

JOBKEEPER PAYMENT – Updated as of 22/04/2020

When does the JobKeeper start?

30/03/2020

Who is eligible?

Businesses who were operating a business as of the 1st of March 2020 and who have had a GST turnover decrease of 30% for comparable periods. For employers, you need to have had an eligible employee as of the 1st of March 2020.

Comparable periods that can currently be used are as below and cater for current and projected GST turnover.

1. The periods for GST turnover for March 2020 compared to March 2019.
2. Projected GST turnover for April 2020 compared to April 2019.
3. Projected GST turnover for April – June 2020 compared to April – June 2019.

The turnover is calculated irrespective of whether the business is registered for GST.

What do I need to do?

Using either MyGov, the business portal or through a Jim Pickersgill & Associates you must register for the JobKeeper payment. This is different from registering your interest which you may have already completed prior to the 20th of April 2020. The application can be completed after April as it has been extended but we would advise the earlier the better.

Going forward with Monthly Declarations. The following will be required from the Australia Taxation Office (ATO)

1. Must reconfirm eligible employees via Business Portal or tax agent.
2. If eligible employees leave or change you must notify the ATO through the monthly business declaration.
3. Must provide current and projected GST turnover, this is not a re-test.

The Good News.

1. Once you become eligible, you do not need to apply for the JobKeeper payment again.

Eligible employees

To be an eligible employee all the following criteria must apply.

1. Employed by you.
2. Permanent full time or part time as of 1 March 2020.
3. Long term casual for at least 12 months as of 1 March 2020 and not a permanent employee of any other employer.
4. Australian Resident.
5. Not in receipt of paid parental leave or dad and partner pay during the JobKeeper fortnight.
6. Not receiving workers compensation for an individual's total incapacity to work.
7. Employee agrees to be nominated by you.



Nominating your Employees.

You will need to inform the employees you wish to nominate for the JobKeeper payment.

1. This is quite simple. Your employee fills out a form with their details, the business details and acknowledges that they agree to be nominated by you and are not nominated by anyone else.
2. This form is not sent to the Australia Tax Office but should be kept on record. This period is generally 5 years.
3. Please see the link for the nomination forms. [JobKeeper employee nomination notice \(PDF 188KB\)](#) This link will download a file

I am either a sole trader, non-employed director or operate through a trust, how do I apply?

1. Sole traders can nominate using MyGov, Business Portal or through a registered tax agent.
2. Directors or trust can use the link for the nomination form. [JobKeeper nomination notice for eligible business participants – excluding sole traders \(PDF179KB\)](#) This link will download a file.

Stood down employees.

1. Employees that have been stood down after the 1st of March 2020 will still be eligible if they met the criteria for an eligible employee as of 1 March 2020.

Terminated Employees.

- 1 If these employees were terminated after the 1st of March, you can still re-engage them.
- 2 Are only eligible for when you re-hire them.

When do I need to pay the jobkeeper payment and how much do I need to pay?

1. Payments need to be made for fortnights starting from the 30th of March and 13th of April.
2. Payments of \$1,500 per fortnight regardless of an employee's ordinary income will need to be paid. This amount is before tax.

When will I get reimbursed by the Australia Taxation Office?

1. The first reimbursement is expected to take place of the first week of May 2020.
2. Going forward reimbursements will take place on the 14th of the following month. Therefore the 2nd Payment should take place on June 14th, 2020.

Tax consequences for businesses.

1. JobKeeper payments are assessable income for the employer.
2. The good news is that as the payments are forwarded on to the employee this amount is deductible.
3. The means that there should be \$0 tax consequence as the income will be offset by the wages of \$1,500 per fortnight paid to the employee.
4. The Jobkeeper payment is not subject to GST.



I am a new business; do I miss out on JobKeeper?

1. New businesses can apply for the discretion by the ATO if their current turnover is not comparable to that of a year ago. These tests are yet to be confirmed.

My turnover is not comparable to last year due to structural changes or environmental factors such as a drought, can I still apply for Jobkeeper?

1. Similar to new businesses this will be at the discretion of the ATO and alternative test will be used to access eligibility.

I do not qualify for the 30% reduction in turnover yet. What do I do?

1. Keep a close eye on the current turnover going forward and if the turnover drops and you expect it to drop by more than 30% you can apply for the JobKeeper payment This JobKeeper will not be back-paid but will be paid from you apply and are eligible for it.

How is the Jobkeeper payment made?

1. It is made to your employer. Your employer will continue to pay your salary/wage and will be reimbursed by the ATO.

I normally earn less than \$1,500 per fortnight, how much will I receive?

1. You are still entitled to receive the minimum of \$1,500 from your employer per fortnight.

I normally earn more than \$1,500 per fortnight, how much will I receive?

2. If you are still working you will still be entitled to your normal wage and your employer will be reimbursed \$1,500 per fortnight to help pay you wages. However, if you have been stood down then you will only be entitled to the minimum of \$1,500 per fortnight.

I am currently on the Jobseeker payment can I still get the JobKeeper payment?

1. No, you cannot receive both payments at the same time. The JobKeeper payment is currently more than the JobSeeker payment. If your employer has elected that you receive the jobkeeper payment you must notify Centrelink as soon as possible to inform them of the change in circumstances.

Do I still receive superannuation for the \$1,500 JobKeeper payment?

1. Currently this is considered an optional payment for the employer. Your employer has no obligation to pay superannuation on this amount as it may cause additional financial stress.

I am still working, but my hours have been reduced, how much will I receive, and do they still pay super on this amount?

1. If for example you are earning \$1,000 per fortnight than your employer will still need to pay the \$1,500 per fortnight but they will only be liable to pay 9.5% on the \$1,000 earned while working.



I have two jobs, am I eligible for two JobKeeper payments?

1. Unfortunately, you are not eligible for two JobKeeper payments. Currently if you are still employed and it is your full-time job you will not be eligible to claim the jobkeeper on your other job, this is particularly relevant if it is a casual position. You must claim the jobkeeper through your main employment.

Can a sole trader with more than two businesses receive multiple JobKeeper payments?

1. The short answer is no, only the one payment.

Can there be more than one eligible business participant nominated by an employee?

1. No, only one participant can be nominated. This relates to entities such as partnerships, trusts and company directors who are not employed through wages. This may mean you must consider who will be in the best position to receive the payment as one of the business participants may be eligible if they are currently employed elsewhere.

Can a sole trader receive JobKeeper payments if they are employed with another business?

1. No, unless the participant is a long-term casual employee of another entity. Even then, the sole trader can only choose to claim the JobKeeper payment as a sole trader or through their long-term casual employment but not both.

Really important things to complete and remember.

1. You must pay the minimum amount of \$1,500 or \$3,000 in total prior to the end of April 2020 in order for the business to be eligible for the JobKeeper payment.
2. If you pay less than the \$1,500 you will not be eligible.
3. The job keeper payment is taxable for both businesses and employees.
4. The ATO may offer some leniency if your projected GST turnover does not end up being less than 30% but is close.
5. The ATO will be monitoring and re-looking at the jobkeeper payments to ensure no fraud has taken place. Currently there is no time limit for fraud related activities in which the fines and punishments are significant
6. The ATO will be at peak capacity when trying to deal with calls and issues and may take longer to process calls and queries, so getting in earlier is the better.
7. You are not alone if you are struggling, we are here to help as best we can through these challenging times.

