

JobKeeper Payment - Webinar

Jenny Schroder

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Introduction

The purpose of this Webinar is to assist and summarise the Job Keeper Payment requirements for our customers by reviewing the requirements and showcase how to process these payments within Sage MicrOpay.

What do we know today?

We know that there are specific requirements governing the JobKeeper Payments Scheme and it is important to understand and familiarise yourselves with these requirements. The ATO continuously updates their resources and at Sage, we are continuously aligning our software to these requirements in the best possible way.

Requirements for Job Keeper Payments



1. Confirm that you are an eligible employer.
2. If you are eligible, identify your eligible employees.
3. Before you start making JobKeeper Payments, you (as an employer), or your registered Tax or BAS agent, must enrol for JobKeeper Payment scheme via the ATO Business Portal.
4. In your software you need to set up appropriate Additions/Allowance Descriptions, to pay your employees and report via STP Reporting.
5. After you start making JobKeeper payments, make a monthly business declaration to the ATO, via the ATO Business portal or through your registered tax or BAS agent.



Resource: <https://www.ato.gov.au/General/JobKeeper-Payment>

JobKeeper Allowance Descriptions from the ATO



- Table of START Allowance Descriptions, provided by the ATO.

FN	Dates	Allowance Description
01	30/03/2020-12/04/2020	JOBKEEPER-START-FN01
02	13/04/2020-26/04/2020	JOBKEEPER-START-FN02
03	27/04/2020-10/05/2020	JOBKEEPER-START-FN03
04	11/05/2020-24/05/2020	JOBKEEPER-START-FN04
05	25/05/2020-07/06/2020	JOBKEEPER-START-FN05
06	08/06/2020-21/06/2020	JOBKEEPER-START-FN06
07	22/06/2020-05/07/2020	JOBKEEPER-START-FN07
08	06/07/2020-19/07/2020	JOBKEEPER-START-FN08
09	20/07/2020-02/08/2020	JOBKEEPER-START-FN09
10	03/08/2020-16/08/2020	JOBKEEPER-START-FN10
11	17/08/2020-30/08/2020	JOBKEEPER-START-FN11
12	31/08/2020-13/09/2020	JOBKEEPER-START-FN12
13	14/09/2020-27/09/2020	JOBKEEPER-START-FN13

- Each Allowance Description corresponds to a different JobKeeper Payment fortnight
- There are different Allowance Descriptions used when payments finish or when a top up payment is required.



Processing JobKeeper Payments in Micropay

In Micropay, set up appropriate Additions/Allowance Descriptions, pay your employees and report via STP Reporting.

Upgrade to Sage MicrOpay 8.2 SP1 B1



- This software bulletin was released on 21 April 2020 and contains a change to support STP reporting of Other Allowances used in relation to JobKeeper Payments.
- If you started making JobKeeper Payments to employees in March/April, make sure that by 30 April 2020 you have:
 1. installed this bulletin
 2. reported your next Pay Event, or an Update Event if you won't be paying employees again until after this date.
- Completing these tasks prior to 30 April 2020 ensures that the ATO is notified about JobKeeper Payments you have made and can start processing reimbursements as soon as possible.

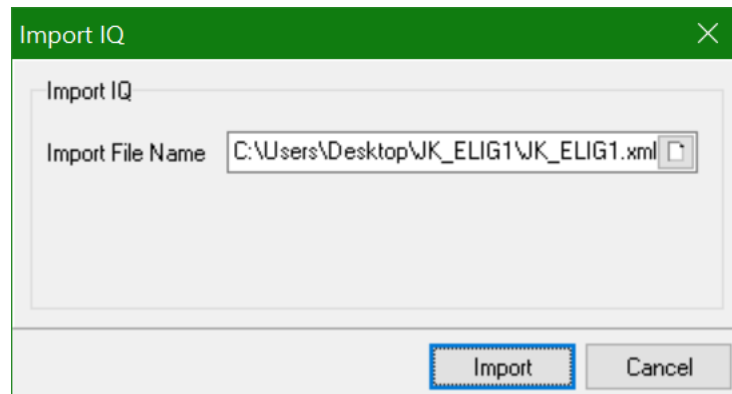
If you are a Payroll Online customer, you are already using Sage MicrOpay 8.2 SP1 B1.

Importing and using JobKeeper Eligibility IQ

IQ report JK-Elig1 *JobKeeper Eligibility* can help you to identify employees eligible for JobKeeper Payments.

