

## ***Other Considerations & FAQ's – JobKeeper***

### Tax Consequences

All JobKeeper payments are assessable income of the business that is eligible to receive the payments. The normal rules for deductibility apply in respect of the amounts your business pays to its employees where those amounts are subsidised by the JobKeeper payment.

The JobKeeper payment is not subject to GST.

### PAYGW & Superannuation

You must pay a minimum of \$1,500 per fortnight to your eligible employees, withholding income tax as appropriate. The \$1,500 per fortnight per employee is a before tax amount. Where an employee is paid more than \$1,500 per fortnight, the employer's superannuation obligations will not change. Where an employee is having their wages topped up to \$1,500 per fortnight by the JobKeeper Payment, it will be up to the employer if they want to pay superannuation on any additional wages paid by the JobKeeper Payment.

The Government will introduce new legislation/regulation so that the superannuation guarantee is not mandatory for the "top-up" portion of an employees gross \$1,500 payment.

### What if I don't have the cash flow to continue to pay my eligible employees until I receive the subsidy from the ATO?

The JobKeeper Payment is a reimbursement scheme that will be paid by the ATO monthly in arrears. In cases where this presents cash flow difficulties, businesses may want to speak to their bank to discuss their options. The banks have said businesses may be able to use the upcoming JobKeeper payment as a basis to seek credit in order to pay their employees until the scheme is making its first payments.

### I am an employee on paid/unpaid leave. Will I receive the payment?

Yes, unless you are in receipt of Government Parental Leave Pay or Dad and Partner Pay. If you are an eligible employee and your employer is an eligible employer, they will receive the payment whether you are working, on leave, or have been stood down.

### I have been stood down by my employer & now receive the Jobkeeper payment. What happens to my leave entitlements?

Leave entitlements will continue to accrue based on the hours worked by the employee. For employees who have been stood down, leave entitlements will continue to accrue based on that specific employee's regular hours & rates before they were stood down. Being stood down will not negatively impact an employee's years of service for LSL purposes.