

JobKeeper 2.0

Question 1

Apart from JobKeeper, will the cash flow boost be extended as well?

Answer

There has been no announcement on the extension of the cash flow boost.

Question 2

We have a family trust with 'mum and dad' beneficiaries. With JobKeeper 2.0 can you now change the registered business participant?

Answer

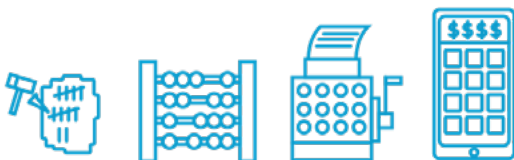
We are not aware of any proposed change to the rules that will allow a change in EBP. As it is an extension of the current program, it is unlikely an eligible entity will be able to change the nominated EBP however we will have to wait until legislation or new rules are released to confirm this is the case.

Question 3

Do you need to include the monthly JobKeeper 1.0 receipts in the June 2020 and September 2020 quarterly GST assessable income figure for eligibility determination and comparison to June 2019 quarter and September 2019 comparison?

Answer

JobKeeper payments are not included in GST turnover calculations.



Question 4

Cash flow aside – what happens to month paid folks, do we need to have minimum payment of \$4500 in August monthly pay or is there an apportionment between July and August for say someone being paid \$5400 per month?

Answer

There may be an opportunity to apply the monthly payments for the relevant fortnights on a reasonable basis, however it will depend on the individual circumstances of the employee, their usual pay/hours etc. You may need to discuss further with an adviser to ensure any advice is relevant to your specific circumstances.

Question 5

If a business has been sold (together with all of the working employees) who were receiving JobKeeper payments, can the Purchaser receive the JobKeeper payments for these newly 'acquired' employees, assuming the new business meets the fall in turnover tests prior to the acquisition?

Answer

It will be dependent on the specific facts however there is provision within the rules that allow for JobKeeper eligibility to transfer with employees where a business is sold – even where the business is being carried on by a new entity. Specific advice may be required from a tax adviser to ensure JobKeeper could be claimed by the new entity.

Question 6

When we use the new decline in turnover tests, do we compare June quarter 20 to March quarter 20 and again September quarter 20 to March quarter 20?

Also when we do December quarter 20, is it compared to March quarter 20 again or to the previous quarter (September quarter 20)?

Answer

The comparison for the June 2020 quarter and September 2020 quarter will be to the relative period in 2019 (assuming the basic test applies).

Question 7

The 50% or 30% depends on one billion under or over. If 2019 turnover is one billion but 2020 is less than one billion – and the business has a 31st August year end do we receive a 30% threshold from September 2020?

Answer

Details on this have not yet been released and we will need to wait for the legislation to confirm.

Question 8

How do we work out payments if payroll fortnight does not match JobKeeper fortnight?

Answer

There is some good guidance on the ATO web page on how to work out payments where the payroll fortnight does not match the JobKeeper fortnight <https://www.ato.gov.au/general/jobkeeper-payment/employers/paying-your-eligible-employees/#Howmuchtopay>

Question 9

If employees have been terminated after 1st March but before the employer is eligible to register, and now the employer is registered and the employee is eligible. At what status (full time/casual) does the employer reinstate the employee? If the employer becomes ineligible in JobKeeper 2.0 does the employee get terminated again?

Answer

The reinstatement of employees is a question for the employer and not related to eligibility for JobKeeper. If the employer has re-engaged an employee and is claiming JobKeeper in respect of that employee, if the employer subsequently loses eligibility for JobKeeper, the employee's employment doesn't automatically end. The employer may need to get advice from an employment lawyer as to their rights and obligations if they are no longer in a position to retain that employee.

Question 10

If someone's contract is that they are full time and would work 38 hours per week normally but at the moment are stood down and working less than 20 hours a week, do they now become part time for JobKeeper 2.0?

Answer

At the moment the information from Treasury is that the lower rate for JobKeeper 2.0 will be tested based on the hours worked by the employee in the four weeks preceding 1st March 2020. How this will work practically, we will have to wait to see the new legislation/rules.

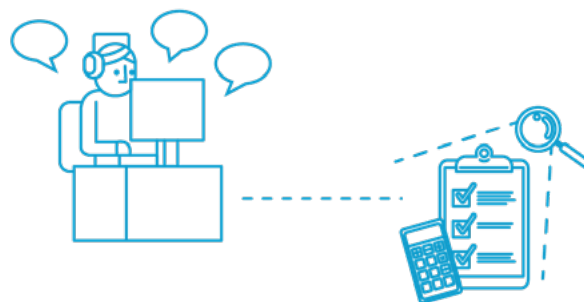
Question 11

For quarterly testing with June and September BAS, what if business only started in September 2019 and there are no BAS in 2019 to compare?

Answer

We understand that the alternative tests will still apply, however how this will work in practice we will have to wait to see the legislation/new rules.

Question 12



Will the alternate revenue tests still be available – for start ups etc.?

Answer

The treasury fact sheet appears to indicate the alternative tests will still apply, however we will have to wait to see legislation/new rules to see how it will work.

Question 13

So if a company fails eligibility in one quarter then are they out for the whole of JobKeeper 2.0?

Answer

It looks like that will be the case.

Question 14

Are the alternative tests still available where the business looks very different to the previous comparable period?

Answer

The treasury fact sheet appears to indicate the alternative tests will still apply, however we will have to wait to see legislation/new rules to see how it will work.

Question 15

Quarter of April to June 2020 can be tested now, and if that is failed then is there no way of getting back into JobKeeper 2.0 because the company has to have decline in all quarters?

Answer

On the face of it that appears to be the case, however Treasury is still working on the new scheme so we will have to wait to see the legislation before we can provide clear guidance.

Question 16

With the testing dates, June and September, what if you meet the decline test for the June quarter but not the September quarter?

Answer

The information released by Treasury indicates you will need to meet the decline for both quarters, if you fail one, you will no longer be eligible. We will have to wait to see the legislation/new rules until we can confirm this will be the case.

Question 17

Will there be government forms to calculate employee eligibility?

Answer

Employee eligibility assessment will be the same as it is now. The determination of eligibility will be the responsibility of the employer and employee based on existing criteria.

Question 18

How would the assessment of the grant apply for a Not-for-profit, in particular where the funding component is excluded currently. Will this still apply with JobKeeper 2.0?

Answer

We are anticipating the rules applying to Not-for-profits will roll over to JobKeeper 2.0 however again, we will have to wait to see more detail from Treasury to comment.

Question 19

If an employee leaves and you have to replace them – the new employee doesn't qualify?

Answer

That's correct, eligibility is tested at 1st March 2020.

Question 20

Even if the new person you employ was with another employer on 1st March 2020?

Answer

Yes unfortunately, the employee is only able to nominate one employer, if they leave that job and move to another employer they lose eligibility

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