To import the IQ:

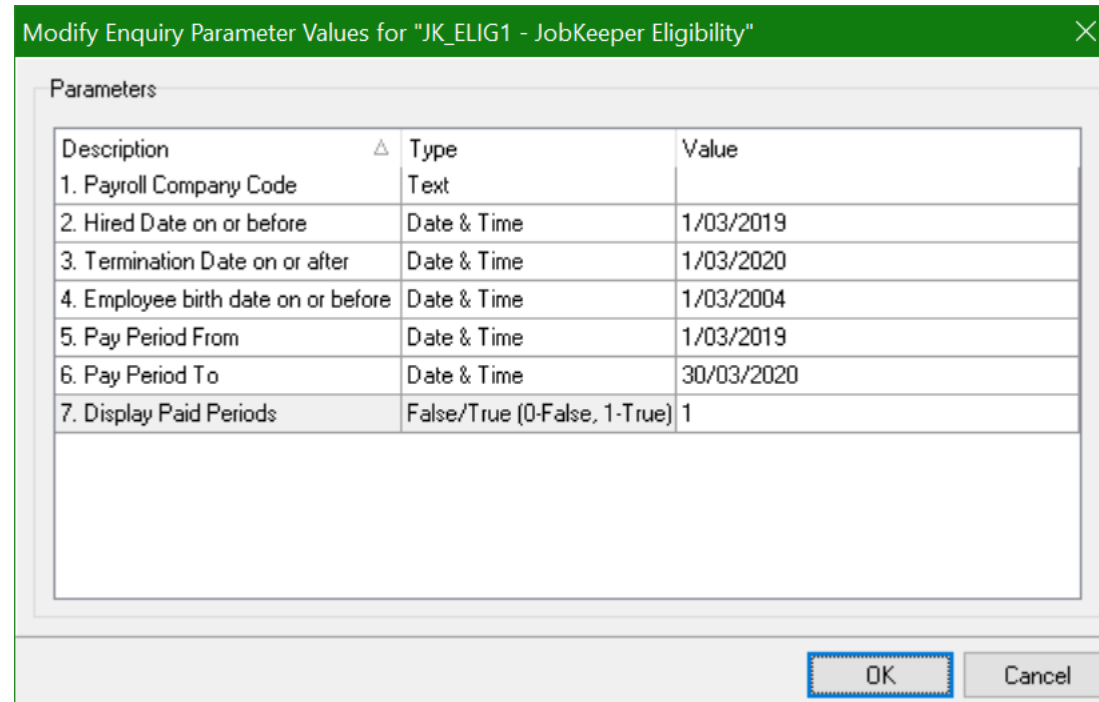
1. Download the IQ from the Sage Knowledge Base.
2. Unzip the download file and save the unzipped file to an accessible location.
3. In Sage MicrOpay, go to Common > IQ then select Import on the menu bar.
4. In the Import window, browse to the location where you saved the file.



5. Click Import. The new IQ will now appear in your list of IQ reports.

Importing and using JobKeeper Eligibility IQ

- This IQ report returns a list of permanent full and part-time and casual employees who meet eligibility criteria for JobKeeper Payments.
- The IQ parameters reflect JobKeeper eligibility criteria for permanent and casual employees.



The screenshot shows a dialog box titled "Modify Enquiry Parameter Values for 'JK_ELIG1 - JobKeeper Eligibility'". It contains a table with the following parameters:

Description	Type	Value
1. Payroll Company Code	Text	
2. Hired Date on or before	Date & Time	1/03/2019
3. Termination Date on or after	Date & Time	1/03/2020
4. Employee birth date on or before	Date & Time	1/03/2004
5. Pay Period From	Date & Time	1/03/2019
6. Pay Period To	Date & Time	30/03/2020
7. Display Paid Periods	False/True (0-False, 1-True)	1

At the bottom of the dialog box, there are "OK" and "Cancel" buttons.

Set up Allowance Descriptions



- The ATO have provided software developers with a list of Allowance Descriptions.
- Different Allowance Descriptions are used to indicate that an employee has started or stopped receiving JobKeeper Payments, or has been paid a top up amount.
 - There are different 'START' and 'FINISH' Allowance Descriptions that correspond with specific JobKeeper Payment fortnights. The one that you use notifies the ATO of the fortnightly payment period when JobKeeper Payments started or finished for the employee.
- These Allowance Descriptions are set up with a type of Other and linked to Additions.
- You must use the Allowance Descriptions EXACTLY as they have been provided by the ATO, otherwise it could result in significant delay in processing reimbursement for payments you have made.

