



COVID-19 Relief Package

FACTSHEET

JobKeeper Payments - FAQ

The JobKeeper Payment is made to eligible businesses and not-for-profits affected by the Coronavirus to support them in retaining employees

WHICH BUSINESSES ARE ELIGIBLE?

- their business has a turnover of less than \$1 billion (and if part of a group for income tax purposes, the group has a combined turnover of less than \$1 billion) and estimate their turnover has fallen or will likely fall by 30 per cent or more; or
- their business has a turnover of \$1 billion or more (or if part of a group for income tax purposes, the group has a combined turnover of \$1 billion or more) and estimate their turnover has fallen or will likely fall by 50 per cent or more; or
- their business is not subject to the Major Bank Levy.

HOW DO I ELECT TO PARTICIPATE?

- Eligible employers need to determine if they want to participate in this program by electing into it. More details will be provided about how to do that.
- The JobKeeper Payment will be administered by the ATO.
- If you want to participate, you can register your interest on the ATO website to keep updated on information about the JobKeeper payment.
- If you register you will receive updates and information from the ATO about how and when to claim the JobKeeper payment.

HOW DO I WORK OUT WHICH EMPLOYEES ARE ELIGIBLE?

- You will only be able to claim the JobKeeper payment for eligible employees that were in your employment on 1 March 2020, and continue to be employed while you are claiming the JobKeeper payment.

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, or a casual employed on a regular and systematic 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 a Special Category (Subclass 444) Visa Holder at 1 March 2020;
- was a resident for Australian tax purposes on 1 March 2020; and
- is not in receipt of a JobKeeper Payment from another employer.

You can only claim JobKeeper payment for eligible employees if you pay the \$1,500 per fortnight (before tax) to each eligible employee.

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WHAT IF I HAVE STOOD DOWN MY EMPLOYEES AFTER 1ST MARCH AND ARE NO LONGER PAYING THEM, DO I NEED TO PAY THEM, FOR WHAT PERIOD AND WHEN?

Yes. You can claim JobKeeper for employees that were stood down after 1 March 2020. To be eligible in relation to these employees, you will need to pay them a minimum of \$1,500 per fortnight (before tax) for the payment periods of the JobKeeper Scheme.

The first payment period under the scheme is from 30 March 2020 to 12 April 2020. Where an employer pays their staff monthly the monthly payment must be equivalent to the required fortnightly payment.

For all following payment periods you will need to continue to pay your employees a minimum of \$1,500 per fortnight (before tax), before the end of the payment period.

WHAT IS THE DEFINITION OF TURNOVER?

- Turnover will be defined according to the current calculation for GST purposes and is reported on Business Activity Statements. It includes all taxable supplies and all GST free supplies but not input taxed supplies.
- There are some modifications for businesses that are part of a GST group.
- Further information on GST turnover, and how to calculate it, is available at ato.gov.au.

WHAT IF I PAY MY EMPLOYEES LESS THAN \$1,500 PER FORTNIGHT BEFORE TAX?

- To be able to claim the JobKeeper payment for an eligible employee, that employee must be paid a minimum of \$1,500 income per fortnight, before tax is withheld.
- If you want to claim the subsidy for an eligible employee and they have not been paid \$1,500 per fortnight since 30 March 2020, employers must pay a 'top-up' payment to employees so that they are eligible. The ATO will provide further guidance on how this will work.
- The employer will be reimbursed \$1,500 per fortnight for each eligible employee.
- Employers cannot pay their employees less than \$1,500 per fortnight and be entitled to a payment for that employee.

WHAT IF I PAY MY EMPLOYEES MORE THAN \$1,500 PER FORTNIGHT BEFORE TAX?

- If the eligible employee is paid more than \$1,500 a fortnight before tax, the employer will only be reimbursed \$1,500 per fortnight.

HOW LONG WILL THE PAYMENTS LAST?

- From 30th March 2020 to 27th September 2020

AM I REQUIRED TO PAY PAYGW AND SUPERANNUATION ON THE JOBKEEPER PAYMENT?

- You must pay a minimum of \$1,500 per fortnight to your eligible employees, withholding income tax as appropriate. The \$1,500 per fortnight per employee is a before tax amount. Where an employee is paid more than \$1,500 per fortnight, the employer's superannuation obligations will not change. Where an employee is having their wages topped up to \$1,500 per fortnight by the JobKeeper Payment, it will be up to the employer if they want to pay superannuation on any additional wages paid by the JobKeeper Payment.

For further FAQ on the JobKeeper package please refer to treasury.gov.au/coronavirus/households