



COVID-19 Stimulus Package

JobKeeper Payment – The Application Process

The steps to register

What do you need to do...

ACTION IMMEDIATELY

1. Register your interest and subscribe for JobKeeper Payment updates.
2. Check you are an Eligible Employer (*Page 2*).
3. Check which employees are Eligible Employees (*Page 4*).
4. Get employees to sign “JobKeeper Employee Nomination” if they wish to participate (*Page 7*).
5. Commence paying eligible employees, ensuring you meet the minimum wage payment (*Page 5*).
6. Setup your ATO Business Portal if you haven’t already (*Page 7*).
7. From 20th April 2020, log into the ATO Business Portal and prepare online application form
 - Provide bank details for payments.
 - Estimate number of eligible employees in first fortnight (30 March – 12 April).
 - Estimate number of eligible employees in second fortnight (13 April – 27 April).

[Click Here:](#)
Register Your Interest

ACTION AFTER 4th MAY 2020

1. Apply to claim JobKeeper Payment by logging into your ATO Business Portal.
2. Ensure you have paid each eligible employee minimum \$1,500 per JobKeeper fortnight before tax.
3. Identify your eligible employees in the application form by:
 - Selecting employee details that are prefilled from your STP pay reports if you report payroll information through an STP enabled payroll solution, or
 - Manually entering employee details in your Business Portal if you do not use an STP enabled payroll solution.
4. Submit the confirmation of your eligible employees online and wait for your confirmation email or SMS showing it has been received.
5. Await payment from the ATO; this will be received after successful lodgement of your application.

ACTION MONTHLY - 7 DAYS AFTER END OF EACH MONTH

1. Each month you will need to complete a ‘Monthly JobKeeper Declaration Report’ through your ATO Online Services or Business Portal. Lodged within this report includes:
 - a. Confirmation that your reported eligible employees have not changed.
 - If your employees change or leave your employment, you will notify ATO at this time
 - b. That you intend to continue to receive the JobKeeper Payments from the ATO.
 - c. Your current and projected turnover; this is required despite no requirement to retest your reported fall in turnover.
 - d. Wage declarations, as completed within the first month lodgement.



Eligible Employers

Employers will be eligible for the JobKeeper Payment if **all** the following criteria apply:

1. On 1 March 2020, you carried on a business in Australia.
2. You employed at least one eligible employee on 1st March 2020.
3. Your eligible employees are currently employed by your business for the fortnights you claim for (including those who were stood down or re-hired).
4. Your business has faced a:
 - 30% fall in turnover (for an aggregated turnover of \$1 billion or less)
 - 50% fall in turnover (for an aggregated turnover of more than \$1 billion), or
 - 15% fall in turnover (for ACNC-registered charities other than universities and schools)
5. Your business is not in one of the ineligible categories.

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Special rules for other structured “employers”:

Sole traders:

Sole traders can be eligible for the JobKeeper Payment if their business has experienced a downturn according to the eligibility criteria.

Once further information is released about the eligibility criteria for sole traders, we will provide this to you; stay tuned on our social media channels.

Partnerships:

Partners to a partnership who are actively engaged in the business, however receive their remuneration through partnership distributions, will still be entitled to JobKeeper Payments. HOWEVER, only **one** partner can be entitled to the JobKeeper Payment, regardless of how many partners are in the partnership.

Once further information is released about the process to claim for partners in a partnership, we will provide this to you; stay tuned on our social media channels.

Companies (where remuneration is received through Director fees or Dividends only):

Where the director is actively engaged in the business, however receives remuneration through other methods rather than wages, they will still be entitled to JobKeeper Payments. This is limited to one director per company, regardless of how many directors are present.

Once further information is released about the process to claim for company directors, we will provide this to you; stay tuned on our social media channels.

Trusts (where remuneration is received through trust distributions only):

Where the business owner is actively engaged in the business, however receives remuneration through a trust distribution rather than wages, they will still be entitled to JobKeeper Payments. However, this payment is limited to one beneficiary per entity, regardless of how many trust beneficiaries are present.

Once further information is released about the process to claim for trust beneficiaries, we will provide this to you; stay tuned on our social media channels.



Turnover Test

You only need to satisfy this requirement once – you don't need to retest turnover each month.

How to determine a fall in turnover

At the time you enrol in the JobKeeper Payment scheme, you need to confirm that your business in a relevant period has had, or is likely to have, a:

- 30% fall in turnover (for an aggregated turnover of \$1 billion or less)
- 50% fall in turnover (for an aggregated turnover of more than \$1 billion), or
- 15% fall in turnover (for ACNC-registered charities other than universities and schools).

How to calculate a fall in turnover for the first fortnight starting 30 March 2020

To work out your fall in turnover, you can compare either:

- GST turnover for March 2020 with GST turnover for March 2019
- projected GST turnover for April 2020 with GST turnover for April 2019
- projected GST turnover for the quarter starting April 2020 with GST turnover for the quarter starting April 2019.

Key points to consider when preparing fall in turnover calculations:

- How you choose to project your fall in turnover is not dependent on whether you report a quarterly or monthly BAS, though you can do that if it is easier.
- Where turnover periods are not appropriately comparable (for example, if your business has been in operation less than a year), the ATO has the discretion to set out/accept alternative tests that can establish your eligibility.
- For members of a GST Group, for the purpose of the decline in turnover test, an entity is tested on a stand-alone basis.

If you work out that you qualify for the JobKeeper Payments for the first fortnight, you remain eligible and do not need to keep testing turnover in following months. However, you will have ongoing monthly reporting requirements.

Please note, the ATO are still working through the Turnover Tests for alternative scenarios and will provide further information soon; stay tuned on our social media channels for updates as we receive them.



