

JobKeeper Update

What are the details?

As further documents have been released by Government following our JobKeeper (JKP) webinar on 9 April 2020, our team brings you the latest clarifications.

Late on 9 April, the Federal Government Treasurer released the following documents:

- Coronavirus Economic Response Package (Payments and Benefits) Rules 2020 (The Rules)
- Explanatory Statement to the Rules (ES).

In addition, revised versions of the JKP Fact Sheets were also released on the Treasury's website.

The ES and revised Fact Sheets provide greater clarity in relation to how the rules will operate.



To augment our webinar on the JKP, we highlight the following updates:

\$1billion Threshold Test

The ES and Fact Sheets confirm that the \$1 Billion threshold Test will be based on the entity's aggregated turnover. This means worldwide income will be included.

Operation of the Decline in Turnover Test (DITT)

- Employers need to satisfy the DITT before it becomes eligible for the JKP.
- Once this occurs, there is **no requirement to retest in later months**. Please note this *change* from the webinar video.
- The test can be performed based on a monthly (e.g. April 2020) or quarterly calculation (e.g. quarter ended 30 June 2020). Once the employer has passed the DITT for say April 2020, it does not need to retest again for subsequent months.
- Whilst it appears that an employer can choose a monthly or quarterly test period to be used for the DITT, the Fact Sheets suggest that the ATO expects most employers to follow their BAS reporting period.



Provision of information to the ATO

Despite the above, employers will still be required to provide information on the current monthly turnover and the projected turnover for the following month. This however is not for the purposes of the DITT.

The ES notes:

*“The information provided as part of this report does not affect an entity’s eligibility, including in respect of the decline in turnover test (which only needs to be satisfied once). It is also not intended to verify whether the projection given as part of the decline in turnover test was accurate. Rather, **it is intended to ensure that there is good information on which to assess the economic impact of the Coronavirus on a monthly basis across Australia.**”*



Compliance for employees and employers

To be entitled to a JKP for a fortnight, the employer must have provided the following information to the Commissioner in the approved form:

- the details of each eligible employee
- other information about their entitlement to the JKP.

It is anticipated that the following details for each eligible employee will be required to be provided in the approved form:

- the name of the employee
- the type of the employee’s employment
- the employee’s citizenship or residency status.

Once an employer has provided details of its eligible employees to the Commissioner, the employer must also notify each eligible employee within 7 days.

If the information provided to the Commissioner does not subsequently change in the following JobKeeper fortnights, an employer is not required to provide the same information to the Commissioner again.



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