

JOBKEEPER PAYMENTS

ELIGIBILITY CONFIRMATION

Business Name: _____

ABN: _____

JOBKEEPER PAYMENT OVERVIEW

JobKeeper is a Federal Government subsidy paid to eligible businesses effected by COVID-19 to cover the costs of their employee's wages.

Affected employers will be able to claim a fortnightly subsidy payment of \$1,500 per eligible employee from 30 March 2020, for a maximum period of 6 months. This full amount of \$1,500 must then be paid to all eligible employees, whether they are full time, part time or long-term casuals.

Here is a brief summary of how the JobKeeper payments are made:

- They are paid by the ATO within 14 days of month end.
- The first payment will be starting in the first week of May 2020.
- The eligible payroll periods are every 14 days, commencing 30 March 2020.
- Monthly employer payroll reporting is required to trigger the payment by the ATO – using Single Touch Payroll (STP)

The employer will continue to receive the subsidy 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 business.

Business Participation Entitlement

Sole traders and some other entities (such as partnerships, trusts or companies) may be entitled to the JobKeeper Payment scheme under the business participation entitlement. A limit applies of one \$1,500 JobKeeper payment per fortnight for one eligible business participant. Sole traders, one partner in a partnership, one beneficiary of a trust, and one director or shareholder of a company may be regarded as an eligible business participant.

Value to you of JobKeeper

If you are eligible to receive the JobKeeper payment for all your eligible employees for the entire 6 month period which equates to a maximum of \$19,500 per employee. If you nominate an 'Eligible Business Participant', that is an additional maximum of \$19,500.

OBLIGATIONS + RISKS FOR YOU

If a wrong claim is made or if the ATO in the future decides that you were ineligible to receive the JobKeeper payment, the ATO will require you to repay them any JobKeeper payments that you have received plus penalties and interest.

The key risks to you as the employer include:

1. The employer certifies the facts provided to the ATO and the JobKeeper claim made.
2. The employer receives significant JobKeeper payments over a 6 month period. For example, an employer with 10 employees would receive \$195,000, and an employer with 20 employees would receive \$390,000.
3. If the employer makes a mistake and is found to be ineligible by the ATO (for example, its turnover is not down by 30%), then they may have to repay all amounts received back to the ATO.
4. An employee ceases to be eligible if they cease employment during the life of this JobKeeper scheme.

Also, the ATO requires you to keep all records in relation to your JobKeeper claim for a 5 year period.

OUR WORK PLAN TO ASSIST YOU

The ATO has specific actions that must take place within tight timeframes for an employer to receive the JobKeeper payment.

These are the actions that we can assist you with:

Employer Eligibility Assessment – NOW

- Review ATO requirements for the business
- Review ATO requirements for employees
- Review ATO requirements for Business Participation Entitlement – Sole Trader, Partnership, Company or Trust
- Document the fall in turnover % in case of future ATO audit

Identify Eligible Employees – NOW

- Prepare list of eligible employees
- Prepare JobKeeper employee nomination notice for all eligible employees and ensure all notices are signed

Make Correct Wage Payments to Eligible Employees – NOW

- Ensure your payroll software is correctly set up to record JobKeeper “top up” payments
- Pay the minimum \$1,500 before tax to each eligible employee each fortnight (starting with the fortnight 30 March to 12 April) to be able to claim the JobKeeper payment for that fortnight
- Continue to pay the minimum \$1,500 to employees in every subsequent fortnight until 27 September 2020

Enrolment for JobKeeper – FROM 20 APRIL 2020

- Enrol for JobKeeper using ATO online services from 20 April 2020
 - Provide employer bank account details for receipt of JobKeeper payment
 - Confirm if applicant is entitled to a “Business Participation Payment”
 - Specify the number of employees who will be eligible for one period and the number eligible for two periods
 - Get confirmation that all employees the employer plans to nominate are eligible and the employer has notified them and has their agreement

Apply for JobKeeper Payments – FROM 4 MAY 2020

- Apply to claim the JobKeeper payment using ATO online services between 4 May 2020 and 31 May 2020

- Ensure all eligible employees have been paid \$1,500 per fortnight
- Identify the eligible employees from a STP prefill or by manually entering into ATO online services
- Update your accounting system Chart of Accounts to ensure JobKeeper payments are coded correctly

Monthly JobKeeper Declaration Report – DUE BY 7TH OF EACH MONTH

- Using ATO online services, report to the ATO using their Monthly JobKeeper Declaration Report on the following:
 - Reconfirm that your reported eligible employees have not changed
 - Input current GST Turnover for the reporting month
 - Input projected GST Turnover for the following month
 - Notify if any eligible employees have changed or left your employment

OUR PRICE

We fully understand that times are tough at the moment, and like for your business, our team’s wages need to be paid as well as other operating costs.