Eligible Employees & How to Nominate them

Which of my employees are eligible?

An eligible employee is an employee who:

- Is currently employed by the eligible employer (including those stood down or re-hired)
- Is a full time or part time employee
- Is a casual employee working on a regular basis for longer than 12 months as at 1 March 2020
- Was aged 16 years or older at 1 March 2020
- Was an Australian citizen, the holder of a permanent visa, or s Special Category Visa Holder
- Was a resident for Australian tax purposes on 1 March 2020; and
- Is not in receipt of the JobKeeper payment from another employer

How to nominate employees

Before you enrol to receive JobKeeper Payments, you need to notify each eligible employee that you intend to nominate them as eligible employees to claim the JobKeeper Payment

They must agree to be nominated by you by completing the 'JobKeeper Employee Nomination Notice' and returning it to you for your records.

[Click Here:](#)
**JobKeeper Employee
Nomination Notice**

The nomination form does not need to be provided to the ATO, however employers are required to keep a copy of the completed form as part of their record keeping obligations under tax law.

How to treat employees who were stood down or on long term leave

Employees who have been stood down from work without pay may still be eligible employees as long as they were in your employment and met the eligibility criteria on 1 March 2020.

You will need to have paid them at least the minimum amount of \$1,500 for each fortnight you claim for, to receive the JobKeeper Payment.

How to treat employees who have been terminated

If you terminated an employee after 1 March 2020, you can re-engage them, and they will be eligible if they met the eligibility criteria on 1 March 2020.

If you want to claim the JobKeeper Payment for employees you have re-engaged, you will need to:

1. Confirm they want to be re-hired and participate in the JobKeeper scheme with you.
2. Re-engage the employees you want to claim for.
3. Ask them to complete the JobKeeper Employee Nomination Notice and return it to you.
4. Start paying them a minimum of \$1,500 (before tax) for each fortnight they are employed, and you claim for.

Note: You will only be paid a JobKeeper Payment for employees from the fortnight they were re-engaged. You cannot claim retrospectively for employees you re-engage.



Paying your Nominated Employees

Paying your Eligible Employees

- You will not be eligible for the JobKeeper Payment if you pay your nominated employee less than \$1,500 per fortnight.
- Each eligible employee must receive at least the minimum amount of \$1,500 per fortnight, even if you re-hire them or they earn less than this per fortnight.
- You cannot pay your employees less than \$1,500 per fortnight and keep the difference.

How to pay

You need to re-start or continue to pay your eligible employees at least \$1,500 a fortnight in line with your existing pay cycle through your existing payroll solution.

When to pay

You should pay your employees for each JobKeeper fortnight you plan to claim for.

- The first fortnight is from 30 March – 12 April and each JobKeeper fortnight follows that.
- For the first two “JobKeeper fortnights” (30 March – 12 April, 13 April – 26 April), the ATO will accept the minimum \$1,500 payment for each fortnight has been paid by you even if it has been paid late, provided it is paid by you by the end of April.
 - *Basically, make sure you have paid \$3,000 to each eligible employee prior to 30th April 2020.*

If you usually pay your employees less frequently than fortnightly, the payment can be allocated between fortnights in a reasonable manner. For example, if you pay your employees on a monthly pay cycle, your employees must have received the monthly equivalent of \$1,500 per fortnight.

How much to pay

You must pay the minimum \$1,500 before tax to each eligible employee per fortnight to claim the JobKeeper Payment for that fortnight.

Employee usually earns less than \$1,500 per fortnight before tax:

- You must “top up” their salary or wages to \$1,500 per fortnight before tax to remain eligible.
- This “top up” is exempt from superannuation, and should be reported as an “allowance”.
- You can’t pay your employees less than \$1,500 per fortnight before tax and keep the difference.
 - If you do so, you will be exempt from the JobKeeper benefit.

Employee usually earns more than \$1,500 per fortnight before tax:

- You should continue to pay them their regular salary or wages.
- Any amount you pay above \$1,500 per fortnight before tax isn’t subsidised by the JobKeeper Payment.
- As there is no “top up”, superannuation is still payable on the ordinary earnings

Employee was stood down and has been re-engaged:

- You must start paying the employee \$1,500 per fortnight to qualify for the JobKeeper Payment.
- You will only be eligible to claim for the fortnights after you re-engaged your employee.
- Any “top up” portion is exempt from superannuation and should be reported as an “allowance”



Payroll is processed monthly rather than fortnightly/weekly:

- The payment can be allocated between fortnights in a reasonable manner.
 - For example, if you pay your employees on a four-week pay cycle, your employees must have received at least \$3,000 for every four-week period.

Tax consequences

- All JobKeeper Payments are assessable income of the business and will be taxed accordingly.
 - Note that your business will incur the wages deduction, therefore resulting in a breakeven profitability position.
- The JobKeeper Payment is not subject to GST.

Superannuation guarantee

Superannuation guarantee is not required on any “top up” payments made to employees as a result of JobKeeper Payments. Thereby, only remuneration paid to employees due to their personal exertion will incur superannuation guarantee contributions.

What you can't do

- You cannot claim the JobKeeper Payment on behalf of employees who were not paid at least \$1,500 before tax during each JobKeeper Payment period.
- You cannot claim the JobKeeper Payment in advance. The JobKeeper Payment is a reimbursement from the ATO to an employer in arrears and cannot be paid in advance in any circumstances.



Key Resources

Register your Interest in JobKeeper Payment

[Click Here:](#)
Register Your Interest

JobKeeper Employee Nomination Notice

[Click Here:](#)
JobKeeper Employee Nomination Notice

Business Portal & myGovID Instructions

[Click Here:](#)
Business Portal & myGovID Setup