

# JOBKEEPER FOR ENTITIES WITH NO EMPLOYEES

Applications for the JobKeeper payment have now opened at the ATO and you need to apply. This information relates to Sole traders, one Company Director or shareholder, one Trust Beneficiary and one partner of a partnership who have no employees but are actively engaged in their business.

There is a lot of information surrounding this process and the steps that are needed to be undertaken are listed below. 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.

## 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.

- 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.

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

## 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](http://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

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**