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Monthly Information Newsletter – Tax & Super

JobKeeper extension's alternative turnover tests

The extension of the JobKeeper scheme is now based on current GST turnover, not projected turnover. The basic test compares year-on-year turnover. If there were events or circumstances outside the usual business settings that resulted in your relevant comparison period in 2019 (September or December 2019 quarter) not being appropriate, then an alternative test may apply.

However, if an entity satisfies the basic test, it does not need to satisfy an alternative test. Also, you only need to satisfy one of the alternative tests listed below even if more than one could apply.

The alternative turnover tests can be used to determine whether an entity has satisfied the actual decline in turnover test for the September 2020 quarter or the December 2020 quarter.

The ATO has provided alternative turnover tests for those businesses that don't fit the usual parameters, which can then be applied to qualify for JobKeeper payments. The following are scenarios that may fit a number of situations. Ask us if these may help your business qualify.

- Business that started after the comparison period started but before 1 March 2020
- Business acquisition or disposal that changes the entity's turnover
- Business restructure that changed the entity's turnover
- Business that has had a substantial increase in turnover
- Business affected by drought or natural disaster
- Business that has an irregular turnover
- Sole trader or small partnership with sickness, injury or leave
- Business that temporarily ceased trading during the relevant comparison period

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