



JobKeeper 2.0

everything you need to know

A new announcement has been made in relation to JobKeeper 2.0 and the ease for eligibility as well as the change in employment start date to 1 July 2020. Please see a summary of the changes below.

The eligibility for JobKeeper 2.0 has been updated to reduce the testing periods to only one quarter of turnover decline as follows:

Period	28 Sept 2020 to 3 Jan 2021	4 Jan 2021 to 28 March 2021
Eligibility test	At least 30% actual decline in GST turnover in only the September 2020 quarter as compared to the September 2019 quarter.	At least 30% actual decline in GST turnover in the December 2020 quarter as compared to the December 2019 quarter.
Payment rate Tier 1 (= >20hrs/wk)	\$1,200/fortnight	\$1,000/fortnight
Payment rate Tier 2 (< 20hrs/wk)	\$750/fortnight	\$650/fortnight

The ATO has also clarified eligibility for future JobKeeper extension periods is NOT dependent on prior inclusion in the program.

In addition to the change in testing periods for eligibility, the start date for eligible employees has also been extended so that if the Business Participant/Sole trader/Employee was employed at 1 July 2020 they will now be eligible to be included for JobKeeper from 3 August, this current JobKeeper fortnight.

Business Participant / Sole Trader / Employee Payment Tiers

The hours of work test was previously based the on four weeks of pay periods before 1 March 2020 (February 2020), however can now also be based on the four weeks of pay periods before 1 July 2020 (June 2020). For those who were employees at 1 March 2020 it will be the higher hours of the two periods. The ATO's discretion needs to be granted if the February or June 2020 hours were not a usual reference period.

- The wage condition remains in place which is the need to pay the employee at least the JobKeeper payment (before tax) within the JobKeeper fortnight to be able to claim the payment from the ATO.
- As each of the new JobKeeper periods start the GST turnover decline and eligibility will need to be assessed as soon as possible after the quarter end date to determine whether any JobKeeper topup payments will be required to meet the wage condition.
- You can apply to the Commissioner of Taxation for discretion, if needed, to extend the payment date if the decline and therefore eligibility wasn't able to be determined in time for the fortnightly payment.
- Employee eligibility remains the same as previous with the exception of employment being in place from the new start date of 1 July 2020, this may mean some Casual workers may now be included if they started prior to 1 July 2019.
- As part of the reporting, a nomination will be need to be made per employee about which Tier/payment rate they are claiming.
- A Business Participant/Sole Trader must have been actively engaged in the business on 1 March 2020. The 20 hour per week threshold is applicable to Business Participants as well, to determine what amount they will be paid

Requirements will remain the same in passing on the payment to employees. If this negatively affects employees, within this new regime, employees may be eligible to claim the JobSeeker payment while they are receiving the JobKeeper whereas in JobKeeper 1.0 they were ineligible.

Please feel free to get in touch if you have any more questions regarding Jobkeeper 2.0 & make sure you check out our live stream that's now available on our Facebook page.