

Dear Member,

## AAT News

Welcome to the September 2020 edition of the AAT Australia's eNews & Views. In this edition you'll find out all about:

- JobKeeper extension updates
- Fair Work Act JobKeeper provisions extended
- JobKeeper legacy employers
- JobKeeper and workers compensation insurance
- Heads Up mental health guide for small business owners
- CPD opportunities
- And more

Check our [eNews & Views](#) page for previous newsletters.

## JobKeeper Payment Extension Updates

The ATO has issued guidance on JobKeeper Payment extension.

There are two separate extension periods, and for each period an additional test is required to prove actual decline in turnover. The rate of payment is also different in each period.

See the [AAT August newsletter](#) for more details on eligibility and payment tiers.

The ATO will issue further guidance on alternative tests that may be available for unusual circumstances.

### **GST Turnover**

GST turnover is calculated from all supplies (sales) of goods and/or services made during the course of business.

Supplies that are not included in the calculation are input-taxed supplies, supplies for no consideration, supplies not made in the course of the business and those not connected with Australia.

For many businesses, the GST turnover calculation will be the same as total sales less GST. However, it is important to check there are no excluded supplies in the calculation.

### **BAS Agents Next Steps**

- Schedule time now to assess the actual turnover of the September quarter and compare to September 2019.

- Note all clients that may require an alternative test.
- Liaise with business owners to check hours worked for all employees – classify into tier 1 or tier 2 payment.
- Finalise monthly/quarterly accounts as soon as possible after end of September to assess eligibility for extension 1 from 28 September to 3 January.
- Additional information to demonstrate the actual fall in turnover test can be supplied up to the time of the November declaration, which must be done by 14 November.

Note we are waiting on further guidance and details of the application of the JobKeeper Payment extension. We will issue a separate update when the information is released.

Treasury fact sheet – [JobKeeper Payment Extension](#)

ATO – [JobKeeper Extension Announcement](#)

ATO – Fast Key Code for JobKeeper queries – 13 72 86 - 7

## Fair Work Act JobKeeper Provisions Extended

Earlier in the year the Fair Work Act was amended to allow employers who qualify for JobKeeper to temporarily vary work arrangements in order to keep people employed.

The amendments included specific rules about JobKeeper stand down directions, change of duties and hours, and agreements about taking annual leave.

The original amendment was to cease on 28 September 2020. The Fair Work Act JobKeeper provisions are now legislated until 28 March 2021.

The extended amendments still allow for JobKeeper enabling stand down directions and changes to duties or hours.

The extended amendments no longer include special arrangements for annual leave. These rules will stop on 28 September and from then on, the usual rules for taking annual leave will apply as per the employee's modern award or agreement.

Treasury fact sheet – [JobKeeper Payment: Changes to the Fair Work Act](#)

Fair Work Ombudsman – [Coronavirus and Australian Workplace Laws](#)

## Legacy Employers - Fair Work Act and Decline in Turnover Certificates

The Fair Work Act JobKeeper provisions allow some employers to continue using some of the JobKeeper provisions (with modifications) for previously eligible employees if they meet certain criteria.

**Legacy employers** are those who received JobKeeper payments but are no longer eligible at 28 September. They must also prove at least 10% decline in turnover for the previous quarter by obtaining a certificate from an eligible financial service provider or by statutory declaration (for small businesses only).

Statutory declarations can be used by businesses with 15 or fewer employees to declare that the business has demonstrated a 10% decline in turnover for the relevant quarter and must be completed by the employer or authorised representative of the employer. They can also get a certificate if preferred. **If using a statutory declaration, the declaration must be completed before the start of the quarter.**

Certificates can be issued by an eligible financial services provider – a qualified accountant or registered tax or BAS agent. The certificate must confirm a decline in GST turnover of at least 10% to qualify.

### Legacy Employers and Fair Work Act JobKeeper Provisions

Under the extended Fair Work Act JobKeeper provisions, legacy employers can still issue JobKeeper enabling stand down directions and change hours and duties. Employers must continue to follow the employee consultation process as per Fair Work Ombudsman information.

