JobKeeper Payment Settings in Q6 Payroll

Definition

The Government has passed additional legislation to provide wage subsidies to businesses significantly affected by COVID-19. This subsidy is called the JobKeeper payment and is intended to be paid directly to employers by the Australian Taxation Office, who then provide the payment to their employees. The JobKeeper Payment of $1,500 earnings (before tax) per fortnight is paid to the employer as a supplement to assist with the payment of salary and wages and will be paid in arrears commencing from May 2020 for a maximum of six (6) months, with payments backdated from 30 March 2020.

Q6 makes no assumptions as to whether a business is eligible for JobKeeper subsidies. It is the employer's responsibility to determine eligibility. For more information about the subsidy and business eligibility, refer here.

Key Date

By 30 April: Notify employees and receive completed employee notification forms

From 20 April: Enrol for JobKeeper payment

By 8 May: Pay your employees to claim JobKeeper payments for April

By 31 May: Last date to enrol for JobKeeper payment

From 4 May & onwards: Submit monthly declaration and notify ATO of turnover

31 May: Last day to declare

Here is a list of payment deadline dates you will need to meet in order to be able to claim JobKeeper for each fortnight...

JobKeeper Fortnight	Period relating to each JobKeeper Fortnight	Employees are paid on or before
1	30 March – 12 April	8 May*
2	13 April – 26 April	8 May*
3	27 April – 10 May	10 May*
4	11 May – 24 May	24 May*
5	25 May – 7 June	7 June
6	8 June – 21 June	21 June
7	22 June – 5 July	5 July
8	6 July – 19 July	19 July
9	20 July – 2 August	2 August
10	3 August – 16 August	16 August
11	17 August – 30 August	30 August
12	31 August – 13 September	13 September
13	14 September – 27 September	27 September

* You have until 31 May to enrol for JobKeeper if you intend to claim for wages paid for JobKeeper fortnights in April and May.

Q6 Cloud Accounting --- *Complete Accounting*

How to record JobKeeper payment in Q6?

There are 3 components to recording JobKeeper payments. These include:

1. Topping up employee gross earnings to $1500 per fortnight ("top-up");

2. Notifying the ATO when an eligible employee commenced being paid JobKeeper payments ("fortnight start");

3. Notifying the ATO when an employee is no eligible for JobKeeper and hence ceases to be paid JobKeeper payments ("fortnight finish").

For all eligible employees (ATO provide detailed information on assessing employee eligibility - this can be accessed **here**.), first thing to do in Q6 is to notify ATO through Q6 Single Touch Payroll portal by the following steps.
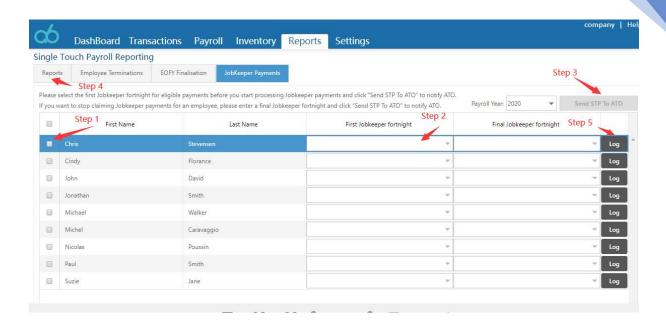
Step 1: follow the route of Dashboard -> Report-> Single Touch Payroll Reporting -> JobKeeper Payments.

Step 2: select eligible employee, then choose the pay period starts on First JobKeeper fortnight.
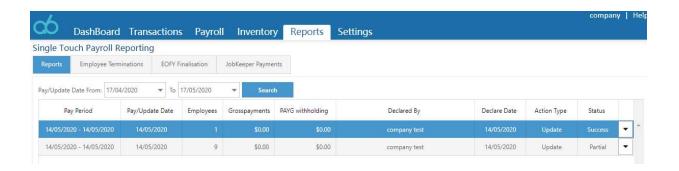
Step 3: once it has been all selected, click "Send STP to ATO"

Step 4: go back to Reports tab, to check sending progress.

Step 5: check Log for reported info.

Q6 Cloud Accounting --- *Complete Accounting*

Report section for sending progress, if the Status column is failed or Partial, it means there is issues with sending data, which is not compatible to ATO requirements, click drop down arrow for details.

Once Notification has been done on the above five steps, user may need to follow different scenarios as below.

Scenario A: Eligible employee earnings are <u>more than</u> $1,500 per fortnight before tax.