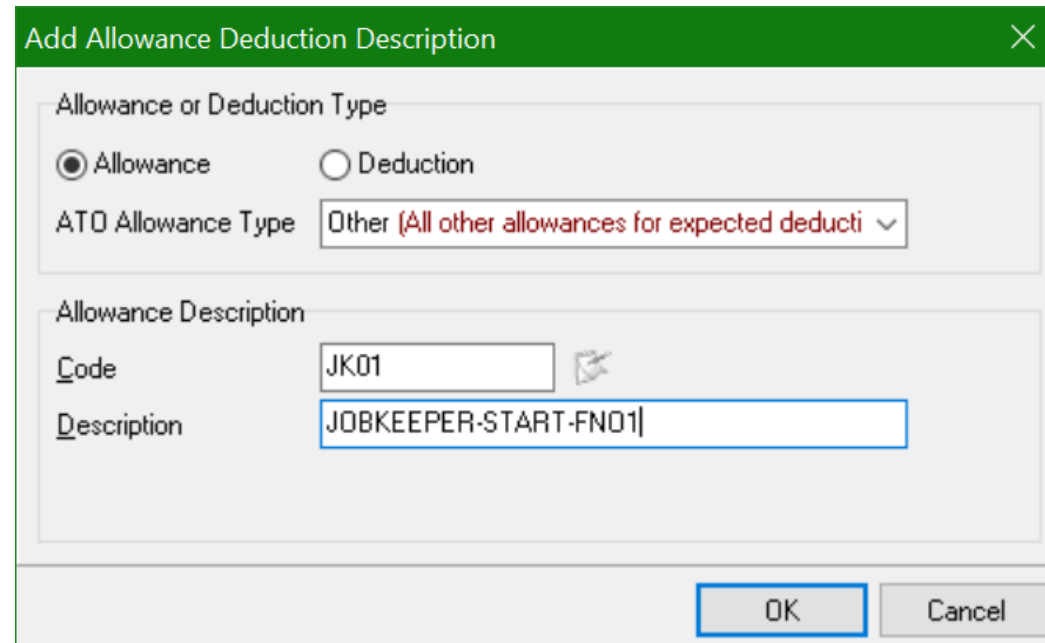


Resource: *Sage Knowledge Base Solution ID 200415022155135*

Setup Allowance Descriptions

Setting up a 'START' Allowance Description

- Payroll > Maintenance > General > Allowance Deduction Descriptions > Add



Add Allowance Deduction Description

Allowance or Deduction Type

Allowance Deduction

ATO Allowance Type: Other (All other allowances for expected deducti... ▾

Allowance Description

Code: JK01

Description: JOBKEEPER-START-FN01

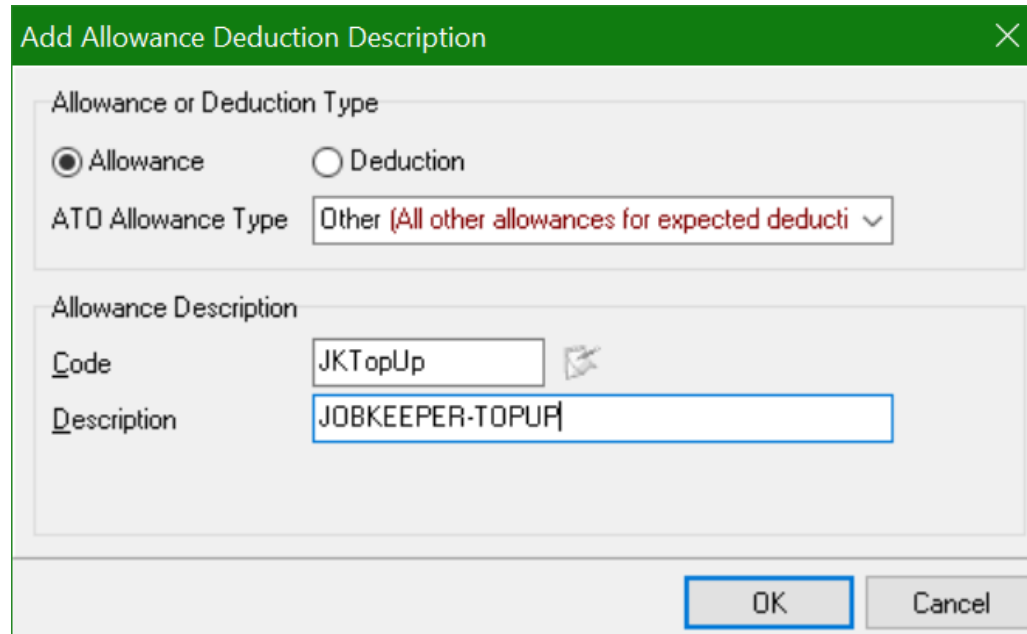
OK Cancel

- This Allowance Description indicates that JobKeeper Payments started in the first payment fortnight, i.e. 30/03/2020 – 12/04/2020. You may need to set up others, depending on when payments to employees start, or to report that payments have finished.

Setup Allowance Descriptions

Setting up a 'TOP UP' Allowance Descriptions

- Payroll > Maintenance > General > Allowance Deduction Descriptions > Add



Add Allowance Deduction Description

Allowance or Deduction Type

Allowance Deduction

