



JobKeeper payments extended to 28 March, 2021 but rates reduced and eligibility tightened

The Government is extending the JobKeeper Payment by a further six months to March 2021, but it will be targeted, tiered and temporary. Existing JobKeeper arrangements are unaffected and will continue until 28 September, 2020.

First Phase

This phase will run from 28 September, 2020 until January 3, 2021 and will involve two payments:-

- A flat rate of \$1200 a fortnight for eligible workers who work more than 20 hours a week
- A flat rate of \$750 per fortnight for eligible workers who work less than 20 hours per week

From 28 September 2020, to qualify for the JobKeeper Payment businesses must demonstrate that they have suffered an ongoing decline in turnover using actual GST (rather than projected GST turnover) in both the June and September 2020 quarters,

Second Phase

From January 4 to March 28 2021, these two payments will scale down further to:

- A flat rate of \$1000 per fortnight for eligible workers who work more than 20 hours a week
- A flat rate of \$650 per fortnight for eligible workers who work less than 20 hours per week

From 4 January, to qualify for the JobKeeper Payment businesses will need to further reassess their turnover and demonstrate that they have satisfied the decline in turnover test with reference to their actual GST turnover in each of the June, September and December quarters 2020 to remain eligible for the JobKeeper Payment from 4 January 2021 to 28 March 2021.

New Recipients

While, employers eligible under the current JobKeeper program may not necessarily be eligible under the extended program due to the tighter turnover requirements, the JobKeeper payment will remain open to new recipients, provided they meet the existing eligibility requirements and the additional turnover tests during the extension period.

The Commissioner of Taxation will have the discretion to set out alternative tests that would establish eligibility in specific circumstances where it is not appropriate to compare actual turnover in a quarter in 2020 with actual turnover in a quarter in 2019, in line with the Commissioner's existing discretion

JobSeeker Rate

While JobSeeker payments were due to drop back to pre-COVID levels from 28 September, they will now be extended until 31 December 2020, but will be reduced by \$300, from \$1,100 to \$800 per fortnight. However, means testing (asset testing & Liquid asset waiting period) will be reinstated

For further information, please contact your Kaias Phillips Team member on (03) 9489 5888.

Disclaimer:

The KP News Flash is distributed by Kaias Phillips to provide information of general interest to their clients. The content of this newsletter does not constitute specific advice and accordingly should not be relied on without obtaining further advice.