close temporarily without taking all reasonably practical steps to minimise their revenue losses. Additionally, they also did not include business circumstances that were a result of any border restrictions imposed or any overseas related impacts of COVID-19 such as global supply chain issues, lack of overseas travellers or customers.

 **Life at Red - covid-19.govt.nz**

Applicants were not be eligible for the CSP where they:

- had not taken all reasonably practical steps to minimise revenue losses
- were a regulated business or service under the Covid Protection Framework and were not complying with the COVID-19 Vaccine Certificate requirements (where applicable).
- were a self-employed individual that has received, has an application pending for, or is going to apply for or receive in future, funding under the Cultural Sector Emergency Relief Fund: Grant for Self-Employed Individuals administered by Manatū Taonga - Ministry for Culture and Heritage (this only relates to the first CSP and not the second or third CSPs).

Each CSP payment had an affected revenue period

The affected revenue periods for each CSP payment were as follows.

- First CSP – 16 February 2022 to 4 April 2022.
- Second CSP – 7 March 2022 to 4 April 2022.
- Third CSP – 21 March 2022 to 4 April 2022.

To work out a drop in revenue, the revenue in an affected revenue period was compared to the revenue earned in the comparison period. The comparison period was a typical 7-day revenue period in the 6 weeks between 5 January 2022 and 15 February 2022. Alternatively, a typical 7-day revenue period in the 6 weeks between 5 January 2021 and 15 February 2021 could have been used.

Seasonal businesses and organisations

Businesses or organisations with highly seasonal revenue must have met the drop in revenue test set out above. However, the applicant could have selected a 7-day comparison period which is before 5 January 2022, and may be from a past year, which reflects typical revenue. For these purposes a 7-day comparison period that is at a similar point in the revenue earning cycle as the 7-day affected revenue period should have been selected, so similar periods were compared for the purposes of the revenue decline test.

→ Calculating a drop in revenue

Find out about the maximum amounts for this CSP.

→ Maximum size of payments

Find out about the COVID-19 Protection Framework.

 **COVID-19 Protection Framework (traffic lights) - covid-19.govt.nz**

Receiving payments and tax obligations

The terms and conditions in the application state that the CSP must be applied to business expenditure. If it is not applied to business expenditure, it must be paid back to Inland Revenue.

If the CSP is not fully applied to business expenses in the income tax year of receipt

If the full amount has not been used in year 1, then the balance should be rolled over and used in the following year(s). The amounts cannot be claimed in the income tax return. If the business closes before the grant has been entirely used, the remaining grant should be returned to Inland Revenue.

We may check that the CSP has been used correctly at a future date. Sufficient records must be held to be able to show the CSP(s) received, what the CSP was applied to, that it is not included in the tax return, and the carry forward balance of any amount not used for business expenses in the current tax year.


Income tax and expenses

CSP payments do not get included in an income tax return if they are used for business expenses. Businesses will also will not be entitled to claim a deduction for these expenses at the end of the tax year.

If you're registered for GST

If registered for GST, the business, will have to return GST to us on the CSP payment(s). GST can also be claimed for items paid for out of the CSP.

You can search for businesses and organisations who received the COVID-19 Support Payment.

 **COVID-19 Support Payment recipient search**

You can view or download COVID-19 Support Payment demographic information for research purposes.

→ **COVID-19 Support Payment statistics**