



**uniting  
church**  
in Australia,  
Synod of NSW & ACT

# COVID-19

## INFORMATION UPDATE

17 April 2020

## Job Keeper Update

Please find below important information. We appreciate that there is a lot of content so in order to help;

- Synod will host a JobKeeper Q&A Zoom Webinar on Tuesday 21st April from 2pm-3pm.
- A link to the Webinar will be forwarded via the outlook system to Presbytery Treasurers and Chairs for further distribution.
- Please forward any JobKeeper questions or queries in advance to:

[Covid19@nswact.uca.org.au](mailto:Covid19@nswact.uca.org.au) with a subject title JobKeeper

In addition:

For questions related to

- ▶ **Projected Turnover**, please contact:  
Synod Finance (Ling Luan)  
[Lingl@nswact.uca.org.au](mailto:Lingl@nswact.uca.org.au) or 0433 979 766
- ▶ **Staff eligibility or entitlements**, please contact:  
Synod Payroll Bureau Service (Marian Curtin)  
[payroll@nswact.uca.org.au](mailto:payroll@nswact.uca.org.au) or 0418 119 256

## PRESBYTERIES

CANBERRA REGION

FAR NORTH COAST

GEORGES RIVER

ILLAWARRA

KOREAN

MACQUARIE DARLING

MID NORTH COAST

NEW ENGLAND NORTH WEST

PARRAMATTA NEPEAN

RIVERINA

SYDNEY CENTRAL COAST

SYDNEY

THE HUNTER

UAICC

## Critical Actions for Entities

#.	Step	Action	Deadline	Owner(s)
1.	<b>Check Employer Eligibility</b>	Complete COVID-19 Hub turnover calculator <sup>1</sup> Register EOI with ATO: <a href="#">ATO Link: Register Expression of Interest</a>	19 <sup>th</sup> April	Treasurer
2.	<b>Check Employee Eligibility</b>	Review ATO Eligibility Requirements: <a href="#">ATO Link: Employee Eligibility</a>	25 <sup>th</sup> April	Treasurer
3.	<b>Notify Employees</b>	Notify employees that you intend to participate and get employee agreement: <a href="#">ATO Link: Employee Nomination Notice</a>	30 <sup>th</sup> April <sup>2</sup>	Treasurer & Employee
4.	<b>Register with the ATO (Employer)</b>	On-line registration via the ATO website will open from 20 April: <ul style="list-style-type: none"> <li>Bank details</li> <li>Estimated # Employees</li> <li>Turnover declaration</li> </ul>	26 <sup>th</sup> April	Treasurer
5.	<b>Submit Eligible Employee Listing to Payroll</b>	Prepare and submit confirmed eligible employee listing to Payroll (Synod PBS or local Payroll Representative)	26 <sup>th</sup> April	Treasurer
6.	<b>Pay Employees</b>	<ul style="list-style-type: none"> <li>Pay employees at least \$1,500 per fortnight</li> <li>Record data in payroll for ALL eligible employees, using new STP codes (JOBKEEPER-START-FN01) (JOBKEEPER-TOPUP)</li> </ul>	30 <sup>th</sup> April <sup>3</sup>	Synod PBS or Local Payroll
7.	<b>Submit Monthly Declaration</b>	Complete monthly declaration via your pre-populated Business Portal Employee Listing (data from STP), or manual form for small employers. <sup>4</sup>	From 4 <sup>th</sup> May	Treasurer
8.	<b>Receipt of Reimbursement</b>	Wholly reliant upon: <ul style="list-style-type: none"> <li>Completion of the monthly declaration</li> <li>Accurate use of the STP codes</li> </ul>	By 14 <sup>th</sup> May	ATO

<sup>1</sup> Do not register or commence JobKeeper payments unless you can demonstrate at least a 15% reduction in projected turnover.

<sup>2</sup> All completed Nominations Forms **must** be received by employers from those employees seeking the first JobKeeper payment: non-negotiable with the ATO.

<sup>3</sup> Payments for April (2 \* FNs) must be made no later than 30 April 2020, and with related STP files submitted.

<sup>4</sup> Employers must confirm eligible employees for each month, in arrears, to trigger the ATO reimbursement process.