There is a lot of work we need to do for you so that you can potentially receive the maximum JobKeeper benefit, and we want to be as transparent as possible with you about how we have calculated our price for our services and advice.

Upfront Work

<u>ACTION</u>	<u>OUR PRICE INC. GST</u>
Employer Eligibility Assessment – basic test	\$ 250
Employer Eligibility Assessment – alternative test	\$ 350
Employee Eligibility Assessment +Employee Nomination Notices	\$ 50 per employee
Enrol for JobKeeper with ATO	\$ 150
Apply for JobKeeper Payments	\$ 150

Ongoing Work

<u>ACTION</u>	<u>OUR PRICE INC. GST</u>
Monthly JobKeeper Declaration Report	\$ 50 per month

Our fees work out to be 0.5% to 2.5% of the total JobKeeper payments received (up to \$19,500 per eligible employee).

Please note that if any additional or complex issues arise from our processing any of the above lodgements and work, we will invoice you at a standard hourly rate of \$250 per hour for our additional work.

We request that you complete the below questions, sign and return this form to us. We will then send you an engagement letter to sign.

Please answer the questions below.

EMPLOYER ELIGIBILITY ASSESSMENT

QUESTION	YES	NO
On 1 March 2020 were you operating a business in Australia?		
Did you have at least one eligible employee on 1 March 2020?		
Do you estimate that your business has had a 30% or more fall in turnover when compared to the corresponding month / quarter last year?		
Have you paid (or will pay with a payroll catchup payment) all eligible employees at least \$1,500 per fortnight since 30 March 2020?		

ELIGIBILITY ASSESSMENT – SELF EMPLOYED / PARTNERSHIP / COMPANY / TRUST

Sole Traders and some other entities (such as partnerships, trusts or companies) may be entitled to the JobKeeper Payment scheme under the business participation entitlement.

QUESTION	YES	NO
On 1 March 2020 were you operating a business in Australia?		
Do you estimate that your business has had a 30% or more fall in turnover when compared to the corresponding month / quarter last year?		
As at 12 March 2020, did your business have an ABN?		
On or before 12 March 2020, had your business either lodged a 2019 Tax Return with business income or a BAS from 1 July 2018 showing it has made a sale?		

If you answered YES to all 4 questions above, then the further questions below apply to determine if you are an **Eligible Business Participant**:

QUESTION	YES	NO
As at 1 March 2020 and for the fortnight you are claiming, are you: <ul style="list-style-type: none"> • A Sole Trader • A Partnership in a Partnership • An adult Beneficiary of a Trust • A Shareholder or Director in a Company 		
Were you over age 16 as at 1 March 2020?		
Were you an Australian resident as at 1 March 2020?		
Were you receiving Government parental leave pay, Dad and partner pay or Workcover compensation?		

FALL IN TURNOVER (not required if you want us to calculate)

This test is satisfied where your projected GST turnover for the turnover test period falls short of your current GST turnover for the relevant comparison period by 30%.

Please provide the information below in the comments section to show how you have calculated your fall in turnover. The GST Turnover can be either on a Cash Basis or an Accrual Basis.

For qualification from the start of the scheme, the periods can be: March 2020 + March 2019, or April Forecast 2020 + April 2019, or April-June 2020 Forecast + April-June 2019.

2020 TURNOVER PERIOD	GST TURNOVER 2020	2019 TURNOVER PERIOD	GST TURNOVER 2019	DECLINE IN TURNOVER %
	\$		\$	%

If you don't have a fall of 30% now, we can apply for JobKeeper at a later date, but you will only receive payments from that later date onwards – there are no back-payments.

If you are a new business and have no prior year information, we can look at the Alternative tests to see if you qualify.

COMMENTS (Please attach your accounting system reports with change in GST Turnover details for our files in the event of an ATO audit.)

ELIGIBLE EMPLOYEES

Please complete the attached JobKeeper – Employee Eligibility spreadsheet and return it to us.

Employees who have been stood down from work 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 for if you are to receive the JobKeeper payment for them.

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. 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.

BANK ACCOUNT DETAILS FOR JOBKEEPER PAYMENTS

ACCOUNT NAME	
BANK	
BSB	
ACCOUNT NUMBER	

CLIENT CONFIRMATION

I confirm that:

1. All of the information in this form and otherwise provided to Financial Utilities Pty Ltd for the registration and application for JobKeeper payments is true and correct and can be confirmed by records that we have kept.
2. Financial Utilities is authorised to lodge this information to enrol my business for JobKeeper, to apply for JobKeeper payments, and to lodge Monthly JobKeeper Declaration Reports with the ATO using the Tax Agent's Portal on my behalf.
3. The ATO may issue large fines and penalties if any of the information provided to them is incorrect and may require the repayment back to the ATO of all JobKeeper amounts paid.

Signature

Signature

Name

Name

Date:

Date:

Please **contact us** if you have any questions:
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 0415378181