ATO Allowance Type: Other (All other allowances for expected deducti

Allowance Description

Code: JKTopUp

Description: JOBKEEPER-TOPUP

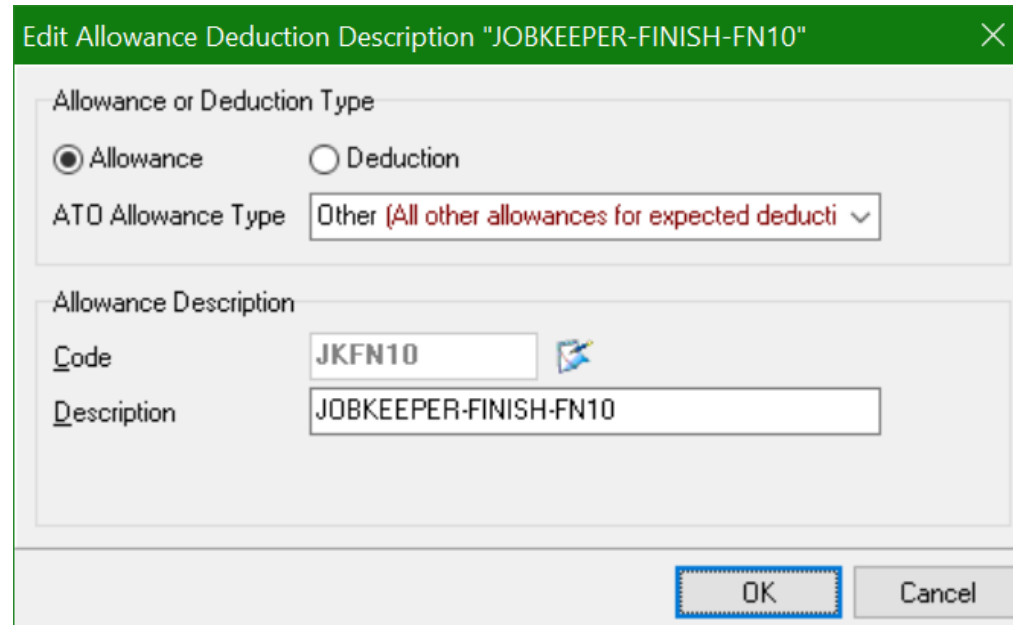
OK Cancel

- This Allowance Description indicates that a top up payment was made to an employee who has earned less than \$1500 before tax in a JobKeeper Payment fortnight.

Setup Allowance Descriptions

Setting up a 'FINISH' Allowance Description

- Payroll > Maintenance > General > Allowance Deduction Descriptions > Add



The screenshot shows a dialog box titled "Edit Allowance Deduction Description 'JOBKEEPER-FINISH-FN10'". It contains the following fields and options:

- Allowance or Deduction Type:** Radio buttons for "Allowance" (selected) and "Deduction".
- ATO Allowance Type:** A dropdown menu with the selected value "Other (All other allowances for expected deducti".
- Allowance Description:**
 - Code:** A text box containing "JKFN10" with a copy icon to its right.
 - Description:** A text box containing "JOBKEEPER-FINISH-FN10".

