

## For Digital Service Providers

## JobKeeper Payment

The Government has announced a \$130 billion JobKeeper Payment to help keep more Australians in jobs and support businesses affected by the significant economic impact caused by the coronavirus.

The payment ensures eligible employers remain connected to their workforce and will help businesses restart quickly when the crisis is over.

### Employer guidance

Employers may seek guidance about employer and employee eligibility from the JobKeeper Payment for business website [ato.gov.au/jobkeeper](http://ato.gov.au/jobkeeper)

### DSP guidance

The payment will be administered by the ATO, supported by Single Touch Payroll data. DSPs are requested to assist the ATO with streamlining this process to support impacted businesses.

## Overview

### Subsidy duration and periods

The JobKeeper payment period commenced from Monday 30 March 2020 and will apply for 13 full fortnights until Sunday 27 September 2020. The ATO will reimburse participating employers monthly in arrears \$1,500 for each full fortnight per eligible employee paid by the employer.

### Payroll cycles

Regardless of the frequency of regular pay cycles or out of cycle pay periods, or the pay period start and end dates, the \$1,500 per fortnight applies to the **paydays** (payment date) within the defined fortnights and from which fixed fortnight the payment applies. Special rules apply for payments within the month of April and for employees receiving monthly pay. *Refer to the examples on Page 2.*

### Claim cycle

Employers will be required to notify the ATO of all eligible employees for which they wish to claim the JobKeeper payment **after** the last day of the last full fortnight in the calendar month. Employers will also be required to complete a monthly declaration online. *Refer to Calendar and legend (right).*

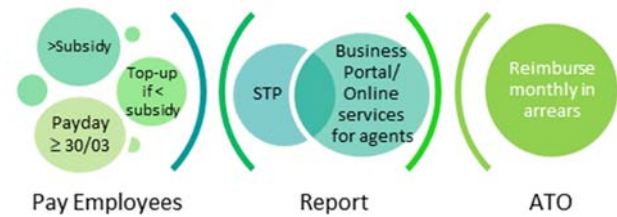
	M	T	W	T	F	S	S
April	Fortnight 01 (30 March – 12 April)						
	30	31	1	2	3	4	5
	6	7	8	9	10	11	12
	Fortnight 02 (13 April – 26 April)						
	13	14	15	16	17	18	19
	20	21	22	23	24	25	26
	Fortnight 03 (27 April – 10 May)						
	27	28	29	30	1	2	3
	4	5	6	7	8	9	10
May	Fortnight 04 (11 May – 24 May)						
	11	12	13	14	15	16	17
	18	19	20	21	22	23	24
	Fortnight 05 (25 May to 7 June)						
	25	26	27	28	29	30	31
June	1	2	3	4	5	6	7
	Fortnight 06 (8 June to 21 June)						
	8	9	10	11	12	13	14
	15	16	17	18	19	20	21
	Fortnight 07 (22 June to 5 July)						
	22	23	24	25	26	27	28
	29	30	1	2	3	4	5
July	Fortnight 08 (6 July to 19 July)						
	6	7	8	9	10	11	12
	13	14	15	16	17	18	19
	Fortnight 09 (20 July to 2 August)						
	20	21	22	23	24	25	26
August	27	28	29	30	31	1	2
	Fortnight 10 (3 August to 16 August)						
	3	4	5	6	7	8	9
	10	11	12	13	14	15	16
	Fortnight 11 (17 August to 30 August)						
	17	18	19	20	21	22	23
24	25	26	27	28	29	30	
Fortnight 12 (31 August to 13 September)							
Sept	31	1	2	3	4	5	6
	7	8	9	10	11	12	13
	Fortnight 13 (14 September to 27 September)						
	14	15	16	17	18	19	20
	21	22	23	24	25	26	27
	End of Subsidy						
	28	29	30	1	2	3	4

#### Legend:

-  Last day of 2 full fortnights in the month
-  Last day of 3 full fortnights in the month



