

Jobkeeper 2.01

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On 21 July 2020 the federal government announced an extension to the original Jobkeeper scheme. Whilst it is helpful that the scheme was to be extended, the amount of support that is to be paid to eligible business will significantly reduce and the qualification requirements will tighten.

At the same time, the government conformed that Jobkeeper 1.0 will continue to operate on its original terms until it announced expiry date of 27 September 2020.

As we have found out time and time again in this pandemic, things can change rapidly and as a result of the serious breakout in Victoria, and the reimposition of forced business closures in metropolitan Melbourne, Jobkeeper 2.0 has been tweaked. Below is a summary of the rules that will have effect from 28 September 2020.

There are two further extensions of Jobkeeper proposed. They will run for the period of 28 September 2020 until 3 January 2021, and the second the 4 January 2021 until 28 March 2021.

The qualification requirements are more rigorous than under Jobkeeper 1.0, but less rigorous than those initially announced in Jobkeeper 2.0. Under the revised qualification requirements, employers wishing to qualify for support during the first extension period until 3 January 2021 will have to show an actual drop in income of at least 30% in the September quarter 2020 against a similar period, most likely the same period in 2019. Those employers wishing to qualify for the second extension until 28 March 2021, they will have to show at least a 30% decline against the December 2019 quarter. These declines will need to be demonstrated based on actual GST figures and not projections as is the case under the current system.

There is going to be reductions in the amount paid to employees during the extension periods.

Extension Period	Working more than 20 hours per week	Working less than 20 hours per week
28 September 2020 to 3 January 2021	\$1,200.00 per fortnight (down from \$1,500.00)	\$750.00 per fortnight (down from \$1,500.00)
4 January 2021 to 28 March 2021	\$1,000.00 per fortnight (down from \$1,200.00)	\$650.00 per fortnight (down from \$750.00)

The requirements to qualify for Jobkeeper as an employee remain largely the same, except that the date at which an employee had to be employed has pushed out to 1 July 2020. This means that some employees that have commenced employment after 1 March 2020 and so previously did not qualify or had been a regular casual for less than 12 months on 1 March 2020 may now qualify due the extension of this date.

The Australian Tax Office is currently preparing information for employers who think they might qualify beyond 28 September or have new employees that are now eligible, but that documentation is not yet available.

Under the new rules, less people will qualify and those that do will also get less, but it will help some business including ACWA members in metropolitan Melbourne who are unfortunately doing it very hard at the moment. If there are any further changes, we will be back to you with further information as it becomes available.

You are receiving this information at no cost as a benefit of your membership of the Australian Car Wash Association. The Association thanks all members for their continuing support during these very challenging times.