

Special Members Update/Friday 17 April 2020

JobKeeper Payments – Enrolling, processing, reporting and declaring

Further to our recent special members updates regarding the JobKeeper payments, the ATO has since released further information regarding the administrative requirements of the scheme. In this special members update we share with you what we know so far regarding the requirements, including enrolling in the scheme, timelines for payments, reporting through STP and the requirement for monthly declarations.

Enrolling your eligible employees

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.

Note that if you have already registered your interest with ATO regarding the JobKeeper payment, this does NOT mean you are enrolled. Enrolment opens on Monday 20 April.

<https://www.ato.gov.au/general/jobkeeper-payment/employers/enrol-and-apply-for-the-jobkeeper-payment/>

JobKeeper employee nomination notice

You must provide your eligible employees with the JobKeeper employee nomination notice form and have them return it to you by the end of April if you intend on claiming the JobKeeper payment for April. Keep a copy of the form on file.

Note that the ATO has advised that payroll software providers can create their own online version of the forms if they wish, however it must contain the same information that the ATO form contains

<https://www.ato.gov.au/Forms/JobKeeper-payment---employee-nomination-notice/>

Paying your eligible employees

The ATO has provided information regarding the payment to employees of the JobKeeper scheme, including:

- How to pay
- When to pay
- How much to pay
- Tax consequences

- Superannuation guarantee
- What you can't do

<https://www.ato.gov.au/General/JobKeeper-Payment/Employers/Paying-your-eligible-employees/>

Clarifying payment dates, pay cycles and pay periods

Employers must pay their eligible employees at least \$1,500 per fortnight for each **payday** on or after 30 March 2020.

Regardless of your usual pay period end date, the important date for the payment of JobKeeper is the **payday**.

Fortnightly	Weekly	Monthly
For the first ATO defined JobKeeper fortnight of 30 March - 12 April, whichever day in that period is your fortnightly pay day, you will need to ensure that employees were paid \$1,500 on that pay day to qualify for Job Keeper, regardless of what period that payment covers.	<p>You need to ensure that the employees receive at least \$1,500 across your 2 paydays that fall within the JobKeeper fortnight period.</p> <p>If your employees are not working, you could simply pay them \$750 per week.</p> <p>If your employees are working, it is recommended that you process the 'top-up' JobKeeper payment (if any) in the 2nd week of the JobKeeper fortnight.</p>	<p>You need to pay at least \$1,500 for each full JobKeeper fortnight within the month. This will be \$3,000 each month, except August (which has 3 fortnights for \$4,500).</p> <p>The employer may choose to pay \$3,250 each month instead, however the reimbursements are based on complete fortnights per month.</p>

For the month of April there are transitional arrangements that mean you can make back payments for the pays already processed in April but these **must be done by 30 April**.

JobKeeper fortnights

	M	T	W	T	F	S	S
April	Fortnight 01 (30 March – 12 April)						
	30	31	1	2	3	4	5
	6	7	8	9	10	11	12
	Fortnight 02 (13 April – 26 April)						
	13	14	15	16	17	18	19
	20	21	22	23	24	25	26
May	Fortnight 03 (27 April – 10 May)						
	27	28	29	30	1	2	3
	4	5	6	7	8	9	10
	Fortnight 04 (11 May – 24 May)						
	11	12	13	14	15	16	17
	18	19	20	21	22	23	24
June	Fortnight 05 (25 May to 7 June)						
	25	26	27	28	29	30	31
	1	2	3	4	5	6	7
	Fortnight 06 (8 June to 21 June)						
	8	9	10	11	12	13	14
	15	16	17	18	19	20	21
July	Fortnight 07 (22 June to 5 July)						
	22	23	24	25	26	27	28
	29	30	1	2	3	4	5
	Fortnight 08 (6 July to 19 July)						
	6	7	8	9	10	11	12
	13	14	15	16	17	18	19
August	Fortnight 09 (20 July to 2 August)						
	20	21	22	23	24	25	26
	27	28	29	30	31	1	2
	Fortnight 10 (3 August to 16 August)						
	3	4	5	6	7	8	9
	10	11	12	13	14	15	16
Sept	Fortnight 11 (17 August to 30 August)						
	17	18	19	20	21	22	23
	24	25	26	27	28	29	30
	Fortnight 12 (31 August to 13 September)						
	31	1	2	3	4	5	6
	7	8	9	10	11	12	13
Fortnight 13 (14 September to 27 September)							
14	15	16	17	18	19	20	
21	22	23	24	25	26	27	
End of Subsidy							
	28	29	30	1	2	3	4

Legend:

	Last day of 2 full fortnights in the month		Last days of 3 full fortnights in the month
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Reporting JobKeeper payments

The ATO has advised that the preferred method for notifying them who your eligible employees are is through Single Touch Payroll (STP). If for some reason you are not able to report through STP, you will need to contact the ATO in regards to other methods available.

Software payroll providers have been provided with the specifications for the reporting of eligible employees. If you are claiming JobKeeper for April, then you need to have reported their eligibility through STP by 30 April 2020. If you do not report their eligibility by this date then you may not be able to claim the JobKeeper payment for the month of April. If you have already paid your employees for April then you will need to submit an 'Update Event' in STP with the applicable reporting data, by 30 April.

