

# BusinessPlus+ Newsletter

## Issue – September 2020

### JobKeeper Extension – New rules now released

#### Overview

The JobKeeper Payment, which was originally due to end on 27 September 2020, will now continue to be available to eligible businesses (including the self-employed) and not-for-profits until 28 March 2021.

The payment rate of \$1,500 per fortnight for eligible employees and business participants will be reduced and lower payment rates will apply for employees and business participants that worked fewer than 80 hours during the reference period.

Two periods of extension of have been introduced:

- 28 September 2020 to 3 January 2021 (Period One), and
- 4 January 2021 to 28 March 2021 (Period Two).

The JobKeeper scheme **will remain open to new participants, provided they meet the eligibility requirements** for the relevant period.

#### Key Points

- Must use the accounting basis used for GST reporting purposes
- No modification to actual GST turnover allowed for income from sale of capital assets, bad debts or discounts
- Tests for the extension period applied on a quarterly basis
- For the higher rate, eligible business participants to use the month of February as reference period while eligible employees determined on either the period ended 1 March 2020 or 1 July 2020 (whichever is higher)
- Lodge outstanding business activity statements to prevent delays.

#### Decline in Turnover Test

To continue to be eligible for the JobKeeper Payment after 27 September 2020, businesses and not-for-profits will be required to reassess their eligibility and meet a further decline in turnover test for each of the two periods of extension, as well as meeting the other existing eligibility requirements for the JobKeeper Payment.

Businesses and not-for-profits will need to use actual GST turnover to calculate their decline in turnover. For many businesses, this will match the GST-exclusive 'total sales' amount reported at G1.

#### ATO guidance on the application of the actual decline in turnover test turnover test states:

- it must be done for specific quarters only
- you must use actual sales made in the relevant quarter, not projected sales, when working out your GST turnover
- you must allocate sales to the relevant quarter in the same way you would report those sales to a particular business activity statement if you were registered for GST.

A more comprehensive bulletin on the JobKeeper extension rules can be access [HERE](#).

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