



Guarantee of Lending to Small and Medium Enterprises (Coronavirus Economic Response Package) Rules 2020

I, Josh Frydenberg, Treasurer, make the following rules.

Dated 6 April 2020

Josh Frydenberg
Treasurer

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1 Name

This instrument is the *Guarantee of Lending to Small and Medium Enterprises (Coronavirus Economic Response Package) Rules 2020*.

2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this instrument	The day after this instrument is registered.	8 April 2020

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under the *Guarantee of Lending to Small and Medium Enterprises (Coronavirus Economic Response Package) Act 2020*.

4 Definitions

In this instrument:

Act means the *Guarantee of Lending to Small and Medium Enterprises (Coronavirus Economic Response Package) Act 2020*.

annual turnover has the meaning given by subsection 5(2).

business has the same meaning as in the *Income Tax Assessment Act 1997*.

entity has the same meaning as in the *Income Tax Assessment Act 1997*.

non-profit body has the same meaning as in section 23-15 of the *A New Tax System (Goods and Services Tax) Act 1999*.

Note: The term **non-profit body** is not defined in the *A New Tax System (Goods and Services Tax) Act 1999*. However, this definition ensures that the meaning of the term in this instrument does not diverge from the meaning of the term in section 23-15 of that Act.

5 Meaning of *SME entity*

- (1) For the purposes of the definition of *SME entity* in section 4 of the Act, an entity is an *SME entity* at a time in a financial year (the *current year*) if:
- (a) the entity carries on a business in the current year, or is a non-profit body during the current year; and
 - (b) one or both of the following applies:
 - (i) the entity's annual turnover for the current year is likely to be less than \$50 million;
 - (ii) the entity carried on a business in the financial year (the *previous year*) before the current year, or was a non-profit body during the previous year, and its annual turnover for the previous year was less than \$50 million.

Meaning of annual turnover

- (2) The *annual turnover* of an entity for a financial year is the total of the following that is earned in the year in the course of the business:
- (a) the proceeds of sales of goods and/or services;
 - (b) commission income;
 - (c) repair and service income;
 - (d) rent, leasing and hiring income;
 - (e) government bounties and subsidies;
 - (f) interest, royalties and dividends;
 - (g) other operating income.
- (3) In applying subsection (2) to a non-profit body, treat the operations or activities carried out by that body as the business of the body.