



SABOA

Southern African Bus Operators Association

voice of the bus & coach industry

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MEMBERS UPDATE

07 APRIL 2020/04

COVID-19 DEBT RELIEF OPTIONS

1. DSBD / SEDA - SMALL ENTERPRISE DEVELOPMENT AGENCY

- Debt Relief Finance Scheme
- Benefiting SMME businesses which are negatively affected, directly or indirectly, due to the Coronavirus pandemic.
- To qualify businesses must meet the qualifying criteria.

Qualifying Criteria:

- See attached document.

Application Process:

- Register on <https://smmesa.gov.za/>
- Complete online Application Form
- Upload Required Supporting Documents
- For detailed information visit <http://smmesa.gov.za/>

2. SEFA SMALL ENTERPRISE FINANCE AGENCY

- Business Growth / Resilience Facility
- Benefiting SMME businesses geared to take advantage of supply opportunities resulting from the Coronavirus pandemic or shortage of goods in the local market.
- To qualify businesses must meet the qualifying criteria.

Qualifying Criteria

- See attached document.

Application Process:

- Register on <https://smmesa.gov.za/>
- Complete online Application Form (to be released on Thursday, 02 April 2020);
- Upload Required Supporting Documents
- For detailed information visit <http://www.sefa.org.za/>

3. UIF / COVID-19 TERS PROGRAMME (TEMPORARY EMPLOYER/EMPLOYEE RELIEF SCHEME)

- The TERS programme will be expanded and expedited, funded by the UIF to assist distressed companies in the form of subsidies to fund directly workers' wages.
- Employers that are unable to pay the full salaries of the workers are encouraged to apply for the Covid-19 TERS Benefit from the UIF.
- Send an email to covid19ters@labour.gov.za.
- Applicants will receive an automated reply which outlines all the steps and details, including the requirements to claim benefits.
- During the lockdown period, manual claims will not be accepted to reduce contact between people to curtail the spread of the pandemic.
- The Covid-19 TERS Benefit is de-linked from the other UIF Benefits and other processes, however applications are subjected to normal verification and validation processes of the Fund.
- TERS will be overseen by the CCMA (Council for Conciliation, Mediation and Arbitration).
- To obtain application forms and all relevant details, please send an email to: infoTERS@labour.gov.za.
- Failure to not follow the sustainability programme will result in penalties and repayment will be levied at punitive interest rates.
- Hotline **number: 012 337 1997** for Covid–19 TERS Benefit enquiries.

4. COMPENSATION COMMISSION

- Any employee contracting the Covid-19 virus while employed by you (and not while at home) can apply for compensation under the Compensation Act.
- For detailed information visit <https://www.gov.za/services/compensation-fund/registercompensation-fund>

5. TOURISM RELIEF FUND

- The Department of Tourism made R200 million available to assist SMME's in the tourism and hospitality sector to benefit SMME's in all 9 provinces and various sub-sectors.
- Preference towards rural areas, townships, women, young people and people with disabilities.
- The following categories will apply:
 - Accommodation - Hotels; resort properties; bed and breakfast.
 - Hospitality and related services - Restaurants and Conference (both not attached to hotels); professional catering, attractions guides; car rental companies and coach operators.
- For detailed information visit http://www.tourism.gov.za/AboutNDT/Ministry/News/Pages/COVID19_interventions_for_the_tourism_sector.aspx

6. SOLIDARITY FUND

- This is a special fund created by the government and funded by both the private and public sectors.
- Limited information is currently available, the understanding is that funding will be made available through banks.
- For detailed information visit <https://www.solidarityfund.co.za/>

7. SARS RELIEF

- In order to qualify for the relief, certain criteria need to be met:
 - You (i.e. if you trade in your personal capacity) or your company, partnership or trust (referred to hereafter as “company”) must have a gross income of less than R50 million.
 - The R50 million limit applies to the financial year that we are currently in – that is, years ending on or after 1 April 2020 (but before 1 April 2021).
 - Most owner-managed businesses in South Africa have a February year end. If your business falls into this category, it would apply to your financial year ending 28 February 2021.
 - Property rental companies and investment companies would more than likely not qualify. If your entity derives more than 10% of its income from interest, dividends, foreign dividends, rental from letting fixed property and any remuneration received from an employer, it would not qualify for the relief measures.
 - You must be tax compliant.
 - Should you qualify, you can defer a portion of your PAYE payments that fall due over the course of the next four months and you can defer a portion of your provisional tax liabilities that fall due between 1 April 2020 and 31 March 2021.
- In short, SARS is giving you a soft loan.

PAYE

- For payments due on 7 May 2020 (and for the 3 payment periods thereafter), 20% of the PAYE liability can be deferred.
- So, on 7 May 2020, 7 June 2020, 7 July 2020 and 7 August 2020, you would only pay 80% of what you would normally pay over to SARS.
- The deferred amounts need to be paid back to SARS in six equal instalments commencing on 7 September 2020 and ending on 5 February 2021.
- Note that the payment due to SARS on 7 April 2020 does not qualify for this relief and must be paid in full.