## Process Overview



- Employers will have 3 options to notify the ATO of eligible employees:
  - Online – Limited to employers with less than 200 employees
  - STP – Preferred method for employers using STP
  - File upload – Restricted to employers who are unable to use either of the above.
- Eligible employers must pay their eligible employees at least \$1,500 per fortnight for paydays on or after 30 March
- For the transition into the JobKeeper payment, the employer can retrospectively apply this payment for paydays on or after 30 March by the end of April.
- For payroll cycles, pay the \$1,500 for each fixed JobKeeper fortnightly period where:
  - **Weekly pays** - \$1,500 across the paydays within each JobKeeper fortnight period, including any out of cycle payments. Example: if weekly payday is on Wednesdays, then there are 2 paydays (1/4 and 8/4) within Fortnight 01, so total pay per eligible employee must be at least \$1,500 for those 2 pays. It may be evenly split (\$750/pay) or the second pay must make up at least the total \$1,500 (\$400 then \$1,100)
  - **Fortnightly pays** - \$1,500 for the paydays within each JobKeeper fortnight period, including any out of cycle payments
  - **Monthly pays** – at least \$1500 for each full JobKeeper fortnight within the month. This will be \$3000 for each month except August. The employer may choose to pay \$3,250 each month, but reimbursements are based only upon complete fortnights per month
  - **Other frequencies** – ensuring that the paydays that fall with the fortnight include a payment of at least \$1,500 per fortnight.
- Report employees with payments subject to withholding in each STP Pay Event on or before payday. The ATO will use this data to assist with reimbursement of JobKeeper subsidy
- From Monday 4 May, eligible employers may apply for the JobKeeper payment on the ATO Business Portal or Online services for agents
- Employers must confirm eligible employees have been paid each month to trigger the ATO reimbursement process and provide some other supporting information.

## STP pay event requirements

Employers may use the STP pay event to notify the ATO of eligible employees.

Payments made to eligible employees must be included in the STP Pay Event. Those who are paid \$1,500 or more per fortnight should report as per the current reporting requirements.

Those eligible employees who are paid **less than** \$1,500 per fortnight must be paid a “top-up” amount to bring their taxable gross to \$1,500 per fortnight for paydays within the JobKeeper fortnightly periods. These “top-up” amounts must be reported as an Allowance Item as:

- **Other Allowances Type Code**
- Description of the payment **MUST** appear in the Other Allowance Type Description as exactly: **JOBKEEPER-TOPUP** (deviations from this exact description may significantly delay or prevent reimbursement)
- Amount reported must be the cumulative (YTD) top-up amount for the JobKeeper Payment

For all employees, to inform the number of fixed fortnightly periods from which the payment started, the following **Other Allowances** must also be reported:

- To indicate the first JobKeeper fortnightly period for which the subsidy is payable, report the Other Allowance Type Description as exactly: **JOBKEEPER-START-FNxx** where “xx” refers to the fortnightly periods from which the payment first started. For example, **JOBKEEPER-START-FN01** to indicate the payment applies from the 1st (30/03 to 12/04) of the 13 JobKeeper fortnights. Deviations from this exact description, including failure to use 2-char to indicate the period number, may significantly delay or prevent reimbursement. The allowance amount should be reported as zero.
- To indicate any exit of eligibility or termination of the employee, report the Other Allowance Type Description as exactly: **JOBKEEPER-FINISH-FNxx** where “xx” refers to the final fortnightly period to which the payment applies. For example, if an employee ceases working on 04/06, then **JOBKEEPER-FINISH-FN05** indicates the 5th of 13 JobKeeper fortnights was the final payment for which the subsidy may be reimbursed to the employer. The allowance amount should be reported as zero.

For example, if the employer is back paying an eligible employee in an out of cycle payment on the last Friday in April to qualify for the subsidy, where the employee was paid only \$1,000 per fortnight, then the Pay Event for fortnight 21 of 26 (within the financial year) will show:

- Gross – 21,000 (assuming \$1,000 for each FN)
- Other – **JOBKEEPER-TOPUP** – 1,000 (\$500 per FN)
- Other – **JOBKEEPER-START-FN01** – 0



## JobKeeper Start Fortnight

Each employer's payroll arrangements may be different, and employees may enter, or exit pay periods at different times. Some workers may be on workers' compensation absences and only return to work sometime after the start of the JobKeeper payment.

There is no way for the ATO to know these employee-specific arrangements, so the JobKeeper Start Fortnight is required to inform the ATO from which fortnight the subsidy is to be reimbursed. The JobKeeper Start Fortnight may be reported once or continue to be reported in subsequent Pay Events but must not be forward-dated.

