JobKeeper Payment - Webinar

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- What do we know today?

- As an employer what do I need to do to prepare for the JobKeeper Payment?

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- JobKeeper payments within WageEasy.

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. In addition, **Pegg**, **Sage Knowledgebase** and **Sage City** are being updated as required.

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 Allowance Additions, 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

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

- 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.

You only apply the one you need, that is, the Allowance for the pay where you commence JobKeeper payments.

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

Employer Eligibility

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

Employer eligibility requirements

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- 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

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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*

Demo

Job Keeper Payment Eligibility
User Defined Query in Sage WageEasy

We have create a User Defined Query to list your employees who qualify for Job Keeper payments.

Installing the JobKeeper Payment Eligibility User Defined Query

A new User Defined Query has been created for Sage WageEasy to identify employees eligible for the JobKeeper payment.

To import the User Defined query:

1. Download the zip file from the Sage Knowledgebase.
2. Unzip the downloaded file.
3. On your PC, place the unzipped file in this location: *C:\Users\Public\Documents\Wage Easy Payroll\Queries*
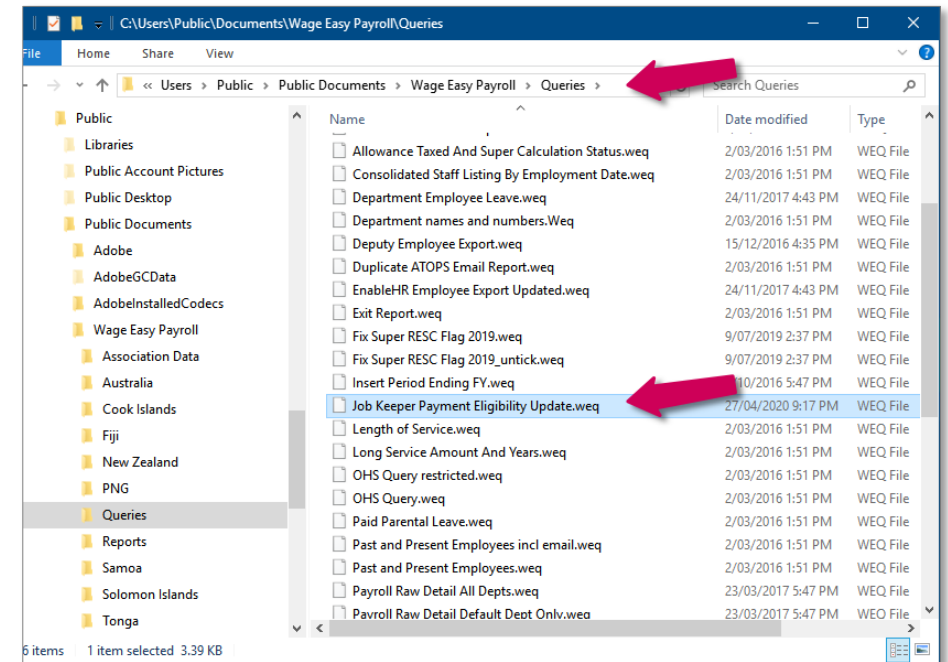
Resource: *Sage Knowledge Base Solution ID 200415042141564*

Using the JobKeeper Payment Eligibility User Defined Query

1. Within Sage WageEasy, navigate to *HR > User Defined Queries > Job Keeper Payment Eligibility*.

2. Enter a date range then OK.

![sage](Sage logo)

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

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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*

Demo

Creating JobKeeper Allowances in Sage WageEasy

In WageEasy, set up appropriate Allowances
and if you wish, Departments for costing.

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Set up Job Keeper Allowances

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- The ATO have provided software developers with a list of specific Allowance **Descriptions** to be used with the JobKeeper reimbursement scheme.

- These **Descriptions** are used to indicate that an employee has started or stopped receiving JobKeeper Payments, or has been paid a top up amount.

- Configure 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.

- These Allowances are set up with an **ATO Type** of 'Other' and linked to Additions.

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

Resource: *Sage Knowledge Base Solution ID 200414022522119*

Setting up a 'START' Allowance Description

- *Setup > Allowances > Add*

- 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.

Setting up a 'TOP UP' Allowance Descriptions

- *Setup > Allowances > Add*

- 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.

Setting up a 'FINISH' Allowance Description

- *Setup > Allowances > Add*

- This Allowance Description indicates that JobKeeper Payments to the employee finished in the eighth payment fortnight, i.e. 06/07/2020 - 19/07/2020. You may need to set up others, if payments to employees finish at different times.

Demo

Creating JobKeeper Departments and so *costing* in Sage WageEasy

In WageEasy, set up appropriate Allowances
and if you wish, Departments for costing.