PROVISIONAL TAXES

- If your first provisional tax payment falls due between 1 April 2020 and 30 September 2020, you are only required to pay 15% of the amount that you would ordinarily have paid.
- If your second provisional tax payment falls due between 1 April 2020 and 31 March 2021, the total of your first and second provisional tax payments only need to equal 65% of your total tax liability.
- The shortfall in taxes must be paid back to SARS 6 months after your financial year end in order to avoid interest charges.
- The relief also applies to qualifying microbusinesses in relation to interim payments (with some nuances).
- There’s also been an extension of time granted by SARS to respond to tax related issues: With regards to the below items, the business days falling within the lockdown period will not be counted for purposes of calculating the time periods specified in the Tax Administration Act:
 - Determination of prescription periods
 - Deadlines for the submission of objections and appeals
- For detailed information visit <https://www.sars.gov.za/Media/Pages/CoronaVirus.aspx>

8. NATIONAL EMPOWERMENT FUND (NEF)

- NEF is managing R200 million of COVID-19 Intervention Fund on behalf of the Department of Trade, Industry and Competition.
- The fund has been set-up to assist manufacturers in the production of health care and related products to combat the spread of COVID-19 pandemic.
- Funds will be to black empowered businesses.
- The funds can be utilised for the following:
 - Working capital requirements, and/or
 - Acquisition of equipment
- The minimum loan will be R500 000.00 and the maximum is R10,000,000.00
- The terms of the loan will be:
 - 60 months repayment term,
 - 12 months payment holiday (with 0% interest during this time),
 - Repayment over the remaining period at a fixed interest rate of 2.5%
- For detailed information visit : <https://www.investcapetown.com/nef-to-manager200-million-covid-19-intervention-fund-with-the-dti/>

9. PROUDLY SA – SUPPLIER OF GOODS & MANUFACTURING

- Proudly South Africa is soliciting applications from companies which are facing challenges due to the COVID-19 pandemic.
- They are referring qualifying companies up to the DTI for assistance.
- This offer is not restricted to Proudly SA member companies but is open to all local manufacturers of goods and services.
- For detailed information visit <https://cdn.ymaws.com/www.thecd.org.za/resource/resmgr/newsletter2020/proudlysa.pdf>

10. THE SOUTH AFRICAN FUTURE TRUST

- R1 billion fund.
- Funds will be made available through loans to small businesses.
- The scheme is currently available to clients of Nedbank, ABSA, Standard Bank and FNB
- Criteria for SME's
 - Annual turnover below R25 million,
 - Must have been trading for at least 24 months,
 - Must have been a sustainable business at 29 February 2020,
 - Must have been adversely affected by the Covid-19 pandemic.
- Terms of the loans interest free for 5-year period.
- Sub-ordinated to other pre-existing debt.
- For detailed information visit : <https://opp-gen.com/saft/>

11. SUKUMA RELIEF PROGRAMME

- R1 billion fund.
- Applications for loans through Business Partners
- For detailed information visit <https://finance.businesspartners.co.za/welcome-to-the-sukuma-relief-programme/>

12. SOUTH AFRICAN BANKS PAYMENT RELIEF MEASURES

ABSA

- Relief for consumer, business banking and wealth customers.
- Bespoke solutions for corporate and business banking clients
- Additional administration fees waived
- For more information refer to this page: <https://www.absa.co.za/media-centre/presstatements/2020/covid-19-payment-relief-programme/>

FNB

- No instalments/repayments will be due for a specific period.
- Preferential interest rate will apply to the Covid-19 relief interventions given.
- No fees will be charged for any relief granted.
- Assistance with processing credit insurance claims.
- Individualised bridge facilities for those who need it.
- For more information refer to this page: https://www.fnb.co.za/downloads/pressOffice/2020/FNBMediaRelease_Covid19_30_March2020_FINALforsocial.pdf

NEDBANK

- Delay your loan repayments through a 3-month payment holiday.
- Monthly minimum repayment on credit cards has been reduced from 5% to 2.5% of the outstanding balance.
- You can withdraw cash from any bank's ATM without being charged the additional SASWITCH fee.
- For clients wishing to access fixed-term or notice investments, the early release penalty will be waived.
- For more information refer to this page: <https://nedbank.co.za/content/nedbank/desktop/gt/en/business/covid-19-relief1/Overview1.html>

STANDARD BANK

- 3-month payment holiday for qualifying small business owners.
- 3-month instalment relief for lower income earners.
- You can withdraw cash from any bank's ATM without being charged the additional SASWITCH fee.
- Payment holiday for students.
- For more information refer to this page: <https://www.standardbank.co.za/southafrica/personal/campaigns/covid-19#covidCustomers>