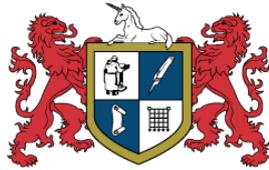


Client eBrief



THE INSTITUTE
OF CERTIFIED
BOOKKEEPERS



Embrace Go Local First

Australia has over 3.5 million small businesses. Small businesses contribute to a third of our economic activity, keep millions of Australians in jobs and are responsible for paying wages to almost half our workforce. They are vital to our everyday lives – especially now we are trying to find the way to economic recovery.



Go Local First is a nationwide campaign being delivered by the Council of Small Business Organisations Australia (COSBOA). **Go Local First** aims to encourage Australians to choose local small businesses when they are purchasing products and services to help get the sector back on its feet, keep Australians in jobs, and money in local communities.

Aussie small businesses have taken a huge hit during the pandemic. **Go Local First** is about encouraging all Australians to back local businesses by choosing to spend with small businesses, both in store and online. When small business thrives, communities thrive, and Australia thrives.

The **Go Local First** campaign uses social media and online presence to advertise and drive business to local premises. This Government supported branding concept, complete with a downloadable toolkit has been created for small business to benefit from existing branding and advertising such as posters, website links, Facebook, and local directories. You can like, share, or personalise the content to suit your business. Get in on the trend of @golocalfirst (Instagram) and @localfirstAU (Facebook).

Embrace **Go Local First**, encouraging business owners to use the content that has been created specifically for small business. The toolkit provides resources to help you and your organisation promote the **Go Local First** campaign and maybe even encourage your customers or others in your community to do the same. Included in the pack are tactics and tools to help you do this.

Future toolkits, digital tiles and pre-drafted content will be available via a closed Businesses & Supporters Facebook Group. To join this group and access campaign digital content and supporter material, please visit: [Businesses & Supporters Facebook Group](#)

ATO Lodgement Dates

These dates are from the ATO website and do not take into account possible extensions.

You remain responsible for ensuring that the necessary information is with us in time.

BAS/IAS Monthly Lodgements

Final dates for lodgements and payments:

August Activity Statement:
21 September 2020

September Activity Statement:
21 October 2020

BAS Quarterly Lodgements

Final dates for lodgements and payments:

1st Quarter 2021 Financial Year:
September Quarter 2020 (incl. PAYGI)
28 October, 2020

2nd Quarter 2021 Financial Year:
December Quarter 2020 (incl. PAYGI)
28 February, 2021

When a due date falls on a Saturday, Sunday or Public Holiday*, you can lodge or pay on the next business day.

*A day that is a public holiday for the whole of any state or territory in Australia.

Due date for super guarantee contributions:

1st Quarter 2021 Financial Year:
July to September 2020 – contributions must be **in the fund** by 28 October, 2020
Late payments of superannuation are **not** tax deductible.

Note that the deduction is allowed in the year that the payment is made. Therefore, for the fourth quarter, if the business wants to claim the tax deduction in the same financial year as the SGC is incurred, the payment must be received into the super fund by that 30 June.

Refer to the ATO for details regarding any SGC charges applicable if not paid by due date.

SG Amnesty is currently available for late/overdue super up to March 2018. Please note this Amnesty finishes on the 7th September, 2020

If your business has late/overdue superannuation guarantee payments and you are unsure the correct process of how to proceed in regards to this, please contact us to discuss.



JobKeeper 1.0 changes into 2.0

7th September 2020 Update:

It is now Law.

JobKeeper 2.0

Less employers, less employees, lower rates and two different tiers.

And Fair Work JobKeeper discretions continue (for some).

Which Employers?

If the business currently receiving JK experiences an **ongoing** decline in actual GST Turnover of 30% (50% large, 15% NFP).

Or

A business is allowed to enter JK if they meet all eligibility requirements including decline in turnover.

Noting it continues to include Eligible Business Participants (EBPs) specifically including the self-employed.

“Ongoing actual decline in turnover”

An assessment of the decline in actual GST Turnover results for the quarter ended 30th September 2020 will mean an employer is eligible for JK for October to December, and a decline in turnover for the quarter ended 31st December 2020 will mean eligibility for JK for January to March 2021.