At the bottom of the dialog are "OK" and "Cancel" buttons.

- This Allowance Description indicates that JobKeeper Payments to the employee finished in the tenth payment fortnight, i.e. 03/08/2020 – 16/08/2020. You may need to set up others, if payments to employees finish at different times.

Set up Additions and link Allowance Descriptions



- START and FINISH Allowance Descriptions are linked to Amount-type Additions AFTER Tax.

- Payroll > Maintenance > General > Additions and Deductions > Add
- Set up separate Additions for each START and FINISH Allowance Description you will be using
- Enter a Code and **use the same Description as the Allowance Description** that will be linked to it.
- **Category** is *Addition After Tax*.
- **Type** is *Amount*.

Set up Additions and link Allowance Descriptions



Add New Addition / Deduction

Addition/Deduction Details RDO & ATO Reporting

RDO

Include RDO Hours

RDO Deduct

ATO Reporting

Payment Summary: Include in Allowances (not in Gross)

Allowance ATO Type: Other (All other allowances for expected d...)

Allowance Description: JK01

Code	Description
JK01	JOBKEEPER-START-FN
JKTopUp	JOBKEEPER-TOPUP

Loading

Include in Loading

Process Loading

Super Contributions

Employee Contribution

Employer Contribution (STP)

Other

Reducing Balance

Apply Costing Split

Alternate Addition/Deduction: Select an Additions & Deductions

Cost Account: Select a Cost Account

OK Cancel

On the RDO and ATO Reporting tab:

- **Payment Summary** is set to *Include in Allowances. (Not in Gross)*
- **Allowance ATO Type** is set to *Other*.
- Applicable **Allowance Description** is selected, e.g. **JOBKEEPER-START-FN01**, if the Addition will be used to indicate that an employee started receiving payments in the first JobKeeper Payment fortnight.

Set up Additions and link Allowance Descriptions



- TOP UP Allowance Descriptions are linked to Amount-type Additions BEFORE Tax.

- Enter a Code and use **JOBKEEPER-TOPUP** as the Description.
- **Category** is *Addition Before Tax*.
- **Type** is *Amount*.
- You are not required to calculate super on top up payments.

Set up Additions and link Allowance Descriptions



Add New Addition / Deduction

Addition/Deduction Details RDO & ATO Reporting

RDO

Include RDO Hours

RDO Deduct

ATO Reporting

Payment Summary Include in Allowances (not in Gross) ▾

Allowance ATO Type Other (All other allowances for expected d ▾

Allowance Description JKTopUp (JOBKEEPER-TOPUP) ▾

On RDO and ATO Reporting tab:

- **Payment Summary** is set to *Include in Allowances (Not in Gross)*.
- **Allowance ATO Type** is set to *Other*.
- **Allowance Description** is *JOBKEEPER-TOPUP*.

Processing Additions



- These Additions can be selected in a transaction in the same way as any other Addition.

START and FINISH Additions

- If you need to report the START or FINISH of JobKeeper Payments for many employees, the simplest option is to use the Multi Employee timesheet.
- You **only need to process a START Addition once per employee**, to report that they have started receiving payments.
- When payments to the employee end, report the FINISH Addition for corresponding JobKeeper Payment Fortnight that occurred.
- These Additions are processed with a nominal value of \$0.01. A value must be entered or the Addition cannot be processed in a transaction. \$0.01 is smallest amount that can be processed for a pay component in Sage MicrOpay.

Processing Additions

Using Multi Employee Timesheet to process START Additions

- Go to Payroll > Transactions > Processing > Multi Employee Timesheet.
- Customise the timesheet grid to add the START Addition(s) to the grid columns.

The screenshot shows the 'Multi Employee Timesheet' application window. On the left, a 'Customization' panel is open, displaying a list of columns. The column 'JKSTART01 - JOBKEEPER-START-FN01' is selected. On the right, the main grid is visible, showing a table with columns: Employee, Employee Name, JKSTART01 - JOBKEEPER-START-FN01, Normal Hours, T/Half, Double, and Cost Account. A red arrow indicates the process of dragging the selected column from the customization panel to the grid.

Employee	Employee Name	JKSTART01 - JOBKEEPER-START-FN01	Normal Hours	T/Half	Double	Cost Account

Processing Additions

Using Multi Employee Timesheet to process START Additions

- Add a row for each eligible employee and enter 0.01 for them in the JobKeeper Addition column.