## Job Keeper - How the scheme is designed to work

Where churches (as endorsed ACNC charities) have suffered or will suffer a decline of at least 15% in its projected turnover (compared to its turnover a year earlier), it will be entitled to a fortnightly wage subsidy of \$1,500 (before tax) for each “eligible employee” per fortnight. The subsidies will be payable for the 13 fortnights starting from 30 March 2020 and ending 27 September 2020.

The subsidy measure is designed to be a reimbursement scheme in arrears. The ATO Commissioner will reimburse the wages that have been paid by the employer within 14 days after the end of each calendar month for the fortnights in that calendar month.

However, the reimbursement will only be made where the employer has paid the eligible employee the full \$1,500 or more. Where an employee would ordinarily be paid less than \$1,500 per fortnight, the employer must fund and pay the employee the full \$1,500 in order to be eligible for the JobKeeper payment for that employee.

Under the scheme, employers must continually report on its continued entitlement on a monthly basis – being the sustained decline in turnover, the number of eligible employees and the wages it has paid in the fortnights within the month for the JobKeeper payments to be paid.

Superannuation is not compulsory for the amounts the JobKeeper payment is used to “top up” the employee’s wage to meet the minimum \$1,500 per fortnight.

### Note:

- ▶ **At this point, we are receiving mixed messages on the definition of “eligible employee” and that it may not extend to Ministers of the Word. We are seeking further clarification and lobbying the ATO on this ruling.**
- ▶ **It is the responsibility of each entity to complete required actions within the ATO timeframes.**

### *How to work out your projected turnover*

Your projected turnover for these purposes includes:

- ▶ The total sales you would anticipate reporting in your Business Activity Statement for the relevant future period (see below);

#### **Plus**

- ▶ The value of any donations or gifts you anticipate receiving in that period;

#### **Less**

- ▶ Any interest, dividend income or residential rent you anticipate receiving in that period and any income derived from overseas activities.

Gifts in this context include gifts of money, property of value of over \$5,000 and Australian listed shares.

To determine whether there has been the relevant decline, you can either:

- ▶ Compare your projected turnover for a calendar month from April 2020 to the turnover of the corresponding month in 2019; **or**
- ▶ Compare projected turnover for the quarter starting 1 April or 1 July 2020 to the corresponding turnover of the corresponding quarter in 2019.

Given these calculations are based on projections, obviously the ATO does not expect them to be totally accurate. However, as the projected decline will need to be reported to the ATO, the calculations should reflect a reasonably arguable position that is supportable based on documented evidence. This will need to be kept on file for 5 years.

It should also be noted that, in the event your projected decline does not eventuate as anticipated and is not 15% or greater, you may be required to repay the JobKeeper payments with a general interest charge.

### **Determining your “eligible employees”**

To be eligible, your employee(s) must:

- ▶ Be currently employed but also were employed as at 1 March 2000 (including those stood down or rehired); and
- ▶ Be 16 years or over; and either
- ▶ Be an Australian citizen/resident; or
- ▶ Be an Australian resident and hold a visa Subclass 444 (which is a temporary visa allowing NZ citizens to visit, study, stay and work in Australia).

This includes casuals provided they have been employed for at least 12 months on a regular and systematic basis.

Employees that are excluded from being eligible are:

- ▶ Those receiving parental leave pay;
- ▶ Those incapacitated and receiving workers compensations payments under a law;
- ▶ Those employees that intend to receive Jobkeeper payments from another employer.

### **Notification from eligible employees**

As an employer, there is also a requirement that eligible employees have provided you with a notification providing, amongst other things, their agreement to participate and their confirmation that they meet all the eligibility criterion. This is required to be in the approved form, which has been made available by the ATO.

The nomination form does not need to be provided to the ATO however employers are required to keep a copy of the completed form as part of their record keeping obligations under the law.

## **Registering for the JobKeeper Scheme**

Registration for the first payment under the JobKeeper scheme must be lodged in the approved form with the ATO by 26 April. This will open on the ATO website from the 20<sup>th</sup> April. You will need to indicate the details of your eligible employees, though the ATO has indicated that they will also be relying on any Single Touch Payroll information lodged with them regarding your employees.

You are encouraged to “register your intent to register” (if not already) on the website in order to receive ATO updates as to when the registration capability will be operational.

