

Client eBrief



THE INSTITUTE
OF CERTIFIED
BOOKKEEPERS



ATO Lodgement Dates

JobKeeper Scheme

We are here to help you

Our team is committed to helping you ease the stress and burden, in short let us make it easy for you.

Here is what we currently know and for all these steps we will be providing you with authorities to enrol you in the system and templates to meet all your eligibility and record keeping requirements and help you determine your business eligibility

Decline in Turnover

Each individual entity has to test if their individual entity turnover did decline. If so, they then apply either the 30% or 50% test (that was determined by the Group Aggregated Turnover)

Aggregated turnover of all entities that are connected or affiliated with you is used for the purpose of determining if the decline in turnover % of 30% if turnover of the group is below \$1b or 50% if over.

NFPs registered with ACNC are only 15%.

Comparing Turnover: Compare one of

- GST turnover for March 2020 with March 2019
- Projected GST turnover for April 2020 with April 2019
- Projected GST turnover for quarter starting April 2020 with same quarter in 2019
- Other (let's discuss with you these alternative tests)
<https://www.icb.org.au/COVID-19/JobKeeper/Decline>

Eligible Employees

You cannot claim for employees who

- Were first employed by you after 1 March 2020
- Left your employment before 1 March 2020
- Have been, or have agreed to be, nominated by another employer

These dates are from the ATO website and do not take into account possible extensions.

You remain responsible for ensuring that the necessary information is with us in time.

BAS/IAS Monthly Lodgements

Final dates for lodgements and payments:

March Activity Statement:

21 April 2020

April Activity Statement:

21 May 2020

BAS Quarterly Lodgements

Final dates for lodgements and payments:

3rd Quarter 2020 Financial Year:

March Quarter 2020 (incl. PAYGI)

28 April, 2020

4th Quarter 2020 Financial Year:

June Quarter 2020 (incl. PAYGI)

28 July, 2020

When a due date falls on a Saturday, Sunday or Public Holiday*, you can lodge or pay on the next business day.

*A day that is a public holiday for the whole of any state or territory in Australia.

Bushfires across Australia

Those affected by the recent bushfire emergency are eligible for extensions in activity lodgement deadlines.

Please check with us for details.

Due date for super guarantee contributions:

3rd Quarter 2020 Financial Year:

January to March 2020 – contributions must be **in the fund** by 28 April, 2020

4th Quarter 2020 Financial Year:

April to June 2020 – contributions must be **in the fund** by 28 July, 2020

The super guarantee charge is not a tax deduction if not paid by these dates.

Refer to the ATO for details regarding any SGC charges applicable if not paid by due date.

Remember: Employee can only receive JK payments or support through ONE employer. And the employee must agree to be nominated by you.

After you have worked out you and your employees are eligible

If you meet the eligibility criteria and want to start claiming the JobKeeper payment on behalf of your employees, you need to start paying them at least \$1,500 per fortnight (before tax) and continue to pay them for as long as you keep claiming.

When do I have to pay?

For the first two fortnights (30 March – 12 April, 13 April – 26 April), the ATO 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 8 May. 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.

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 the ATO to an employer in arrears and cannot be paid in advance in any circumstances.

Employees who were stood down or on long term leave

Employees who have been stood down from work under the *Fair Work Act* without pay may still be eligible employees as long as they were in your employment and met the eligibility criteria on 1 March 2020.

You will need to have paid them at least the minimum amount of \$1,500 for each fortnight you claim in order to receive the JobKeeper payment.

Employees who have been terminated

If you terminated an employee after 1 March 2020, you can re-engage them, and they will be eligible if they met the eligibility criteria on 1 March 2020.

If you want to claim the JobKeeper payment for employees you have re-engaged, you will need to:

- confirm they want to be re-hired and participate in the JobKeeper scheme with you
- re-engage the employees you want to claim for
- start paying them a minimum of \$1,500 (before tax) for each fortnight they are employed, and you claim for.

You will only be paid a JobKeeper payment for employees from the fortnight they were re-engaged. You cannot claim retrospectively for employees you re-engage.

You as an Employee or Business Participant for JobKeeper

If you are an employee of your business, then you will follow all the guidance as an employee and complete all paperwork necessary for eligibility and continue to pay yourself at least the \$1500 (before tax) per fortnight.

If you are a self-employed, sole trader, partner in a partnership or trustee in a trust then it is **not** necessary that you pay yourself \$1500 per fortnight.

We are able to assist you with all steps and processes involved in the JobKeeper scheme which includes the setup in your payroll system and the respective reporting to the ATO. We will also be in communication with you and your accountants to ensure a consistent and appropriate interactions and provision of service.



SG (Superannuation Guarantee) Amnesty - 6 Months Only

In 2017 the SG gap was \$2.3b or a deficit of 4% of the total expected. Government policy is that SG must be paid. Government are providing an incentive for employers to bring their SG obligations into line

As of 10 March 2020:

- *Royal Assent granted 10 March.* It is now law.
- Amnesty applies until 7 September 2020. 100% penalty thereafter. No discretion.
- We strongly recommend a full review of any late payments and that a form be lodged for any individual quarter that has a late payment
- It is first about lodging forms, it is then about paying.
- Late super payments will be deductible if paid before 7 September.
- Payment Plans can be for longer periods but any payments after 7 September are not deductible.
- There is a 6 month window in which to notify the ATO and pay outstanding SG.

*** The amnesty relates to SG that is outstanding for periods up to the March 2018 quarter.**

SG Amnesty during the COVID-19 - Unlikely the SG Amnesty period will be extended

This does not remove the benefits of having any applicable employers catch up their declarations of outstanding SG. If you lodge the SG Amnesty forms and enter a payment plan then No penalties and No admin fee (\$20 per employee per quarter). If you don't and get caught later then SG to be paid, at least 100% of the SG as a penalty and the admin fee.

Payment plans may be able to be entered with a delayed start date ie after the COVID-19 period. The impact of COVID-19 and the amnesty is that many businesses will not be able to pay the SG without a deferred payment plan and therefore will lose tax deductibility

In Short: Consider getting this done during the amnesty period until 7 September.

Disclaimer: All or any advice contained in this newsletter is of a general nature only and may not apply to your individual business circumstances. For specific advice relating to your specific situation, please contact your accountant or contact me for further discussion.

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