Employee	Employee Name	JKSTART01 - JOBKEEPER-START-FN	Normal Hours	T/Half	Double	Cost Account
A05	UNDERWOOD, M...	0.01				
A06	SHARMA, KULESH	0.01				
V01	APPLEGATE, SAR...	0.01				
N01	PLATES, DANIEL	0.01				
N14	DEMETRIOUS, GE...	0.01				
S08	BOURKE, ARCHIE	0.01				
Q15	KHATRI, ARJUN	0.01				

Multi Employee Timesheet Options

Option

- Bypass Standard Additions and Deductions
- Bypass Bank Splits
- Add Balance of Hours

OK Cancel

Review transaction Options before processing.

- If you are only processing the JobKeeper START Addition, you can select Process now.
- If you are also processing pays, you can add other components, e.g. Normal Hours, before selecting Process but these can be added via transaction entry later.

Processing Additions



Top up payments

- Top up payments are required for any eligible employees who were paid less than \$1500 before tax over a JobKeeper Payment fortnight.
- If employees received less than this in any previous periods since JobKeeper Payments commenced, the difference should be included in the next pay run, processed using the Top Up Addition Before Tax.
- We are currently awaiting clarification from the ATO on what pay components need to be considered when identifying the before tax amount an employee has received in a fortnight.
- This information is expected imminently, however we appreciate the huge demands that JobKeeper Payments are placing on ATO staff.
- We are working on additional functionality to help you identify eligible employees who require a top up payment. (more detail to come)

Processing Additions



Top up payments

- Top up payments are required for any eligible employees who were paid less than \$1500 before tax over a JobKeeper Payment fortnight.
- In a timesheet, select the JobKeeper Top Addition and add it to the transaction.
- In the Value, enter an amount to make the employee's gross over the fortnight equivalent to \$1500

Pay Summary

Pay Component	Hours	Value
Overtime Hours	0.00	0.00
Sick Leave	0.00	0.00
Annual Leave	0.00	0.00
Long Service Leave	0.00	0.00
User Defined Leave	0.00	0.00
Other Leave	0.00	0.00
Adds Before Tax	0.00	0.00
Deds Before Tax	0.00	0.00
Gross Taxable Total		1,259.58
Tax (Incl Adjust)		130.00
Adds After Tax	0.00	0.01
Deds After Tax	0.00	0.00
Net Pay		1,129.59

Additions and Deductions

Adds/Ded	Type	Category	Hours	Rate	Perc	Hrs/Unit	Value	Cost Account	Std	PC Gro
JKSTARTI	Amount	AAT		0.0000	0.0000		0.01	50-70	<input type="checkbox"/>	
JKTopUp	Amount	ABT		0.0000	0.0000		240.42	50-70	<input type="checkbox"/>	

Reporting through STP



- After transactions are processed, continue with other steps in your processing checklist, e.g. generating the EFT Export, producing Pay Advices, etc. until you are ready to report the STP Pay Event.
- There is nothing additional you need to do, if a JobKeeper START, FINISH or TOPUP Addition was processed for an employee, it's included in the Pay Event to be reported to the ATO.
- Review Pay Events as you normally would, prior to reporting, then report to the ATO and carry on with processing your pay.

- Remember:

If you started JobKeeper Payments in March/April, you must have installed MicrOPay 8.2 SP1 B1 and then reported employees in the next Pay Event before 30 April 2020, for timely processing of reimbursements by the ATO

Reporting through STP



- You can add the Allowance Other column to the Pay Event Details grid, to view Allowance values that will be reported in the Pay Event. This shows the total Other Allowances paid to the employee so may include other values

Year to Date											Mark All as Final Pay	Mark Terminated as Final Pay	Export
Employee	Terminated Date	Gross	Gross (ATO)	Super	OTE [△]	Net	Final Pay	Employee Code	Allowances Other	Status	RESC		
RANE RITU		65,550.00	65,550.00	6,104.66	64,259.58	50,038.01	<input type="checkbox"/>	S16	240.43		0.00		

- A clearer breakdown of values is provided in the STP Pay Event Report.