## **Ensure all wages to eligible employees have been paid in full and are up to date by 30 April**

In order for the reimbursement to be paid in the first round (due to be paid in the first 2 weeks of May), all wages and any “top ups” (i.e. increment between normal wages and \$1,500) will need to be paid in full and up to date to all eligible employees.

The first period starts on Monday 30 March 2020 and ends on Sunday 12 April 2020. The payment requirement eligible employees are paid a minimum of \$1,500 per fortnight in the scheme payment periods. Where an employer pays their staff monthly, the ATO will be able to reallocate payments between periods. However, overall an employee must have received the equivalent of \$1,500 per fortnight.

### **Note:**

- ▶ **Please contact the Synod Payroll Bureau Service to arrange “top-up” payments where an employee is currently being paid < \$1,500 per fortnight, and the JobKeeper Payment eligibility has been confirmed.**
- ▶ In these cases employee hours will not increase and any “top up” to the \$1,500, will be paid as an ‘allowance’.
- ▶ Such top up payments do not need to be superable, nor will additional leave be accrued.

## **See below for a summary of additional Government financial support measures over and above JobKeeper Payments:**

## Additional Financial Support Measures

Available measure	Summary of support	Action required
<b>Boosting cash flow for employers</b>	Refund of PAYG withholding reported and paid in March and June quarterly BAS returns Minimum \$20,000 to a Maximum of \$100,000	Lodge March and June BAS with ATO (monthly or quarterly)  The PAYG credit will be automatically credited through lodgement and payment process on or after 28 April.

The ATO will refund/credit the PAYG withholding reported and paid in the next two (2) quarterly instalments - March and June quarterly BAS returns (lodged 28 April and 28 July) for employers with a turnover of less than \$50 million per annum.

Minimum payment will be \$20,000 (2 instalments X \$10,000) up to a maximum of \$100,000 (2 instalments X \$50,000).

If there is no PAYG withholding in the second BAS, the credit will be based on the first instalment.

**Please note that:**

- ▶ Superannuation obligations must still be met.
- ▶ **Ordained Ministers are included for the Cash Flow Boost program as this support is based on PAYGW.**

Available measure	Summary of support	Action required
<b>Change of BAS lodgment cycle – quarterly to monthly</b>	From 1 April, can elect to lodge BAS returns on a monthly basis to more quickly access GST refunds	Have your authorised representative contact the ATO on 13 28 66 to request. Alternatively, through business portal or myGovID.

There is an option to change the BAS reporting cycle to monthly to access GST refunds, more quickly. The change in reporting cycle will be effective from 1 April and be in operation for 12 months. Note that PAYG withholding reporting cycles do not need to change.

Available measure	Summary of support	Action required
<b>GST/FBT Payment Deferrals</b>	Payment for current GST and FBT liabilities can be deferred for up to 6 months	Have your authorised representative contact the ATO on 1800 806 218 to organise a payment plan.

GST and FBT payable with respect to current liabilities (that is, that have arisen from January 2020) can be deferred for up to 6 months. The ATO provides and administers this on a case-by-case basis, so you will need to contact the ATO directly to apply and negotiate a specific payment plan.

**ATO contact number: 1800 806 218**

Available measure	Summary of support	Action required
<b>Small Business Grant - NSW</b>	Grants of up to \$10,000 for funding unavoidable business costs i.e. utilities, overheads, legal costs and financial advice	Application form will be available on the Service NSW website from 17 April: <a href="https://www.service.nsw.gov.au">https://www.service.nsw.gov.au</a>

Grants of up to \$10,000 will be provided to businesses that have been “highly impacted” by the NSW government’s Public Health (COVID-19 Restrictions on Gathering and Movement) Order. Under the Order, churches and other places of worship became “restricted premises” and restrictions on the nature of activities (weddings, funerals, live streaming of services) as well as the number of people who could physically attend these activities were imposed. Therefore, it appears that “highly impacted” churches may be entitled to apply for the grant provided the other eligibility requirements are met. These include:

- ▶ Number of employees are between 1 and 19
- ▶ Turnover is greater than \$75,000
- ▶ Payroll less than \$900,000 per annum
- ▶ Be based in NSW and employing staff at 1 March 2020

The application form for the grant program is to become available on 17 April on the NSW Government Service NSW website.

The documentation required to support whether your organisation is “highly impacted” will be detailed once the application form becomes available.