The requirements for informing the ATO through STP for your eligible employees are as follows:

- For **all eligible employees** you must inform their eligibility using an **Allowance – Other** code with a zero value (another minimal figure is permitted if your software doesn't allow a zero value e.g. 0.01 could be used).
- The description for the **Allowance – Other** code must match EXACTLY with the ATO's requirements. Deviations from the exact description (including abbreviations) may significantly delay or prevent reimbursement.
- **The Allowance – Other** code for informing eligibility only needs to be reported ONCE, using the ATO required description which will detail the starting period for which you are claiming the JobKeeper payment for that employee.
- The JobKeeper Allowance – Other description is **JOBKEEPER-START-FNxx** (where xx denotes the fortnight for which you are commencing JobKeeper payments.) E.g. If you are claiming the JobKeeper payment from the first fortnight in the scheme, the description will be **JOBKEEPER-START-FN01**

This table provides the JobKeeper descriptions to use if you are **commencing** your JobKeeper claims in later fortnights:

FN	Dates	Allowance Description
01	30/03/2020-12/04/2020	JOBKEEPER-START-FN01
02	13/04/2020-26/04/2020	JOBKEEPER-START-FN02
03	27/04/2020-10/05/2020	JOBKEEPER-START-FN03
04	11/05/2020-24/05/2020	JOBKEEPER-START-FN04
05	25/05/2020-07/06/2020	JOBKEEPER-START-FN05
06	08/06/2020-21/06/2020	JOBKEEPER-START-FN06
07	22/06/2020-05/07/2020	JOBKEEPER-START-FN07
08	06/07/2020-19/07/2020	JOBKEEPER-START-FN08
09	20/07/2020-02/08/2020	JOBKEEPER-START-FN09
10	03/08/2020-16/08/2020	JOBKEEPER-START-FN10
11	17/08/2020-30/08/2020	JOBKEEPER-START-FN11
12	31/08/2020-13/09/2020	JOBKEEPER-START-FN12
13	14/09/2020-27/09/2020	JOBKEEPER-START-FN13

How to report **top-up** JobKeeper payments

- For those employees who are paid more than \$1,500 per fortnight, you would simply report as per the current reporting requirements (i.e. as gross pay in STP)
- For employees who are paid less than \$1,500 per fortnight must be paid a top up amount to bring their taxable gross to \$1,500, and the top-up portion must be reported as an **Allowance – Other** with the EXACT description of **JOBKEEPER-TOPUP**

- The above also applies if your employees are not working at all and you are paying them the full JobKeeper amount of \$1,500. This amount would be reported as Allowance-Other and the description JOBKEEPER-TOPUP

JobKeeper termination of eligibility

If at any time your eligible employee becomes ineligible or terminates employment, you need to inform the ATO via STP. The ATO must be informed of the fortnight from which the JobKeeper payment no longer applies

The Allowance – Other code to use to inform of termination from the JobKeeper scheme is **JOBKEEPER-FINISH-FNxx** (where the xx denotes the fortnight from which the employee is no longer eligible).

The JobKeeper finish codes are:

FN	Dates	Allowance Description
01	30/03/2020-12/04/2020	JOBKEEPER-FINISH-FN01
02	13/04/2020-26/04/2020	JOBKEEPER-FINISH-FN02
03	27/04/2020-10/05/2020	JOBKEEPER-FINISH-FN03
04	11/05/2020-24/05/2020	JOBKEEPER-FINISH-FN04
05	25/05/2020-07/06/2020	JOBKEEPER-FINISH-FN05
06	08/06/2020-21/06/2020	JOBKEEPER-FINISH-FN06
07	22/06/2020-05/07/2020	JOBKEEPER-FINISH-FN07
08	06/07/2020-19/07/2020	JOBKEEPER-FINISH-FN08
09	20/07/2020-02/08/2020	JOBKEEPER-FINISH-FN09
10	03/08/2020-16/08/2020	JOBKEEPER-FINISH-FN10
11	17/08/2020-30/08/2020	JOBKEEPER-FINISH-FN11
12	31/08/2020-13/09/2020	JOBKEEPER-FINISH-FN12
13	14/09/2020-27/09/2020	JOBKEEPER-FINISH-FN13

Monthly Confirmation of eligible employees

From 4 May 2020 you will need to confirm, via the ATO Business Portal, which employees you will be claiming the JobKeeper payment for. You will then need to re-confirm each month that your reported eligible employees have not changed, via ATO online services, the Business Portal or via your registered tax agent.

This confirmation process triggers the ATO reimbursement process.

<https://www.ato.gov.au/General/JobKeeper-Payment/Employers/Enrol-and-apply-for-the-JobKeeper-payment/#ApplyfortheJobKeeperpaymentearlyMay2020>

Frequently Asked Questions from the Treasury department can be found here. Please take the time to read through this

https://treasury.gov.au/sites/default/files/2020-04/JobKeeper_frequently_asked_questions_2.pdf

JobKeeper changes to the Fair Work Act

Fair Work have provided substantial content regarding the operation of the JobKeeper scheme. The following link contains information regarding:

- Direction to reduce hours or days of work – JobKeeper enabling stand down directions
- Paid and unpaid leave and the JobKeeper scheme
- Leave accruals during JobKeeper enabled stand down
- JobKeeper payment and payment of wages
- Direction to change usual duties or location of work
- Agreement to work different days and times
- Agreement to take annual leave
- Interaction with minimum entitlements and other terms and conditions of employment

<https://coronavirus.fairwork.gov.au/coronavirus-and-australian-workplace-laws/flexibility-in-workplace-laws-during-coronavirus/jobkeeper-changes-to-the-fair-work-act#direction-to-change-hours-and-days-of-work-temporary-and-partial-stand-downs-jobkeeper-stand-downs>