For Example:

- A monthly paid (payday 20<sup>th</sup>) employee becomes eligible for the JobKeeper payment on 23/04
- The employee is paid \$1,200 for the month (reported as INB Gross)
- By reporting Other allowance with description: **JOBKEEPER-TOPUP** for \$300, this informs the ATO that the Gross of \$1,200 plus the top-up of \$300 is only \$1,500 for the month.
- This may appear as if the employer has not passed on the full \$3,000 of the JobKeeper payment for this eligible employee, however, the employer also reports:
- Other Allowance with description: **JOBKEEPER-START-FN02** for 0.00 (another minimal figure is permitted if software doesn't allow a 0.00 however reversals are discouraged).
- This alerts the ATO that the eligibility applies from the 2<sup>nd</sup> fortnight and only \$1,500 is reimbursed and the employer has passed on the full top-up to the employee

The **JOBKEEPER-START-FNxx** codes are:

FN	Dates	Allowance Description
01	30/03/2020-12/04/2020	JOBKEEPER-START-FN01
02	13/04/2020-26/04/2020	JOBKEEPER-START-FN02
03	27/04/2020-10/05/2020	JOBKEEPER-START-FN03
04	11/05/2020-24/05/2020	JOBKEEPER-START-FN04
05	25/05/2020-07/06/2020	JOBKEEPER-START-FN05
06	08/06/2020-21/06/2020	JOBKEEPER-START-FN06
07	22/06/2020-05/07/2020	JOBKEEPER-START-FN07
08	06/07/2020-19/07/2020	JOBKEEPER-START-FN08
09	20/07/2020-02/08/2020	JOBKEEPER-START-FN09
10	03/08/2020-16/08/2020	JOBKEEPER-START-FN10
11	17/08/2020-30/08/2020	JOBKEEPER-START-FN11
12	31/08/2020-13/09/2020	JOBKEEPER-START-FN12
13	14/09/2020-27/09/2020	JOBKEEPER-START-FN13

## JobKeeper Finish Fortnight

As for the JobKeeper Start Fortnight, the ATO must be informed when the employee is no longer eligible for the JobKeeper payment. The ineligibility may be due to:

- Workers' compensation absence
- Cessation of employment
- Change of citizenship, visa, personal circumstances

The ATO must be informed of the fortnight from which the JobKeeper payment no longer applies. The JobKeeper Finish Fortnight may be reported once or continue to be report in subsequent Pay Events but must not be forward-dated.

For Example:

- A weekly paid (Thursday) employee becomes ineligible for the JobKeeper payment on 13/07
- The employee is paid \$560 for the month of July (reported as INB Gross)
- The employer has also reported Other allowances with descriptions:
  - **JOBKEEPER-START-FN01** for 0.00
  - **JOBKEEPER-FINISH-FN08** for 0.00
- By reporting Other allowance with description: **JOBKEEPER-TOPUP** for \$940 (new financial year YTD amount), this informs the ATO that the Gross of \$560 plus the top-up of \$940 is only \$1,500 for the month
- This may have appeared as if the employer had not passed on the full \$3,000 of the JobKeeper subsidy for this eligible employee, if not for reporting the full fortnight when the employee is ineligible for the JobKeeper payment
- This alerts the ATO that the eligibility applied from the 1st fortnight of JobKeeper and ceased in the 8<sup>th</sup> fortnight, for the month of July, and only \$1,500 is reimbursed and the employer has passed on the full top-up to the employee

The **JOBKEEPER-FINISH-FNxx** codes are:

FN	Dates	Allowance Description
01	30/03/2020-12/04/2020	JOBKEEPER-FINISH-FN01
02	13/04/2020-26/04/2020	JOBKEEPER-FINISH-FN02
03	27/04/2020-10/05/2020	JOBKEEPER-FINISH-FN03
04	11/05/2020-24/05/2020	JOBKEEPER-FINISH-FN04
05	25/05/2020-07/06/2020	JOBKEEPER-FINISH-FN05
06	08/06/2020-21/06/2020	JOBKEEPER-FINISH-FN06
07	22/06/2020-05/07/2020	JOBKEEPER-FINISH-FN07
08	06/07/2020-19/07/2020	JOBKEEPER-FINISH-FN08
09	20/07/2020-02/08/2020	JOBKEEPER-FINISH-FN09
10	03/08/2020-16/08/2020	JOBKEEPER-FINISH-FN10
11	17/08/2020-30/08/2020	JOBKEEPER-FINISH-FN11
12	31/08/2020-13/09/2020	JOBKEEPER-FINISH-FN12
13	14/09/2020-27/09/2020	JOBKEEPER-FINISH-FN13

