

JOBKEEPER FOR EMPLOYERS

Applications for the JobKeeper payment have now opened at the ATO and you need to apply. This information is for anyone who has employees. If you are a sole trader, company director, in a partnership or are a trust beneficiary who has employees this information applies.

There is a lot of information surrounding this process and there are a number of steps that need to be undertaken. Please work through everything systematically firstly to see if you are eligible and then to understand how to apply.

To be eligible, your business has to:

- have incurred a downturn of 30% based on a comparison of this year and last year's figures
- have received a nomination form from each eligible employee
- have paid each eligible employee \$1,500 gross per fortnight from March 30

30% DOWNTURN

In order to qualify for the program, you must satisfy the decline in turnover test. The decline in turnover test calculates whether your turnover will be reduced by more than 30% compared to the same period (of at least a month) last year.

We have attached a spreadsheet for you to complete to calculate any downturn. You can choose one month (at this stage March or April) or you can choose the quarter April to June. If you do not meet the decline test in these periods, you can calculate for a later month or quarter up to September 2020.

As per the ATO website, the following information can be considered in relation to whether you use Cash or Accrual figures for your calculations:

- You may use an accruals basis of accounting to calculate both the current GST turnover and projected GST turnover as both calculations require you to include sales that you have made or are likely to make without any reference to when you are paid.
- However, if you prepare your activity statements on a cash basis, the ATO will allow you to calculate both the current and projected GST turnovers on a cash basis. The basis used must be the same for calculating your projected and current GST turnover.
- Typically, current turnover will equal your GST exclusive sales less your input taxed supplies.

ELIGIBLE EMPLOYEES

Firstly, you need to confirm that your employees are eligible. For a full list of criteria, please visit:

<https://www.ato.gov.au/General/JobKeeper-Payment/Employees/Eligible-employees/>

Each employee participating in the scheme must complete a nomination form and return it to you by the end of April. These do not have to be lodged with the ATO, but need to be kept in the event of a review by the ATO. Please refer to the supplied PDF: JobKeeper Employee Nomination Notice.

PAYMENT HISTORY & ONGOING PAYMENT

You must have paid each employee registered in the program at least \$1,500 (gross) per fortnight from March 30 and for the full month of April.

This can pose a problem if you have already paid employees and their gross pay was less than \$1,500 per fortnight. The ATO is allowing employers to make up this difference by 26th April. If you do not do this, you are ineligible to claim JobKeeper.

HOW TO APPLY

If you use the Business Portal, you will need a myGovID linked to your ABN in relationship Authorisation Manager (RAM). You can find out how to set this up at www.ato.gov.au/mygovid

Your registered tax or BAS agent can enrol, identify and declare for JobKeeper on your behalf using Online service for agents.

If you find it difficult to interact with the ATO online and don't use a registered tax or BAS agent, you can call them for assistance.

The process is not complicated, but you must follow the steps to ensure that you are entitled to enrol.

ADDITIONAL INFORMATION

You have to identify and advise the ATO the name of each employee that you are claiming the Jobkeeper for and you have to maintain it monthly (only if there are changes).

This is also done through the Business Portal. If using STP, some software providers will have the functionality to report this information directly from the software. If your provider does not, but you use STP, the ATO will prefill the details on the portal which you can update.

Employers receiving JobKeeper must report to the ATO monthly on a prescribed form. These are not available yet.

PLEASE NOTE THE FOLLOWING WARNING BY THE ATO:

Special rules apply for the payment framework to allow the tax commissioner to take action against those who seek to exploit the program.

To address such cases, the Commissioner may make an entity that has made a false statement or engaged in fraud, liable to repay the amount. This liability applies on top of the existing significant criminal or administrative penalties for false statements and fraud. JobKeeper payments obtained by fraud or misstatement will be recovered from wrongdoers even where the payment has passed through entities not involved in the fraud.

OUR SUPPORT

We've provided this information as a service to our clients and you are able to enrol in this program yourself. We do however understand that you may have queries and offer two discounted services to assist our clients especially with this JobKeeper program.

If you wish to undertake this process yourself but have questions, we have put aside blocks of 30 minutes at specific times to help you via Zoom or telephone. These calls are at the reduced rate of \$77, and payment can be made via credit card upon booking confirmation. You can choose your preferred time using this link:

<https://calendly.com/sheilaponting/atostimulusconsult>

If you would prefer that we take care of confirming your and your employee's eligibility, and register you and/or your business for this scheme, we can also do that for you for a flat cost of \$275. Again, payment can be made via credit card at the time of booking this service. Simply email us and we can guide you through.

Sincerely



Sheila Ponting