

UPDATED 10 AUGUST 2020

JobKeeper Payment Scheme Extension

The purpose of this Fact Sheet is to enable you to make a **quick assessment** of your eligibility for the Government's JobKeeper Payment Scheme extension **beyond** the original end date of **27 September 2020**. It is not a comprehensive guide as the enabling legislation and rules are not yet available and the announced details may be subject to further change. If, after you have examined the information in this Fact Sheet and believe that you may be eligible, please **contact us immediately** so we may assist you further.

The original JobKeeper Payment scheme (**the Scheme**) was announced on 30 March 2020 by the Prime Minister and the Treasurer. The purpose of the Scheme is to keep people employed even though the business they work for has suffered a downturn including a 'hibernation' or close down for a temporary period. The Scheme was to run from Monday 30 March 2020 to Sunday 27 September 2020

The JobKeeper extension (**JobKeeper extension**) was announced on **21 July** and will **extend** the scheme until **28 March 2021**. Further refinements were announced by the Treasurer on Friday 7th August 2020 mainly as a result of the Victorian Stage 4 Restrictions.

The original scheme enabled eligible employers to claim a fortnightly payment of **\$1,500** per eligible employee from 30 March 2020, for a maximum period of **6 months**. The extension of the scheme will see a more targeted and tapered approach with a two-tier wage subsidy and two additional JobKeeper periods of three months each.

What's new?

From Monday 3 August 2020:

- the employee eligibility test date will move from 1 March 2020 to 1 July 2020. The new reference date will apply for the **last four fortnights** of the legislated scheme as well as the **duration of the proposed extended period**. Staff who were hired after 1 March 2020 may now be eligible for JobKeeper.

From 28 September 2020:

- a two-tier payment rate will apply based on the worker's average weekly work hours
- the current \$1,500 per fortnight payment rate will be reduced on 28 September 2020 and reduced further on 4 January 2021
- the decline in turnover will be retested on a quarterly basis, and
- the decline in turnover test will be based on actual GST turnover.

From **28 September 2020 to 3 January 2021**, the JobKeeper Payment rates will be:

- **\$1,200** per fortnight for all eligible employees and for eligible business participants who were working for 20 hours or more a week on average in the four weeks of pay periods before either 1 March 2020 or 1 July 2020, and
- **\$750** per fortnight for other eligible employees and business participants.

From **4 January 2021 to 28 March 2021**, the JobKeeper Payment rates will be:

- **\$1,000** per fortnight for all eligible employees and for business participants who were working for 20 hours or more a week on average in the four weeks of pay periods before either 1 March 2020 or 1 July 2020; and
- **\$650** per fortnight for other eligible employees and business participants.

Is your business eligible for your employees in the extension period(s)?

An employer is entitled to the JobKeeper payment in respect of an individual (an employee) in relation to an extension period if it meets the revised eligibility rules.

Decline in turnover Test

Decline in turnover test

From **28 September 2020**, businesses seeking to claim the JobKeeper payment will be required to demonstrate that they have suffered a decline in turnover using **actual GST turnover** (rather than **projected** GST turnover).

From **28 September 2020**, businesses will be required to **reassess** their eligibility with reference to their **actual GST turnover** in the **September quarter 2020** to be eligible for the JobKeeper Payment from **28 September 2020 to 3 January 2021** (the first extension period).

From **4 January 2021**, businesses will need to **further reassess** their turnover to be eligible for the JobKeeper Payment. They will need to demonstrate that they have met the relevant decline in turnover test with reference to their **actual GST turnover** in the **December quarter 2020** to be eligible for the JobKeeper Payment from **4 January 2021 to 28 March 2021** (the second extension period).

For the first extension period, businesses will need to demonstrate that their actual GST turnover has fallen in the **September quarter 2020** (July, August, September) relative to a comparable period (generally the **corresponding quarter in 2019**).

For the second extension period businesses will need to demonstrate that their **actual GST turnover** has fallen in the **December quarter 2020** (October, November, December) relative to a comparable period (generally the **corresponding quarters in 2019**).

The Commissioner of Taxation will have discretion to set out alternative tests that would establish eligibility in specific circumstances where it is not appropriate to compare actual turnover in a quarter in 2020 with actual turnover in a quarter in 2019, in line with the Commissioner's existing discretion.

How much does my actual decline in turnover need to be?

Aggregated turnover was > \$1 Billion	50%
Aggregated turnover was <\$1 Billion	30%

Eligible employees

Employees are eligible in the extension period if they:

- are currently employed by an eligible employer (including if you were stood down or rehired)
- were for the eligible employer (or another entity in their wholly-owned group) either:
 - a full-time, part-time or fixed-term employee at 1 July 2020; or
 - a long-term casual employee (employed on a regular and systematic basis for at least 12 months) as at 1 July 2020 and not a permanent employee of any other employer.
- were aged 18 years or older at 1 July 2020 (if you were 16 or 17 you can also qualify if you are independent or not undertaking full time study).
- an Australian resident.

Some employees are **not eligible** if they receive certain forms of Government assistance.

Wage condition

You satisfy the wage condition in respect of an employee for a JobKeeper fortnight in the extension period where their gross pay will **exceed the relevant JobKeeper rate**.

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- **\$750** per fortnight for other eligible employees and business participants.