“Actual GST Turnover” is the GST exclusive taxable value of supplies made during the period (GST & FRE but not Input Taxed). We do not yet have confirmation of cash vs accrual or whether it is the same method as you report JK now. Note: JK 2.0 does not require you to be GST registered and JK does not require you to lodge BAS or lodge BAS quarterly. Currently the sale of assets is included in the GST turnover calculation.

Alternative tests may be allowed by the ATO. Refer to the existing alternate [tests](#).

Timing issue: Employers may have to pay staff immediately after 28th September before being able to assess the decline in actual turnover for the quarter ended 30th September.

Impact: Employers who did not decline 30% in their ACTUAL GST turnover for the September quarter will cease JK as from 28th September.

It is a QUARTERLY test of actual turnover this year compared to same quarter last year.

How Much JobKeeper?

Employees who work 20 hours or more per week. In the four weeks of pay periods **before 1st March 2020** (the time period is still in discussion).

Employees working for 20 hours or more per week on average and EBPs actively engaged in the business for 20 hours or more per week on average during February:

- \$1500 per fortnight continues until the fortnight ended 27th September, then
- \$1200 per fortnight until 3rd January 2021 if eligible, then
- \$1000 per fortnight until 28th March 2021 if eligible, then
- Unknown – currently it would stop

Impact: EBPs who were not actively engaged for 20 hours will drop to the lower rate.

Employees who work less than 20 hours per week in the 4 weeks before 1st March 2020:

- \$1500 per fortnight continues until the Fortnight ended 27th September, then
- \$750 per fortnight until 3rd January 2021 if eligible, then
- \$650 per fortnight until 28th March 2021 if eligible, then
- Unknown – currently it would stop

Employers will **nominate** which payment rate they are claiming for each employee or EBP.

There will be “alternate tests” to assess hours where hours worked in February 2020 were not “usual”.

Actual GST Turnover

- For the quarter.
- The June quarter is now irrelevant – i.e. it is not taken into account.
- To be eligible for JK October to December, must have had decline in the September quarter.
- To be eligible for JK in January to March 2021, must have had decline in the Oct to December quarter.

Fair Work JobKeeper Directions

The proposed law is before Parliament as of 31st August 2020 - it is not final yet!

Then the rules will need to be issued by the Treasurer, and the Fair Work Ombudsman (FWO) will need to issue their guidance

The proposal is: **To extend the Fair Work JobKeeper Directions until 28th March 2021**

- If an employer is still on JK (called a Qualifying employer).
- If an employer has more than a 10% decline (but less than the 30%) in turnover (called a Legacy employer). Legacy employers must calculate and then have a “Certificate” that attests to their decline in turnover.
- Small employers (less than 15 employees (headcount)) can sign their own statutory declaration.
- Other employers must have an Advisor sign the certificate (includes BAS Agents).
- Qualifying employers have access to the full range of Fair Work JK Directions.

Legacy employers have modified provisions, including:

- A direction to work reduced hours **must** not be less than 2 consecutive hours in a day.
- Other conditions on the amount of hours (wait for the detail).
- 7 day’s notice of a JK direction (was 3 days).

However, note: The existing provisions allowing direction to take Annual Leave or to take Annual leave at half pay **do not** continue after 28th September 2020 in any case.

Bookkeepers Action Items

1. Add any new employees who became eligible since 1st March 2020 by using a STP JK Start Code and pay them for FN 10 & 11 (before 31st August).
2. August monthly JK declaration to be lodged before 14th September 2020.
3. Any outstanding 2019 BAS should be lodged.

When final details are known:

4. Assess Actual GST turnover for September.
5. Assess which employees worked less than 20 Hours.
6. We expect there will be a new special STP JobKeeper code to indicate which employees are the lower tier.

Disclaimer: All or any advice contained in this newsletter is of a general nature only and may not apply to your individual business circumstances. For specific advice relating to your specific situation, please contact your accountant or contact me for further discussion.

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