Legacy employers must also inform relevant employees whether they have obtained a certificate or statutory declaration and whether the JobKeeper enabling direction or agreement will continue on or end.

Any existing JobKeeper enabling directions or agreements with employees about change of hours and duties will end on 27 September. Employers must re-issue or make new directions or agreements.

For full details on legacy employers and Fair Work Act JobKeeper provisions visit the [FWO JobKeeper Extension](#) webpage.

### BAS Agent Next Steps

- Assess employers who no longer qualify for JobKeeper after 28 September to see if they qualify as a legacy employer.
- Discuss with your clients ahead of time so they are aware of extra time that you may need to take on top of usual tasks to assess this, advise them and complete the form.

The Fair Work Ombudsman plans to issue further guidance about legacy employers and the certificate.

Fair Work Ombudsman – [Legacy Employers](#)  
Attorney-General's Department – [Statutory Declaration](#)

## JobKeeper and Workers Compensation Insurance

Whilst there are similarities between the states' rules for reporting JobKeeper in workers compensation rateable remuneration, there are also some differences – please check your state's guidelines for full details.

When you complete the declaration of actual wages for 2020 (or at the anniversary of the insurance premium), remember to separate out the JobKeeper top-up amounts from ordinary earnings. As a rule, JobKeeper top-up payments are not considered to be rateable remuneration. Wages earned for hours worked while receiving JobKeeper are generally considered to be ordinary hours and therefore rateable.

Insurers have adjusted their declaration forms to report JobKeeper. Be careful not to report JobKeeper twice in ordinary earnings and the top-up fields. There are different fields for rateable JobKeeper and non-rateable JobKeeper payments. Please read the fine print!

Check your insurer's form and your state's JobKeeper guidance on exactly how to report JobKeeper top-up so that you are not over-reporting wages and therefore inflating the premium.

The ATO has published information about tax consequences of government cash flow boost payments as well as JobKeeper, payroll tax, electricity rebates, land tax and rent relief.

Government payments to assist a business to continue operating is included in assessable income for tax purposes and it is generally GST free.

See the [ATO Government grants and payments during COVID-19](#) webpage for more detail on different scenarios and their tax consequences.

## Heads Up Beyond Blue - Mental Health Guide for Small Business Advisors

Bookkeepers are often inadvertent counsellors for their clients, but we are not necessarily trained in how to support people who are under extreme stress such as many business owners are.

We do not need to add to our own stress by trying to help our clients in realms we are not qualified for – but you can offer resources and links to assist.

Heads Up (the arm of Beyond Blue for supporting mental health in small business and the workplace) has a great document that may be an easy solution to offering help to your clients in distress without getting too close.

Download the [Supporting small business owners guide](#) from the [Heads Up](#) website.

## Victoria New Law to Target Wage Theft

You may have noticed a few rearrangements to resources on the website.

All bookkeeper resources are now located on the Resources home page. From here you can access:

- [Templates](#)
- [Checklists](#)
- [Tech Talks & Webinars](#)
- [Payroll & STP](#)
- [Bookkeepers Calendar](#)
- [Accounting Technician magazine](#)
- [Student Resources](#)
- [eNews & Views](#)
- [EOFY Resources](#)

For the foreseeable future we will continue to link directly to [COVID-19 Updates](#) from the Resources drop down menu.

We are continuing to update resources and add new ones. Remember, you can always search the website for resources and news items.



In the search field at the top right of the website, type in your key word search term. This will take you

to all news items and talks that have been published on that topic. This is also a great way to access information in a previous newsletter, if you don't want to download the PDF newsletter.

