

Dear Valued Clients,

We have previously covered the basics regarding the JobKeeper payment, this bulletin provides further detail around the eligibility and process in which you can receive the payment.

Eligibility

Basic Test

The basic test compares the GST turnover of any single month from March to September 2020, or the quarters that start on 1 April 2020 or 1 July 2020, with the corresponding period in 2019.

For example, a business can make the comparison by comparing the whole of the month of March 2020 with March 2019, or by comparing the quarter beginning on 1 April 2020 with the quarter beginning on 1 April 2019.

A business will generally satisfy the test where the GST turnover in the turnover test period falls short of the comparison turnover and the shortfall is 30 per cent or more.

Alternative Test

The alternative test applies where there is not an appropriate relevant comparison period in 2019. According to the Treasury, this might be the case for a new business or a business that made a major business acquisition in 2020.

This alternative decline in turnover test will be determined by the Commissioner of Taxation.

Under both of these tests, once a business satisfies the decline in turnover test, it does not need to retest its turnover in later months.

Reporting

According to the rules, an entity that is entitled to a JobKeeper payment must notify the commissioner of their current GST turnover for the reporting month and their projected GST turnover for the following month, on a monthly basis.

The explanatory statement sets out that a reporting month is a month in which there is a fortnight for which the entity is entitled to a JobKeeper payment.

The Treasury, however, reminded that the information provided as part of this report does not affect an entity's eligibility, including in respect of the decline in turnover test.

The statement read: "It is also not intended to verify whether the projection given as part of the decline in turnover test was accurate. Rather, it is intended to ensure that there is good information on which to assess the economic impact of the coronavirus on a monthly basis across Australia."

Businesses can enrol for the JobKeeper from 20 April using the business portal.

Process

The ATO has advised businesses to notify the employees they intend to claim on their behalf, before asking them to fill out a JobKeeper employee nomination notice before the end of April. This form is available here: <https://www.ato.gov.au/Forms/JobKeeper-payment---employee-nomination-notice/>

Businesses can then claim the first two fortnightly payments by submitting a report through the business portal from 4 May.

Each month, employers will need to reconfirm that their reported eligible employees have not changed through the business portal or via their registered tax agent. In order to access the ATO business portal, employers will need a myGovID linked to their ABN in Relationship Authorisation Manager (RAM).

The ATO has now stressed that employers will need to pay eligible employees a minimum of \$1,500 (before tax) per fortnight to claim the JobKeeper payment. This will then be paid to the employer in arrears each month by the ATO.

The first payments to eligible employers will commence in the first week of May 2020.

Further details for Employers can be found here: <https://www.ato.gov.au/general/jobkeeper-payment/employers/>

What You Need to Do

From **20 April**, either you or us as your registered tax agent needs to:

Step 1	Register your interest and subscribe for JobKeeper payment updates at https://www.ato.gov.au/Job-keeper-payment/
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 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 with your 2020 tax work.
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.
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).

The information in this bulletin is general in nature and should not be considered to be advice. Clients should not act solely on the basis of material contained in this bulletin and we recommend formal advice be sought in relation to the issues contained in this document and their application to you and your individual circumstances.

Lombardi Partners Pty Ltd ABN 44 805 265 891

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From **4 May** onwards, to begin claiming the JobKeeper payment.

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 a registered tax agent who will submit a report on your behalf through Online services for agents.
Step 4	Submit the confirmation of your eligible employees online and wait for the confirmation screen.
Step 5	Notify your eligible employees you have nominated them.
Step 6	We 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 your registered tax agent. This will ensure you will continue to receive the JobKeeper payments from us. 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 us through your monthly JobKeeper Declaration report.

Other Considerations

- The Apprentice rebate announced in March stops when the JobKeeper starts.
- Leave accruals continue when in receipt of the JobKeeper (at the employees' normal weekly rate).

For any further information, please get in touch with your Lombardi Partners contact on 9328 5300.



[Contact Us...](#) to discuss how these changes may affect you.

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