

## ***Determining a fall in turnover – JobKeeper***

### How to calculate a fall in turnover

To work out your fall in turnover, you can compare either:

- GST turnover for March 2020 with GST turnover for March 2019
- projected GST turnover for April 2020 with GST turnover for April 2019
- projected GST turnover for the quarter starting April 2020 with GST turnover for the quarter starting April 2019

How you choose to project your fall in turnover is not dependent on whether you report a quarterly or monthly BAS, though you can do that if it is easier. The turnover calculation is based on GST turnover, but there are some modifications, including disregarding GST grouping (where two or more associated business entities operate as a single GST group).

The Commissioner of Taxation also has the discretion to set out alternative tests that can establish your eligibility when turnover periods are not appropriately comparable (for example, if your business has been in operation less than a year). There will be some tolerance where employers, in good faith, estimate a 30 per cent or more or 50 per cent or more fall in turnover but actually experience a slightly smaller fall.

### Entities that are members of a larger group

Where an entity is part of a larger group this may affect how they apply the decline in turnover test to determine whether they are eligible. If the larger group has, or estimates they will have, an aggregated turnover of more than \$1 billion for the income year in which the test period occurs or had an aggregated turnover of more than \$1 billion for the previous year, the entity will be required to show a 50% decline in turnover to be eligible to receive JobKeeper payments.

Testing the decline in turnover is done on an individual employer entity basis. It only takes into account the turnover of the entity which is the employer, and not other members of a group.

### Aggregated Turnover

Your aggregated turnover broadly includes your annual turnover, plus the annual turnover of all the entities that are connected or affiliated with you, subject to specific adjustments (for example, for transactions between you and those other entities). These connected entities or affiliates may be based in Australia or overseas.

### Detailed Information: Decline in Turnover Test

The ATO have published detailed advice regarding the Decline in Turnover Test on their website. This guidance is available [here](#).