## In the News

- **ATO provides automatic extensions for Victorian agents and clients.** For any tax professionals who are themselves located in Victoria or who have Victorian clients, the ATO has granted an automatic deferral of activity statements that would have been due in August and September 2020. No late lodgement penalties will apply for eligible businesses with late June, July or August statements. For more detail see the [Commissioner's message to Victorian tax professionals](#).
- **Temporary insolvency relief extended.** Insolvency and bankruptcy protections brought in earlier this year have been extended until 31 December 2020. See [August eNews & Views](#) for more information on business closure.
- **Fair Work Information Statement updated.** The FWIS has been updated to clarify the accrual of personal/carer's leave. [Download the new version](#).
- **ATO and Fair Work share JobKeeper data.** The [Treasury Laws Amendment Bill 2020](#) passed in late August allows an ATO officer to disclose JobKeeper information to both the Fair Work Ombudsman and the Fair Work Commission so that they may administer an employer's Fair Work Act compliance obligations.
- **TPB further extends agent concessions.** The annual declaration and continued professional education concessions remain extended to 31 December 2020. The agent renewal and relevant experience concessions have been extended to 30 June 2021. Visit [TPB News](#) for more details.
- **TPB commences consultation on draft guidance about the use of TFNs in emails.** The guidance once finalised will provide practical advice and guidance on the appropriate professional use and disclosure of client related TFNs in email communications. View the [draft practice note](#) and make comment by 30 September 2020.

## AAT Australia Member Events

### Tech Talk: Float App

**When:** Thursday September 24, 2020

**Time:** 12:30pm to 1:30pm AEST, 12:00pm to 1:00pm SA and NT, 10:30am to 11:30am WA

**Where:** Online live event (recorded)

**Cost:** Free for AAT members

**Book:** September Tech Talk

### In case you missed it!

[Practice Protect – August Tech Talk recording](#)

Practical advice for simple tips you can implement today to increase the cyber protection of your bookkeeping business. The reality is we need to have the best cyber protection to protect our clients' data and our own practice information.

### Online Discussion Groups

**When:** Wednesday October 7, 2020 with Eric Ohlson

**Time:** 4:00pm to 5:00pm AEST, 3:30pm to 4:30pm SA and NT, 2:00pm to 3:00pm WA

**Where:** Online live event (not recorded)

**Cost:** Free for AAT members

[Book Now](#)

### **AAT Australia Bookkeepers Support Group**

Join the [AAT Australia Facebook group](#) for sharing information and getting help from colleagues. Talking with colleagues can really help us work things out, whether it's a curly bookkeeping question or whether it's needing a sounding board for help with a difficult situation; you don't have to operate in total isolation.

## What is Going on in the Industry?

### **ATO Open Forums**

Upcoming ATO Open Forums, which to date have been run face to face, have been postponed indefinitely.

Check the [ATO Open forums](#) webpage for future dates.

### **The Bookie & The Beano Podcast**

Join Intuit QuickBooks resident bookie, Diane Lucas, and favourite beano, Kane Munro, for the latest episode of their podcast, which deals with many aspects of the relationship between accountants and bookkeepers and current topics of interest. Check out the latest episode: [Episode 48: Re-evaluating 2020 and your future](#).

### **ATO Tax inVoice Podcast**

Keep updated about the latest tax and super information. The latest instalment is [Episode 25: Managing residential rental properties in a time of crisis](#), looking at the impacts of current events on residential property owners.

### **ATO TV**

Handy [ATO TV videos](#) on a range of topics that may be useful for you or your clients. Includes short videos on topics such as managing authorisations in RAM, and longer videos on more complex topics such as WET or GST at settlement.

### **TPB Webinars**

- Upcoming Tax Practitioners Board free webinars for registered agents.
- Wednesday 30 September 1:00pm AEST – Using the cloud
- Wednesday 30 September 3:00pm AEST – Know your obligations (for newly registered tax practitioners)

Visit the [TPB webinars webpage](#) to register for the webinars.

Visit the [TPB YouTube](#) channel for recordings of all previous webinars.

Join our Facebook Discussion Group

Feedback from members indicates that community is very important to accounting technicians. In response, the AAT Team has established a Facebook group especially for AAT members to join in an online community and discuss your successes and your not-so-successes, ask questions, give support to your colleagues and enjoy networking with your peers. We will be posting articles, information pieces, event details plus more. Click through here to join in today:

[AAT Facebook Group](#)

## Feedback

AAT welcomes your feedback. Please share your thoughts and ideas, let us know what your concerns are as well as the support and CPD that you need, so that we can deliver the best possible outcome for all of our AAT community. [Contact us](#)



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