Setting up a JobKeeper Department

- *Setup > Departments > Add*

- Create a Department called JobKeeper at the top level of your Department structure.

This can then be applied at the Employee file level or to specific pay components.

Demo
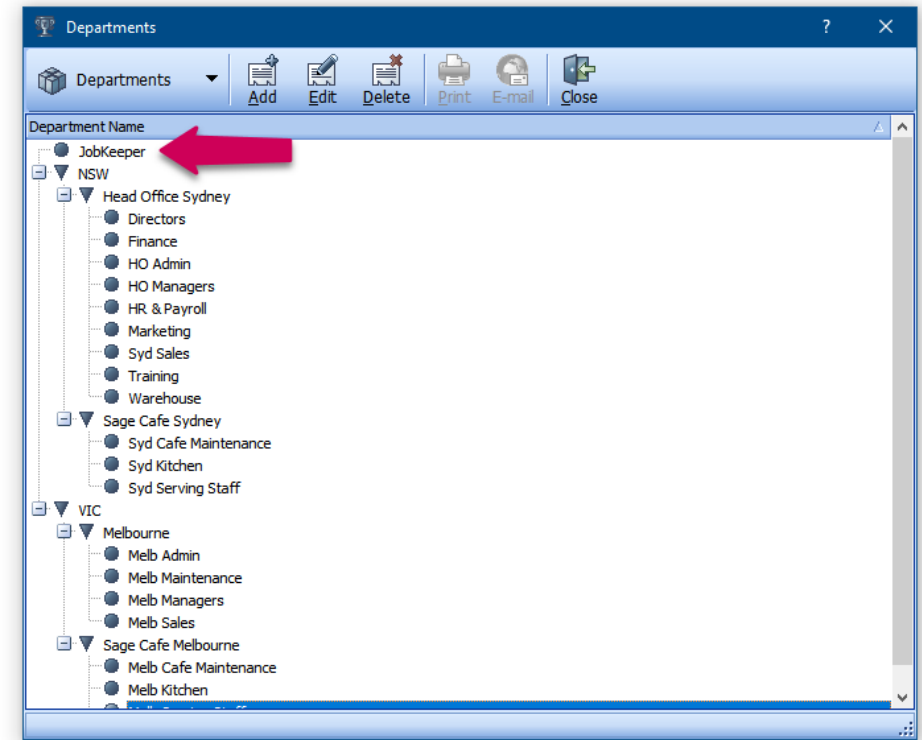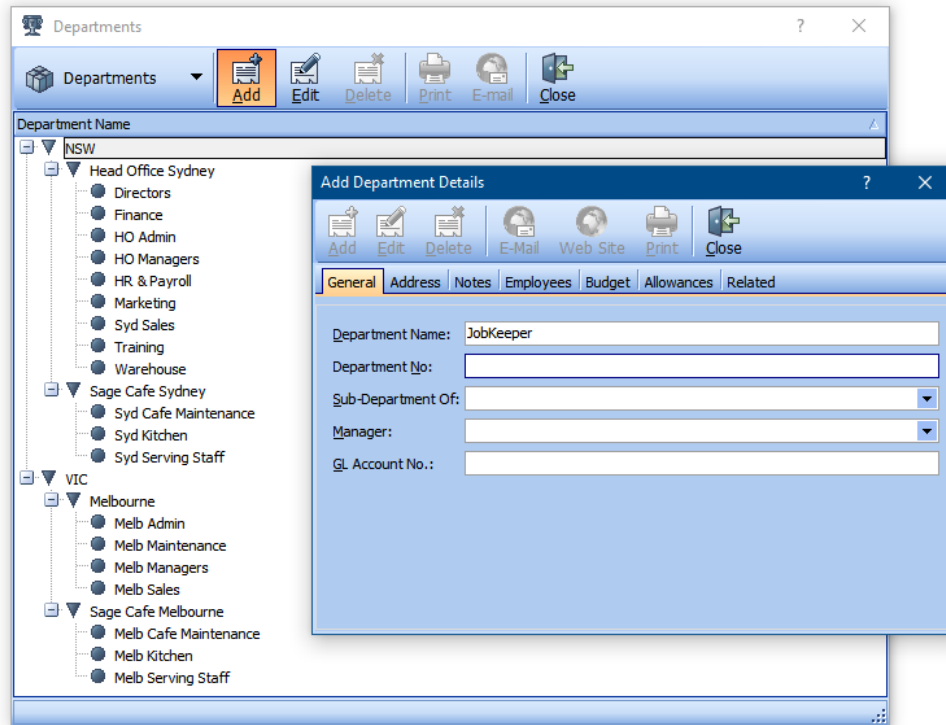
Processing JobKeeper Payments in WageEasy

Incorporating JobKeeper payments retrospectively to your April pays then going forward

Sage WageEasy Version

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If you started making JobKeeper Payments to employees in March/April, make sure that by May 8, 2020 you:

- ✓ are on, as a minimum, Sage WageEasy version 7.2.0.8154 (or most recent release version 7.2.1.8185)

- ✓ have reported your Pay Events, or performed an Update Event if you won't be paying employees again until after this date.