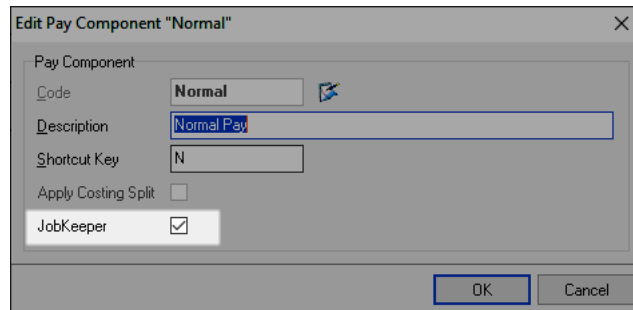
Employee YTD Totals															
Emp Code: S16		Surname: RITU		Address: 16 DAWS ROAD			Birthday: 18/8/1980		Employee TFN: 947462838						
Final Pay <input type="checkbox"/>		First Name: RANE		MITCHAM			Employment Date: 23/09/2016		Contractor ABN:						
		Middle Name:		5062 au			Termination Date:								
Gross	PAYGW	Super	OTE	Guarantee	LumpSum Type	LumpSum B	LumpSum D	LumpSum E	CDEP	RESC	RFB Taxable	WHM Gross	FEI Gross	FEI Tax Paid	FEI PAYGW
											RFB Exempt	WHM PAYGW	JPDA Gross	JPDA Tax Paid	JPDA PAYGW
65550.00	-15512.00	64259.58	6104.66						0.00	0.00					

Allowances:	Allowance Type	Allowance Amount	Other Allowance Type
	Other	240.42	JOBKEEPER-TOPUP
	Other	0.01	JOBKEEPER-START-FN
	Total:	<u>240.43</u>	

What's next for Sage MicrOpay?



- We are currently working on changes aimed at making it as simple as possible for you to identify employees who require top up JobKeeper Payments.
- These changes include a new JobKeeper checkbox added to various components that are included in pay calculations, such as Pay Component maintenance records, Leave Reasons and Additions.



- A JobKeeper checkbox will also be added to the employee record, to be ticked for eligible employees.
- A new IQ report is also being developed and that will allow you to enter what an employee was paid over a range of payment fortnights, to determine whether the \$1500 rule was met.

- We are aiming to release these changes in a further bulletin, as soon as possible. This is dependant on clarification from the ATO on how the \$1500 before tax figure is calculated. This is expected imminently, but had not been received at the time this material was prepared.

Prepare for JobKeeper Payments



Employer Eligibility

There are several criteria that an employer must meet to be eligible, including facing a fall in turnover.

Employer eligibility requirements



- On 1 March 2020, you carried on a business in Australia or were a not-for-profit organisation that pursued your objectives principally in Australia.
-



- You employed at least one eligible employee on 1 March 2020.
 - Your eligible employees are currently employed by your business for the fortnights you claim for (including those who are stood down or re-hired).
-



- Your business has faced either a:
 - 30% fall in turnover (for an aggregated turnover of \$1 billion or less)
 - 50% fall in turnover (for an aggregated turnover of more than \$1 billion)
 - 15% fall in turnover (for ACNC-registered charities other than universities and schools).



Resource: <https://www.ato.gov.au/General/JobKeeper-Payment>

Employee Eligibility

There are several criteria that an employee must meet to be eligible and nominated for the JobKeeper Payment.

Summary on Employee eligibility



The ATO defines in detail which employees are eligible under the JobKeeper scheme, in summary but not limited to:

- Employees who are employed by yourself (including those stood down or re-hired)
- Employees who were permanent or part time as at 1 March 2020
- Employees who were on long-term casual basis for at least 12 months as at 1 March 2020
- Employees over the age of 16 as at 1 March 2020
- Employees who were an Australian resident as at 1 March 2020
- Employees who were not in receipt of any government parental leave or worker compensation
- Employees who were identified to be nominated by you (more criteria apply to this category)



Resource: <https://www.ato.gov.au/General/JobKeeper-Payment>

Before making payments - Enrol for the JobKeeper Payment

The ATO site has clear step by step instructions and supporting guidance on assisting you to enrol for the JobKeeper Payment Scheme.

Enrol for the JobKeeper Payment

Step 1 Enrol for the JobKeeper payment

- › You or your registered tax or BAS agent can enrol for the JobKeeper payment.
- › Log in to the Business Portal using myGovID.
- › Select 'Manage employees' then the link for the JobKeeper payment.
- › Fill in the JobKeeper enrolment form and provide your:
 - eligibility information
 - expected number of eligible employees
 - contact and bank details.
- › Notify all your eligible employees you have nominated them.
- › To ensure you receive your JobKeeper payments as early possible, you should enrol by the end of April. However, enrolments are open till the end of May if you need more time.

