

Important message for Businesses

COVID-19 Small Business Cashflow Scheme (SBCS)

The Government has introduced the Small Business Cashflow (loan) Scheme (SBCS) to support businesses and organisations struggling because of loss of revenue as a result of COVID-19.

Overview

- To be eligible for the SCBS loan a business or organisation must have 50 or fewer full-time-equivalent employees and be eligible for the Wage Subsidy Scheme. They must also have a sound plan to be viable and ongoing and hold information on file to verify this.
- Applications will be open from 12 May 2020 up to and including 12 June 2020. Most will receive funds within five working days.
- IRD will administer the payments and repayments of this scheme. Businesses should speak with their financial advisors before taking this loan.
- The loan has a five-year term and must be repaid by 31 July 2025.
- The annual interest rate will be 3% beginning from the date of the loan being provided. Interest will not be charged if the loan is fully paid back within one year. Repayments are not compulsory in the first 24 months.
- In most cases, businesses will be entitled to a loan amount of \$10,000 plus \$1,800 per full-time-equivalent employee, to a maximum of \$100,000.

Details about eligibility criteria and applying for the loan can be found at www.ird.govt.nz/covid-19