Completing these tasks prior to May 8, 2020 ensures that the ATO is notified about JobKeeper Payments you have made and can start processing reimbursements as soon as possible.

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

Processing JobKeeper START and FINISH Allowances

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- These Allowance additions can be selected in a *Wages > Adjustments – Allowances* in the same way as any other Allowance. You only need to process a START Allowance once per employee, to report that they have started receiving payments.

- When payments to the employee end, report the FINISH Allowance for corresponding JobKeeper Payment Fortnight that occurred.

- These Allowances are processed with a nominal value of $0.01 as a value must be entered or else the Allowance cannot be cannot be processed. $0.01 is smallest amount that can be processed for a pay component in Sage WageEasy.

- The START or FINISH Allowances are in effect, a one cent addition after tax on the pay that must be covered by your business.

Processing JobKeeper Top Up Payments

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- TOPUP 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 TOPUP Allowance Addition Before Tax.

- This TOPUP Allowance is subject to tax. *Super Guarantee on this payment is at the employer's discretion.*

- Sage has created User Defined Query to identify qualifying employees in your business. The employee must have been paid in the first place to be identified for a top up payment.

- This Query is available via Sage Knowledgebase.

Resource: *Sage Knowledge Base Solution ID 200415042141564*

Processing Job Keeper Top Up Payments

- TOPUP payments are required for any eligible employees who were paid less than $1500 before tax over a JobKeeper Payment fortnight.

- In *Wages > Adjustments – Allowances*, select the JOBKEEPER-TOPUP Allowance and add it to the transaction.

- In the Value, enter an amount to make the employee's gross over the fortnight equivalent to $1500.

Reporting through STP

- After transactions are processed, continue with other steps in your processing checklist, e.g. EFT Banking, producing Pay Slips, 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 WageEasy 7.2.1.8185 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 ATO Type '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

Employee	Employee Name	Terminated	Gross	Tax	Super	OTE	Final	RESC	TFN	Other	Status
FP-030	Zimmett, Dina		15806.93	200.00	1394.80	14682.36	☐	0.00	☐	820.41	
FP-007	Picone, Jane		33088.87	4670.00	529.71	5575.74	☐	0.00	☐	521.59	
FP-006	Connors, Paula		22650.54	6128.60	2136.03	22484.44	☐	0.00	☐	483.06	
FP-009	Rodda, Annabelle		66648.03	15858.00	6475.45	68162.29	☐	0.00	☐	0.01	

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

Employee YTD Totals

Emp No	FP-007	**Last Name**	Picone	**Address** 6 Clearable Street	**Birthday** 21/01/1979	**Tax File Number** 455455654	
Final Pay	False	**First Name**	Jane		**Employment Date** 03/08/1999	**Contractor ABN**	
Period Start	13/04/2020	**Second Name**	John	Burwood	**Termination Date**		
Period End	26/04/2020	**Status**		3125 au			

Gross	PAYGW	Super OTE	SG Amt	Lump Sum A/Type	Lump Sum B	Lump Sum D	Lump Sum E	CDEP	RESC	WHM Gross	WHM PAYG	RFB Taxable	RFB Exempt
33088.87	4670	5575.74	529.71	0	0	0	0	0	0	0	0	0	0

Allowances:	Allowance Type	Other Allowance Type	Allowance Amount
	Other	JOBKEEPER-START-FN01	0.01
	Other	JOBKEEPER-TOPUP	521.58

Prepare for JobKeeper Payments

Resources

Resources & Future Events

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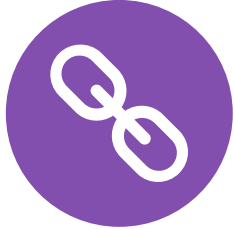
Chat with Pegg 🤓
Sage KB - https://au-kb.sage.com/portal/ss/
Sage City- https://www.sagecity.com/au/sage-WageEasy
Sage COVID Information page - https://www.sage.com/en-au/coronavirus/#webinars
ATO - https://www.ato.gov.au/General/JobKeeper-Payment
Fairwork - www.coronavirus.fairwork.gov.au

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 access online content on how to process EOY using WageEasy. **Please look out for the communication over the coming days and book your seat.**

We know that some of our clients need more assistance then 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.

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Thank you