Step 2 Identify and maintain your eligible employees

- › You or your registered tax or BAS agent can identify each eligible employee that you will claim the JobKeeper Payment for and maintain their details each month.
- › If you have STP enabled payroll software, you can identify your employees in one of the following ways:
 - Directly into your STP enabled payroll software if it is updated with JobKeeper functionality.
 - In the Business Portal if your STP payroll software is not updated with JobKeeper functionality
 - If you have 200 employees or less, log in to the Business Portal and select employee details that are prefilled from your STP pay reports.
 - If you have more than 200 employees, you can manually create a pay report, ask the ATO for a prefilled JobKeeper report, or use the JobKeeper Payment Guide sample payload files – [Blank file \(CSV, 28KB\)](#) and [Example file \(CSV, 71KB\)](#) – to produce your own JobKeeper report and provide it back to the ATO by uploading via the Business Portal Transfer file function.
- › If you don't have STP enabled payroll software, you can identify your employees in one of the following ways:
 - In the Business Portal
 - If you have 40 employees or less, manually enter your eligible employees' details
 - If you have more than 40 employees, you can use the JobKeeper Payment Guide sample payload files – [Blank file \(CSV, 28KB\)](#) and [Example file \(CSV, 71KB\)](#) – to produce your own JobKeeper report and provide it back to the ATO by uploading via the Business Portal Transfer file function or consider moving to an STP enabled payroll solution.

Step 3 Make a business monthly declaration

- › Each month, you must reconfirm your reported eligible employees. This can be done through the Business Portal or via your registered tax or BAS agent.
- › If your eligible employees change or leave your employment, you will need to notify us through the business monthly declaration report.
- › You must also provide information as to your current and projected GST turnover. This is not a retest of your eligibility, but rather an indication of how your business is progressing under the JobKeeper Payment scheme.



Resource: <https://www.ato.gov.au/General/JobKeeper-Payment>

After making payments – Business Declaration

After you start making JobKeeper payments, make a monthly business declaration to the ATO, via the ATO Business portal or through your registered tax or BAS agent. The purpose of the declaration is to reconfirm your eligible employees.

Generate and submit Business Declaration to ATO



Each month, you must reconfirm your reported eligible employees. This can be done through the Business Portal or via your registered tax or BAS agent.



If your eligible employees change or leave your employment, you will need to notify us through the business monthly declaration report.



You must also provide information as to your current and projected GST turnover. This is not a retest of your eligibility, but rather an indication of how your business is progressing under the JobKeeper Payment scheme.

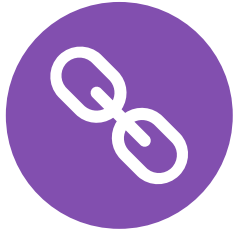


Resource: <https://www.ato.gov.au/General/JobKeeper-Payment>

Resources

sage

Resources & Future Events



Sage City- <https://www.sagecity.com/au/sage-micropay>

Sage KB - [Sage Knowledgebase](#)

Sage COVID Information page - <https://www.sage.com/en-au/coronavirus/#webinars>

ATO - <https://www.ato.gov.au/General/JobKeeper-Payment>

Fairwork - www.coronavirus.fairwork.gov.au



End of Financial year is fast approaching, and this year's EOFY will look very different, so we need to ensure that our customers are ready, especially around the current climate and COVID19 stimulus packages released by Government. This campaign is aimed to give you the option to select either What's New in Payroll Legislative video and webinar content presented by industry leaders and/or attend the workshops showcasing how to process EOY using MicrOpay. **Please look out for the communication over the coming days and book your seat.**



We know that some of our clients need more assistance than others, whether that be a lack of time, or just wanting peace of mind knowing it will be set up correctly. Therefore **Sage Payroll Consulting** is offering a bespoke consulting package to those clients who wish to outsource this process. **To take advantage of this package**, email consulting.au@sage.com.

Q&A

We will allow for 15 minutes of Q&A.

We possibly might not be able to answer all your questions but will channel all the questions received to the subject matter experts and publish the Q&A on the hub as mentioned earlier.

The Sage logo is displayed in a bright green color, featuring the word "sage" in a lowercase, sans-serif font.

Thank you

sage