

Altus Financial 

# JobKeeper Subsidy

To Keep Staff Employed



[altusfinancial.com.au](https://altusfinancial.com.au)

# Summary

## Date

- From 30 March 2020 for six months
- For employees employed at and from 1 March 2020
- First payments in first week of May 2020

## Applies to

Based on comparable periods:

- Employers <\$1 bn that have experienced a downturn of more than 30%
- Employers >\$1bn that have experienced a downturn of more than 50%



**A subsidy of \$1,500 per fortnight per employee**

A subsidy of \$1,500 per fortnight per employee, administered by the ATO, will be paid to businesses that have experienced a downturn of more than 30% (50% for businesses over \$1bn).

To be a part of the subsidy, employers will need to ensure that their employees receive at least \$1,500 per fortnight (before tax). See the example on page 6.

# Eligibility

There are two levels of eligibility; for employers and employees.

**Eligible employers** are those with:

- Turnover below \$1bn that have experienced a reduction in turnover of more than 30% relative to a comparable period 12 months ago (of at least a month); or
- Turnover of \$1bn or more that have experienced a reduction in turnover of more than 50% relative to a comparable period 12 months ago (of at least a month); and

**Eligible employees** are those who:

- Were employed by the relevant employer at 1 March 2020; and
- Are currently employed by the employer (including those who have been stood down or re-hired); and
- Are full time, part-time, or long term casuals (a casual employee employed on a regular basis for 12 months as at 1 March); and
- Are at least 16 years of age; and
- An eligible employee must be one of the following:
  - Australian citizen;
  - Holder of a permanent visa
  - Special Category (subclass 444) visa holder – typical visa for New Zealanders
  - New Zealander on other type of visa (Protected Special Category or non-protected Special Category); and
- Are not in receipt of a JobKeeper Payment from another employer.

## Sole Traders

Sole traders and the self-employed with an ABN, and not-for-profits (including charities) that meet the turnover tests are eligible for the JobKeeper payment.

While it appears that businesses without employees can potentially qualify for JobKeeper Payments, it is not clear at this stage what conditions will need to be satisfied.

## How the Support is Calculated

The ATO will administer this program and will make the \$1,500 payments based on payroll information. The payments will be made monthly in arrears, so it is essential that you ensure your business and your employees continually meet the eligibility criteria.

The business will continue to receive the payments for eligible employees while they are eligible for the payments. While the program is expected to run for 6 months, payments will stop if the employee is no longer employed by the relevant employer.



# Next Steps & Action Items

Managing the process at a minimum requires:

## Register

Applications are not yet open. However, you should register your intent to apply for the JobKeeper subsidy with the ATO ([here](#)). The ATO will provide you with regular updates and advise you when you can lodge your application

## Assess Turnover

- Ensure you have an accurate record of your revenue for the 2018-19 income year and for the 2019-20 year to date
- Ensure you keep an accurate record of revenue from March 2020 onwards
- Compare your revenue for the whole of March 2019 with the whole of March 2020
- Measure the % decline in your revenue and ensure it has declined by more than 30%
- If you are not eligible in March, you may become eligible in another month

## Identify eligible employees per the below

### Current Employees

Ordinary income before tax/fortnight	Payment	Super Payable
\$1,500 or more	Regular wage assisted by Jobkeeper payment	On full wage per normal
Less than \$1,500	\$1,500	Employer discretion on amount exceeding normal wage

### Other Cases

Circumstances	Payment	Super Payable
Stood down	\$1,500 per fortnight	Employer discretion
Re-engaged employee (who was employed on 1 March 2020)	\$1,500 per fortnight	Employer discretion

Sole traders and the self-employed can register their interest in applying for the JobKeeper payment with the ATO. These businesses will need to provide an ABN for the business, nominate an individual to receive the payment, provide the individual's TFN and declare their continued eligibility for the payments. Payments will be monthly to the individual's bank account.

We suggest you discuss the implementation and management with your Altus adviser to understand your maximise your claim and understand the anticipated impact on your cash flow and the timing of payments.

## Example

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

Employee	Employment Type	Salary Per Fortnight (before tax)
Anne	Full-Time	\$3,000
Nick	Part-Time	\$1,000

Both Anne and Nick are still working in the business.

Adam registers his interest in the JobKeeper scheme (from 30 March 2020), then applies to the ATO providing details of his eligible employees. Adam also advises Anne and Nick 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.

Adam's business is eligible to receive the JobKeeper Payment for each employee.

For Anne, the business will:

- Continue to pay Anne her full-time salary of \$3,000 per fortnight before tax,
- Receive \$1,500 per fortnight from the JobKeeper Payment
- Pay superannuation guarantee on Anne's salary

For Nick, the business will:

- Continue to pay Nick \$1,000 per fortnight before tax salary
- Pay Nick an additional \$500 per fortnight before tax (totalling \$1,500)
- Receive \$1,500 per fortnight from the JobKeeper Payment
- Pay superannuation guarantee on Nick's wage of \$1,000 per fortnight (but can choose to pay SG on the full \$1,500)

\$1,500 JOBKEEPER SUBSIDY

# Need guidance through this crisis?

Get peace of mind

[TALK WITH US](#)

Level 12, 10 Spring St, Sydney NSW 2000

Call: + 61 2 8908 3444

[www.altusfinancial.com.au](http://www.altusfinancial.com.au)