



JobKeeper Payment — Frequently Asked Questions

FACT SHEET ECONOMIC RESPONSE TO THE CORONAVIRUS

Posted on the Mischco website

We now attached a Question and Answer fact sheet which details the Governments response to a raft of questions that have arisen in relation to the \$1,500 JobKeeper payment to businesses.

The Government is giving the Commissioner of Taxation discretion to determine eligibility to the JobKeeper payment where businesses are unable to demonstrate impact through the turnover reduction test.

Under the change, where a business was not in operation a year earlier, or where their turnover a year earlier was not representative of their usual or average turnover, the commissioner will now be given discretion to consider additional information to determine eligibility.

The commissioner will also be given discretion to set out alternative tests to establish eligibility for specific circumstances, for example, where businesses have ceased operations or have significantly reduced their operations.

Turnover has also now been clarified and it will be defined according to the current calculation for GST purposes as reported on business activity statements.

It will include all taxable supplies, all GST-free supplies and only Australian-based sales, but it won't include input-taxed supplies.

The ATO will provide further guidance about self-assessment of actual and anticipated falls in turnover at a later date.

Partnerships, Trusts, Shareholders

The Federal Government has also now advised the following to Partnerships, Trust and Companies:

- 1) Only one (1) partner in a partnership can be nominated to receive the JobKeeper payment.
- 2) Where beneficiaries of a trust only receive trust distributions, rather than being paid a salary or wages for work done, only one (1) individual beneficiary can be nominated to receive the JobKeeper payment.
- 3) Eligible businesses will also only be allowed to nominate one (1) director to receive the payment and that individual may not receive the payment as an employee.
- 4) Further, an eligible business that pays shareholders that provide labour in the form of dividends will only be able to nominate one (1) shareholder to receive the JobKeeper payment.

These are new announcements which still need to be legislated for them to take effect.

Integrity Measures

The Government has now warned that legislation will include appropriate integrity rules to prevent employers from entering into artificial schemes in order to get inappropriate access to these JobKeeper payments.

There will be serious consequences, including large penalties and possible imprisonment, for those trying to illegally get benefits under the scheme.

Businesses that use Single Touch Payroll (STP) will need to report payments made to employees to support the online claims process.

Where businesses do not report through Single Touch Payroll (STP) there will be a manual claim process, but no further details have been provided on how this will work.

The above are only announcements at this stage and the draft legislation has yet to be released or passed by parliament.

We will continue to provide more information as and when it becomes available.

Please feel free to contact this office should you have any questions in relation to the new announcements.

The Mischel & Co Group Pty Ltd
Accountants and Advisors
Suite 102 First Floor 41 Cecil Street Southbank Vic 3006
Ph: 96849999 Fx: 96849988 Email: admin@mischco.com.au
Postal Address: P.O Box 1380 St Kilda South Vic 3182