User does not need to do anything other than run **Batch Pay Run** as normal, with usual superannuation payment to be issued accordingly.

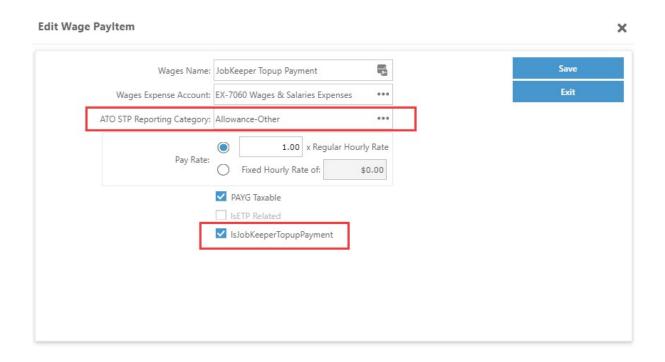***Scenario B: Eligible employee earnings are <u>less than</u> $1,500 per fortnight before ta**x.*

If the employee's earnings are less than $1,500 per fortnight, then continue to pay the employee all earnings and include all entitlements to leave accrual and superannuation as you usually would. In this scenario, a "top-up" is required to ensure the employee earns a minimum $1,500 gross earnings in the fortnight.

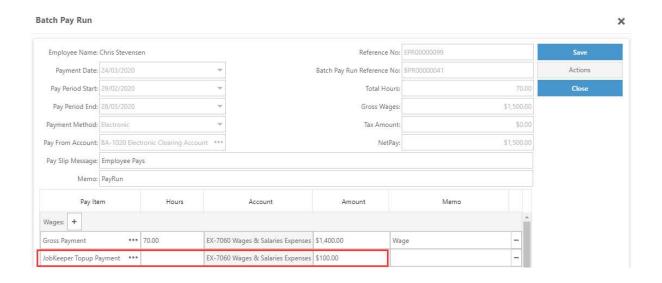To do this, user need to follow the steps below.

Step 1: follow the route of Dashboard -> Settings -> Pay Item List -> Add New.

Step 2: type in "Job Keeper Topup" as Wages Name, and select "Allowance-Other" for ATO STP Reporting Category, make sure ticking the option of "Is JobKeeper Topup Payment"

Step 3: click Save, to save this additional Pay Item for Batch Pay Run preparation

Edit Wage PayItem   ✕

Wages Name:	JobKeeper Topup Payment
Wages Expense Account:	EX-7060 Wages & Salaries Expenses •••
ATO STP Reporting Category:	Allowance-Other •••

Pay Rate:
  ⦿ 1.00 x Regular Hourly Rate
  ○ Fixed Hourly Rate of: $0.00

☑ PAYG Taxable
☐ IsETP Related
☑ IsJobKeeperTopupPayment

Save
Exit

Step 4: when user started on Batch Pay Run, manually input any amount to add up to AUD1500 fortnightly.

Batch Pay Run   ✕

Employee Name: Chris Stevensen	
Payment Date: 24/03/2020	Reference No: EPR00000099
Pay Period Start: 29/02/2020	Batch Pay Run Reference No: BPR00000041
Pay Period End: 28/03/2020	Total Hours: 70.00
Payment Method: Electronic	Gross Wages: $1,500.00
Pay From Account: BA-1020 Electronic Clearing Account •••	Tax Amount: $0.00
Pay Slip Message: Employee Pays	NetPay: $1,500.00
Memo: PayRun	

Save
Actions
Close

Pay Item	Hours	Account	Amount	Memo	
Wages: +					
Gross Payment •••	70.00	EX-7060 Wages & Salaries Expenses	$1,400.00	Wage	−
JobKeeper Topup Payment •••		EX-7060 Wages & Salaries Expenses	$100.00		−

Scenario C: Employee is no longer eligible to receive JobKeeper payments.

Step 1: follow the route of Dashboard -> Report-> Single Touch Payroll Reporting -> JobKeeper Payments.

Step 2: select eligible employee, then choose the pay period starts on Final JobKeeper fortnight.

Step 3: once it has been all selected, click "Send STP to ATO"

Step 4: go back to Reports tab, to check sending progress.

Step 5: check Log for reported info.

Step 6: Send termination STP to ATO

Eligible business participants

The process for nominating eligible business participants (for example, a partner in a partnership, an adult beneficiary of a trust, or a shareholder or director of a company) or sole traders is different to the process for employees. Refer to the ATO website for information on this process.