From **4 January 2021 to 28 March 2021**, the JobKeeper Payment rates will be:

- **\$1,000** per fortnight for all eligible employees and for business participants who were working for 20 hours or more a week on average in the four weeks of pay periods before either 1 March 2020 or 1 July 2020, and
- **\$650** per fortnight for other eligible employees and business participants.

The Commissioner of Taxation will have discretion to set out alternative tests where an employee or business participant's **hours were not usual** during the **February and/or June**

2020 reference period (the period with the higher number of hours worked is to be used for employees with 1 March 2020 eligibility).

Guidance will be provided by the ATO where the employee was paid in non-weekly or non-fortnightly pay periods and in other circumstances the general rules do not cover.

The JobKeeper Payment will continue to be made by the ATO to employers in arrears. Employers will continue to be required to make payments to employees equal to, or greater than, the amount of the relevant JobKeeper Payment (before tax), based on the payment rate that applies to each employee.

You are required to give information about the entitlement for the fortnight, including details of the individual and the relevant rate, to the Commissioner, in the approved form.

The following questions are intended to assess eligibility for the Extension to the JobKeeper Scheme.

Eligibility Criteria		
Employer Conditions	Yes	No
Was my business being carried on 1 March 2020?	<input type="checkbox"/>	<input type="checkbox"/>
Has my actual GST Turnover declined by the required percentage? (Turnover >\$.1 billion - 50% Turnover < \$1 billion - 30%)	<input type="checkbox"/>	<input type="checkbox"/>
Notification -I have or I will advise the ATO on the approved form of my intention to participate in the extended JobKeeper Scheme?	<input type="checkbox"/>	<input type="checkbox"/>
Is the fortnight a JobKeeper fortnight? (28 September 2020 - 3 January 2021 - first extension) (4 January 2021 to 28 March 2021 - second extension)	<input type="checkbox"/>	<input type="checkbox"/>
I have or I will provide the ATO with information in the approved form?	<input type="checkbox"/>	<input type="checkbox"/>
Employee Conditions	Yes	No
Was my employee?		
Employed at any time in the fortnight?	<input type="checkbox"/>	<input type="checkbox"/>
At 1 March 2020 and or 1 July 2020 -	<input type="checkbox"/>	<input type="checkbox"/>
Aged 16 or over?	<input type="checkbox"/>	<input type="checkbox"/>
Full or part time? or Long term Casual Employee (> 12 months)?	<input type="checkbox"/>	<input type="checkbox"/>
Australian Resident?	<input type="checkbox"/>	<input type="checkbox"/>
The Employee has agreed to be nominated and has or will provide me with notification?	<input type="checkbox"/>	<input type="checkbox"/>
Wages Condition		
Have I paid my employee Gross Pay at the relevant JobKeeper Rate for the relevant fortnight?	<input type="checkbox"/>	<input type="checkbox"/>
Not Opted Out		
You have NOT notified the ATO that you no longer want to participate?	<input type="checkbox"/>	<input type="checkbox"/>

If you have answered "yes" to **ALL** of the above you **may** qualify for the JobKeeper Payments from the ATO. We can assist you in **confirming** your eligibility and completing all necessary forms. Please contact us as a matter of urgency.

If you have answered any question "No", you are unlikely to qualify for the JobKeeper Payment Scheme.

Business Participant Eligibility		
Entity Requirements	Yes	No
Was my entity carrying on business on 1 March 2020?	<input type="checkbox"/>	<input type="checkbox"/>
Has my actual GST Turnover declined by the required percentage? (Turnover >\$.1 Billion - 50% Turnover < \$1 Billion - 30%)	<input type="checkbox"/>	<input type="checkbox"/>
Is the fortnight a JobKeeper fortnight? (28 September 2020 - 3 January 2021 - first extension) (4 January 2021 to 28 March 2021 - second extension))	<input type="checkbox"/>	<input type="checkbox"/>
Have I provided the ATO with information in the approved form?	<input type="checkbox"/>	<input type="checkbox"/>
Individual - Business Participant Requirements		
The individual was actively engaged in the business at any time in the fortnight?	<input type="checkbox"/>	<input type="checkbox"/>
The Individual is a relevant Business Participant If a Sole trader the sole trader If a Partnership - a partner If a Trust - an adult beneficiary of the trust If a Company - a Shareholder or Director	<input type="checkbox"/>	<input type="checkbox"/>
At 1 March 2020 and or 1 July 2020 -	Yes	No
Aged 16 or over?	<input type="checkbox"/>	<input type="checkbox"/>
Full or part time? or Long term Casual Employee (> 12 months)?	<input type="checkbox"/>	<input type="checkbox"/>
Australian Resident?	<input type="checkbox"/>	<input type="checkbox"/>
The individual has agreed to be nominated and provided the entity with notification?	<input type="checkbox"/>	<input type="checkbox"/>
Has the Entity satisfied the integrity Rule?	<input type="checkbox"/>	<input type="checkbox"/>

If you have answered "**yes**" to **ALL** of the above you **may** qualify for the JobKeeper Payments from the ATO. We can assist you in **confirming** your eligibility and completing all necessary forms. Please contact us as a matter of urgency.

If you have answered any question "**No**", you are unlikely to qualify for the JobKeeper Payment Scheme.