

Enrol and apply for the JobKeeper payment

Enrol for the JobKeeper payment (from 20 April onwards)

You or Jeffrey Todd & Associates Chartered Accountants can enrol for the JobKeeper payment:

- Step 1 – Register your interest and subscribe for **JobKeeper payment** updates on the ATO website. This will ensure you receive regular updates by email and SMS.
- Step 2 – Check you and your employees meet the eligibility requirements.
- Step 3 – Continue to pay at least \$1,500 to each eligible employee per JobKeeper fortnight (the first JobKeeper fortnight is the period from 30 March to 12 April).
- Step 4 – Notify your eligible employees that you are intending to claim the JobKeeper payment on their behalf and check they aren't claiming JobKeeper payment through another employer or have nominated through another business.
- Step 5 – Send the [JobKeeper employee nomination notice](#) and ATO notice to your nominated employees to complete and return to you by the end of April if you plan to claim JobKeeper payment for April. Keep it on file and provide a copy to us as your registered tax agent. These forms can be found on our website, the link is included below.
- Step 6 – From 20 April 2020, you can enrol with the ATO for the JobKeeper payment using the Business Portal and authenticate with myGovID. You must do this by the end of April to claim JobKeeper payments for April. Or we can register for you.
- Step 7 – In the online form, provide your bank details and indicate if you are claiming an entitlement based on business participation, for example if you are a sole trader.
- Step 8 – Specify the estimated number of employees who will be eligible for the first JobKeeper fortnight (30 March – 12 April) and the second JobKeeper fortnight (13 April – 26 April).

Confirmation of eligible employees you will claim JobKeeper Payment for (available from 4 May 2020 onwards)

You or Jeffrey Todd & Associates can apply for the JobKeeper payment for your eligible employees:

- Step 1 – Apply to claim the JobKeeper payment by logging in to the [ATO Business Portal](#)External Link
- Step 2 – Ensure you have paid each eligible employee a minimum of \$1,500 per JobKeeper fortnight before tax.
- Step 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 ATO online services or the Business Portal if you do not use an STP enabled payroll solution, or
 - using Jeffrey Todd & Associates to submit a report on your behalf through Online services for agents.
- Step 4 – Submit the confirmation of your eligible employees online and wait for your confirmation email or SMS showing it has been received.
- Step 5 – Notify your eligible employees you have nominated them.
- Step 6 – The ATO will pay you the JobKeeper payment for all eligible employees after receiving your application.
- Step 7 – Each month, you will need to reconfirm that your reported eligible employees have not changed through ATO online services, the Business Portal or via our office. This will ensure you will continue to receive the JobKeeper payments from the ATO. You do not need to retest your reported fall in turnover, but you will need to provide some information as to your current and projected turnover. This will be done in your monthly JobKeeper Declaration report.
- Step 8 – If your eligible employees change or leave your employment, you will need to notify the ATO through your monthly JobKeeper Declaration report.

What do you need to do for your employees

You need to identify which employees you intend to claim the JobKeeper payment for and tell them you intend to claim the JobKeeper payment for them.

You need to provide these employees with the *JobKeeper employee nomination notice* and ask them to return it to you by the end of April if you want to claim JobKeeper payment for April.

If your employees have multiple employers, they can usually choose which employer they want to nominate through. However, if your employees are long-term casuals and have other permanent employment, they cannot nominate you. They cannot receive the JobKeeper payment from more than one employer.

If an employee is currently receiving an income support payment, they must notify [Services Australia External Link](#) of their new income to avoid incurring a debt that they will have to repay.

Paying your eligible employees

You need to pay your eligible employees at least the minimum amount of \$1,500, 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. You will not be eligible for the JobKeeper payment if you pay your nominated employee less than \$1,500 per fortnight.

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 after that.

For the first two fortnights (30 March – 12 April, 13 April – 26 April), we 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. This means that you can make two fortnightly payments of at least \$1,500 per fortnight before the end of April, or a combined payment of at least \$3,000 before the end of April.

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.

If your eligible employees change or leave your employment, you need to notify the ATO.

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.

If your eligible employees earn less than \$1,500 per fortnight before tax, you must pay them at least \$1,500 for each fortnight to claim the JobKeeper payment. This is a 'top up' of their salary or wages and will ensure they remain eligible.

You cannot pay your employees less than \$1,500 per fortnight and keep the difference. You will not be eligible for the JobKeeper payment if you pay your nominated employee less than \$1,500 before tax per fortnight.

If your eligible employees earn more than \$1,500 per fortnight, you should continue to pay them their regular salary or wages. However, you will only receive \$1,500 for each eligible employee. Any amount you pay above \$1,500 per fortnight is not subsidised by the JobKeeper payment.

If an employee has been stood down after 1 March 2020, you can start paying them \$1,500 per fortnight to qualify for the JobKeeper payment for that employee.

If an employee ceased working for you after 1 March 2020, you can re-engage them and pay them at least \$1,500 per fortnight. You will only be eligible to claim for the fortnights after you re-engaged your employee.

If you usually pay your employees monthly, 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 that is eligible to receive the payments. The normal rules for deductibility apply in respect of the amounts your business pays to its employees where those amounts are subsidised by the JobKeeper payment.

The JobKeeper payment is not subject to GST.

Superannuation guarantee

New rules are being introduced by the government with the intention to not require super guarantee to be paid on additional payments that are made to employees as a result of JobKeeper payments. We will update this information once legislation or regulations are in place.

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 us to an employer in arrears, and cannot be paid in advance in any circumstances.

Examples

Example: Employer with employees on different wages

Adam owns a real estate business with two employees. The business is still operating at this stage but Adam expects that GST turnover will fall by more than 30% in the coming months. The employees are:

- Anne, who is a permanent full-time employee on a salary of \$3,000 per fortnight before tax and who continues working for the business, and
- Nick, who is a permanent part-time employee on a salary of \$1,000 per fortnight before tax and who continues working for the business.

Adam is eligible to receive the JobKeeper payment for each employee, which would have the following benefits for the business and its employees.

The business continues to pay Anne her full-time salary of \$3,000 per fortnight before tax, and the business will receive \$1,500 per fortnight from the JobKeeper payment to subsidise part of the cost of Anne's salary.

The business continues to pay Nick his \$1,000 per fortnight before tax salary and an additional \$500 per fortnight before tax, totalling \$1,500 per fortnight before tax. The business receives \$1,500 per fortnight from the JobKeeper payment, which will subsidise the cost of Nick's salary.

Adam can obtain nomination forms from each of Anne and Nick, enrol in the JobKeeper scheme, and apply for JobKeeper payments by providing



the ATO with details about his eligible employees. In addition, Adam is required to advise his employees that he has nominated them as eligible employees to receive the payment. Adam will provide information to the ATO on a monthly basis and receive the payment monthly in arrears.

End of example

Example: Employer with employees who have been stood down without pay

Zahrah runs a beauty salon in Melbourne. Ordinarily, she employs three permanent part-time beauticians, but the government directive that beauty salons can no longer operate has required her to shut the business. As such she has been forced to stand down her three beauticians without pay.

Zahrah's turnover will likely fall by more than 30%, so she can be eligible to apply for the JobKeeper payment for each employee, and pay at least \$1,500 per fortnight before tax to each of her three beauticians for the period up to 27 September.

Zahrah is required to advise her employees that she has nominated them as eligible employees to receive the payment.

If Zahrah's employees have already started receiving income support payments like the JobSeeker payment when they receive the JobKeeper payment, they should advise Services Australia of their change in circumstances online at my.gov.au or by phone to avoid incurring a debt that they will need to repay.