



JobKeeper Allowance Update.

As part of our efforts to assist our clients through these difficult times, please find below additional information on the Federal Governments JobKeeper Allowance...

The ATO has updated the information on their website as of yesterday, and it is really quite good, so feel free to have a look at it .

We now have a date where we can start enrolling for this job keeper payment and that is Monday 20th April 2020 which is only a few business days away. So if you haven't already lodged your intention to claim, please do so now.

Determine the decrease in your turnover As we already know the drop in turnover needs to be more than 30%. The important new development here is you can use Projected GST Turnover. Yes that is right, the turnover you are comparing can be based on projected turnover.

Projected turnover is an estimate of the gross revenue by the employer on the balance of probabilities. You must be able to substantiate this projected turnover so must be a reasonable estimate with figures that can be justified. In this climate, this might be a challenging task. Using actual figures is still an option.

What to include and not include in this turnover is based on the GST definition of your supplies. Put simply, the sales you put in your BAS's. This doesn't include income such as dividends, residential rent, interest and supplies that do not have the necessary connection with Australia.

The periods which can be compared are as follows:

- March 2020 – *We have read some conflicting advice with this, as some are saying March can be used as a base and others are saying the first month that can be used is April.*
- .- April 2020
- May 2020
- June 2020
- July 2020
- August 2020
- September 2020



OR

- The quarter that starts on 1 April 2020
- The quarter that starts on 1 July 2020

If you have been operating under 12 months, an alternatively tests will be set by the commissioner so will be done on a case by case bases. The talk around this is that they might use an average turnover for the period from when started to March so this might be a good place to start with your comparisons.

If you don't qualify in the month of March or April, you can keep testing until you become eligible. There is no back payments to 30 March if it takes the business some time to qualify.

Guidance is still to come if there is a situation where your actual turnover comes in higher than projected turnover and the actual decline results in less than 30%. It is possible the ATO will require a repayment of the Jobkeeper payments. Potentiality there will be an acceptable margin of error around this projection but just keep this in the back of your mind when forming these projected GST turnover amounts.

ATO have said they will be examining unusual patterns of behaviours in the monthly lodgements, this is attempting to crack down on businesses who are deferring invoices from April into May in order to meet the turnover test. Penalties and interest will apply if they find this to be true.

Eligible employees Once you have run through your employees eligibility and confident they tick the boxes you need to fill in the employee nomination notice which can be found via this link There is no need to lodge this form with the ATO, just keep on file. This should be complete by both employer and employee by 20 April.

Paying your eligible employees This ATO website link is the best place for this information and if you have any further questions please get in touch.

Timing of payments No change to when the first payment will come through, they are still aiming for first week in May. For a more detailed timeline please refer to this ATO website link.

Reporting to ATO on a monthly basis Once you have qualified, you are in the scheme right the way through to September 2020. It doesn't matter if your turnover increases during this time. The ATO will require you to report your turnover to them on a monthly



basis but this is purely them monitoring how the economy is tracking and won't affect your ongoing eligibility. You have 7 days after the end of month to report your monthly turnover to the ATO, so the key takeaway message here is that you must stay on top of your bookkeeping.

Payroll Software We have heard a few Accounting software provides are working very hard in the background to make our lives easier when processing these job keeper payments so you might see some changes happening in payroll soon. If you haven't got your payroll linked with Single Touch payroll yet, please take the steps to do so as this will help with the application and will get your payments processed quicker.

We will continue to pass on any information when it comes to hand, however as always ask your accountant or the ATO if you have any further questions.