

JobKeeper Extension #2 – Eligibility

Period: 04/01/2021 – 28/03/2021

The Australian Government has passed legislation for JobKeeper Extension, which is a wage subsidy program to help employers retain their staff. The wage subsidy will be paid to the employer after it has been paid to eligible employees. Extension #2 begins from **4 January 2021 and will conclude on 28 March 2021**.

The noticeable changes to JobKeeper are the introduction of comparing actuals for the September quarter rather than forecasting, as well as splitting the employees into two different payment tiers.

Eligibility of Employers

<https://www.ato.gov.au/General/JobKeeper-Payment/Employers/Eligible-employers/>

<https://www.ato.gov.au/General/JobKeeper-Payment/In-detail/Extension-of-the-JobKeeper-Payment/>

You are an eligible employer if all of the following apply:

- Carried on a business in Australia on 1 March 2020
- Employ at least one eligible employee (see the section below for more on this)
- Those eligible employees are currently employed by your business (including those stood down or re-hired)
- Your ACNC-registered charity faced a 15% fall in turnover

Decline in Turnover Test

- You will need to demonstrate that your **actual GST turnover has fallen in the December 2020 quarter** (October, November and December) relative to a comparable period – generally the December 2019 quarter.
- The ATO are using a GST Turnover Test, but for those ACNC-registered charities other than DGRs, gifts of money (which we interpret as offerings/tithes) are included in turnover

Employee Payment Tiers

The rate of an employees JobKeeper payment will depend on number of hours the eligible employee works in the business. This is split between two rates.

Tier 1	Tier 2
Payment of \$1,000 per fortnight (before tax)	Payment of \$650 per fortnight (before tax)
Eligible employees who were working for 20 hours or more a week on average in the four weeks of pay periods before either 1 March 2020 or 1 July 2020	This rate applies to all other eligible employees. E.g. an employee who worked less than 20 hours in the four weeks of pay periods before either 1 March 2020 or 1 July 2020

Eligibility of Employees

<https://www.ato.gov.au/General/JobKeeper-Payment/Employers/Your-eligible-employees/>

Employees to receive JobKeeper payments must be:

- Full-time or part-time employees (including stood down/rehired) as at **1 July 2020**
- Casual employees that have been employed on a regular basis for at least 12 months as at 1 March 2020
- Greater than 16 years of age on 1 March 2020
- Either:
 - o Residing in Australia and are Australian citizens, or permanent visa holders, or
 - o Resident for Australian Tax purposes

Employees must not be:

- Receiving JobKeeper payments from another employer
- Receiving paid parental leave or paid dad and partner pay
- Receiving payment in accordance with Australian workers compensation law for total incapacity to work
- A long-term casual employee who is an employee of another entity (other than as a casual employee)

If your employees satisfy these requirements, then you must give them the nomination notice:

<https://www.ato.gov.au/Forms/JobKeeper-payment---employee-nomination-notice/>

Don't forget:

- You will need to enroll for JobKeeper through the ATO Business Portal
- You will need to manage JobKeeper in your accounting software
- You will need to log in to the Business Portal every month to report your turnover
- You will need to keep your Employee Nomination Notices for 5+ years