

Job Keeper applications open on 20 April 2020!

The Government has this week released further information regarding the Jobkeeper scheme and how it is going to work.

We point out most of the information released has been around how employers and employees qualify for the Job Keeper scheme. I'm sure in the coming week the Government will release further information to assist us/you to complete all aspects of the application process.

Job Keeper applications open 20 April

If clients are eligible to access JobKeeper payments, they need to register with the ATO by 26 April 2020 (opens 20 April). And, eligible employees need to have been paid at least \$1,500 per fortnight (for the fortnights 30 March – 12 April 2020, and 13 April to 26 April 2020) by the end of April.

The deadlines are very tight and the risk of getting it wrong is very high.

Please ensure that you have done ONE of the following by 26 April 2020:

1. Completed the Jobkeeper application form:- [JobKeeper application](#)
OR
2. Discuss and arrange for an APM team member to complete the JobKeeper application on your behalf

As a recap here are some of the relevant points to be mindful of

To be an eligible **employer** you will satisfy the following:

- You were a business as at 1 March 2020
- You had employees as at 1 March 2020
- You have lodged your 2019 tax return or a BAS since 1 July 2018
- The business has suffered a 30% decline in business turnover (Please see our email on 9 April 2020 for conditions)
- Paid at least \$1,500 per fortnight (for the fortnights 30 March – 12 April 2020, and 13 April to 26 April 2020) by the end of April 2020
- Have all your employees eligible for the JobKeeper scheme complete the employee declaration form:- [Employee Declaration Form](#)

To be an eligible **employee** you will satisfy the following:

- Full time & Part time
- If casual, you will have been employed on a regular basis for at least the last 12 months
- You are a director of a company or a beneficiary of a trust and receive your regular salary/drawing via a company dividend or a trust distribution
- Be an Australian resident, Australian tax resident or a permanent visa holder or a NZ citizen on a subclass 444 Visa
- Complete the employee declaration form:- [Employee Declaration Form](#)

Be aware of the following:

- Employers only need to meet the turnover decline test once. They do not need to re-test each month. Note that there is anti-avoidance in place for people who artificially contrive their circumstances to get the payments
- If the turnover decline is not met now, an employer can enter the program later if the threshold is met then
- There is a 'basic' test to prove decline in turnover, which is comparing a current month in 2020 with the same month in 2019 (March or April for now) or comparing the June quarter 2020 to 2019
- If the 'basic' test is failed, including because the business didn't exist 12 months ago, then there is an alternative test where the business will need to prove that the same month prior year is not a fair comparison point. The ATO will issue further guidance on this alternative test "soon"
- The program will still end on 27 September for everyone regardless of when they enter it
- Employers need to pay a minimum \$1,500 per fortnight before tax for eligible employees. Therefore, tax will need to be withheld on this amount before paying employees
- Employers need to pay their employees once they are eligible and will be reimbursed by the Government the following month, so they are paid by the Government in arrears
- Employers must pass on the full benefit of JobKeeper to eligible employees. Asking employees to give some of it back is illegal
- If a business is eligible, it must inform its employees it is part of the program and pay JobKeeper for all eligible employees. It cannot pick and choose
- Employees who were employed on 1 March and have since been terminated can be re-hired and immediately stood down and receive JobKeeper payment
- Employees can only receive JobKeeper from one employer. Therefore, if someone has multiple jobs, they need to nominate a primary employer
- A person with a casual position and a permanent position cannot nominate their casual employer
- Superannuation Guarantee is not payable on any excess payment that is attributable to JobKeeper payment
- There will be monthly reporting requirements with the ATO
- Sole traders and businesses without employees are also eligible for the program, although for the latter only one person can be nominated to receive the payment, which includes partnerships. Information regarding these payments will become clearer in the upcoming week

If you are unsure with any of the above, please do not hesitate to contact our office on 03 8400 6500.

Stay Safe and sane!

Regards

Manuel and the team at APM