

KnowHow

COVID-19 Disaster Payment

14 July 2021

If you live or work in a COVID-19 hotspot and you're unable to work your usual hours, you may be eligible for a Disaster Payment during a period of lockdown.

What is a Disaster Payment?

If you live or work in a Commonwealth declared COVID-19 hotspot and you're unable to work your ordinary hours, you may be entitled to Government support payments for a period of lockdown that exceeds 7 days. The payments are administered by Centrelink.

What are the basic eligibility rules?

To receive a payment, you must meet certain eligibility rules. In addition to the basic eligibility rules, there may be individual state-based requirements announced in relation to specific outbreaks.

The basic eligibility rules require that you:

- are an Australian resident or holder of an eligible working visa
- are 17 or older
- don't have certain paid leave entitlements available from your employer (annual is leave is not included)
- are not receiving an income support payment, or ABSTUDY Living Allowance, Dad and Partner Pay or Paid Parental Leave
- are living or working in a Commonwealth declared COVID-19 hotspot
- do not have liquid assets of more than \$10,000 (if you're claiming the payment in weeks 2 or 3 of a lockdown), and
- are not receiving the **Pandemic Leave Disaster Payment** or a state based pandemic or small business payment for the same period.

What if I am still able to work, but my usual hours have been reduced?

You will be eligible for a payment if you meet the basic eligibility rules, and you have lost at least 8 hours (or a full day) of work, even if you are continuing paid work for a number of hours each week. There is no requirement for you to have been made redundant or stood down.

How much will I receive?

The rate of Disaster Payment available depends on the number of hours of work that you have lost, as well as the length of the lockdown. Payments cannot be received for work lost during the first 7 days of a lockdown. The rates of payment are summarised in the table below.

Hours of work lost	Week 2-3 of lockdown	Week 4 + of lockdown
0-8 hours	\$325	\$325
8-19	\$325	\$375*
20 or more	\$500	\$600

*The higher rate will also be paid if you're a casual, part-time or full-time employee and you lose a full day of usual work, even where the shift was less than 8 hours.

What if my partner is still working?

If you're a member of a couple and your partner is continuing to work, this will not impact your entitlement. There is no income test to determine eligibility.

Can both members of a couple receive the payment?

Yes. If you're a member of a couple and you both individually meet the eligibility rules, you're both eligible to apply for a payment. Each person will need to submit their own application.

How does the liquid assets test work?

If you apply for the payment during the second or third week of a lockdown, you must have liquid assets of less than \$10,000 for your application to be approved. The liquid assets test is removed for applications submitted after the third week of a lockdown.

Liquid assets include financial resources you have access to, and includes cash savings, financial assets like shares, or funds you've loaned to other people.

If you meet the eligibility rules but have liquid assets that exceed \$10,000, you won't be eligible for a payment for the second or third week of a lockdown but will be eligible from week four (provided you continue to meet the basic eligibility rules).

Are the payments taxable?

Yes. Disaster Payments are taxable and must be declared on your tax return.

What if my circumstances change?

Once your application has been approved, you will continue to receive the Disaster Payment for the duration of the Government declared lockdown, without the need to reapply.

However, you must update Centrelink if your circumstances change, including where your hours of work either partially or fully return to normal.

How do I apply?

If you're an Australian resident, you must apply via MyGov. You will need to link the Centrelink Service if you haven't done this already.

If you're not an Australian resident but you hold an eligible working visa you can apply to Centrelink directly, by phoning 180 22 66 Monday-Friday from 8am to 5pm.

Next steps

To find out more or to apply for the Disaster Payment, visit servicessaustralia.gov.au and my.gov.au. You may be eligible for other government support, including longer term assistance from Centrelink. You should speak to your financial adviser or contact Centrelink for more information.

Important information

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