

# CLIENT ALERT

July 2021

## 2021 COVID-19 JOBSAVER

The NSW Government has announced further details of the fortnightly JobSaver payment to help businesses, sole traders or not-for-profit organisations impacted by the current Greater Sydney COVID-19 restrictions.

**STOP PRESS:** Below are the rules per [Revenue NSW guidelines at midday 28 July 2021](#). The NSW Treasurer **announced** that JobSaver payments will now be available to businesses with an annual turnover of between \$75,000 and \$250 million, up from \$50 million, which have experienced a revenue decline of 30 per cent or more.

The maximum weekly payment has also been substantially increased, with employing businesses that maintain their employee headcount now able receive between \$1,500 and \$100,000 per week, up from \$10,000, with payments based on 40 per cent of their weekly NSW payroll.

Take note if you were not previously eligible and now eligible due to the Treasurer's announcement, you should apply.

We will keep you up to date if the rules for eligibility changes substantially.

### What can you get?

Eligible businesses and not-for-profit organisations with employees will receive fortnightly payments backdated to cover costs incurred from week 4 of the Greater Sydney lockdown (from 18 July 2021 onwards).

The payment will be equivalent to 40% of the weekly payroll for work performed in NSW:

- minimum payment will be \$1,500 per week
- maximum payment will be \$100,000 (up from \$10,000) per week.

Weekly payroll should generally be determined by referring to the most recent Business Activity Statement (BAS) provided to the Australian Taxation Office (ATO) **before 26 June 2021** for the 2020-21 financial year.

If you're a non-employing business, such as a sole trader, you may be eligible to receive a payment of \$1,000 per week.

Eligible businesses can use JobSaver to cover business costs incurred from 18 July 2021. These costs may include:

- salaries and wages
- utilities and rent
- financial, legal or other advice
- marketing and communications
- perishable goods
- other business costs.

## **Eligibility**

To be eligible for JobSaver you must:

- have an active Australian Business Number (ABN)
- demonstrate your business was operating in NSW as at 1 June 2021
- have had a national aggregated annual turnover between \$75,000 and \$250 million (inclusive) (up from \$50m) for the year ended 30 June 2020
- have experienced a decline in turnover of 30% or more due to the Public Health Order over a minimum 2-week period within the Greater Sydney lockdown (commenced 26 June) compared to the same period in 2019
- for employing businesses, maintain your employee headcount on 13 July 2021 while you continue to receive JobSaver payments
- for non-employing businesses, such as sole traders, show that the business is the primary income source for the associated person. If you have more than one non-employing business, you can only claim payments for one business.

## **What you need**

- A MyServiceNSW Account – you can create one when you start your JobSaver application
- your proof of identity
- your valid ABN/ACN number
- your business banking details for payment
- evidence of your annual turnover and loss of income
- Australian income tax return or Notice of Assessment
- qualified accountant, registered tax agent or registered BAS agent details, where required.

## Evidence to support eligibility

If your business is **not** on the highly impacted industries list, you must:

- declare that you meet the eligibility criteria
- if you have employees, declare that you will maintain your employee headcount on 13 July 2021 for the period for which you will receive JobSaver payments. Service NSW must be notified if the headcount declines over the payment period due to the actions of the business
- if you do not have employees, declare that the business is the primary income source for the owner of the business
- submit an Australian income tax return, Notice of Assessment or other documentation demonstrating the business had a national aggregated annual turnover between \$75,000 and \$250 million (inclusive) for the year ended 30 June 2020
- **submit evidence** (see below under “submit evidence” header) that you experienced a decline in turnover a minimum 2 week period within the Greater Sydney lockdown (commenced 26 June) compared to the same period in 2019
- provide evidence of weekly payroll
- lodge other supporting documents as required to demonstrate you meet the eligibility criteria.

If your business is on the highly impacted industries list, the same criteria above apply, however you only need to submit details of your qualified accountant, registered tax agent or registered BAS agent, that you experienced the relevant decline in turnover in the specified period.

Where evidence is required to show decline in turnover, this will be in the form of a letter from a qualified accountant, registered tax agent or registered BAS agent.

### Submit Evidence

Where evidence is required to show decline in turnover, this is required to be in the form of a letter from one of the following Independent Practitioners:

- qualified accountant as defined in the Corporations Act 2001
- registered tax agent as defined under the Tax Agent Services Act 2009; or
- registered BAS agent as defined under the Tax Services Act 2009.

### Decline in turnover

The NSW Government website advises that the Australian Taxation Office Goods and Services Tax (GST) concept will be applied when assessing whether an applicant experienced a 30% or more decline in national turnover. This is the same as that used for JobKeeper purposes, and requires that a business must use the same cash or accruals accounting method as used for their BAS returns in determining their decline in turnover.

## Aggregated annual turnover

The Australian Taxation Office income assessment concept will be applied when assessing whether an applicant had national aggregated annual turnover of between \$75,000 and \$250 million (inclusive). This requires a business to examine the turnover of their business and all connected entities to determine whether their turnover is within the threshold requirements.

## Alternative circumstances

Where there are circumstances a business may not meet the eligibility criteria and supporting evidence requirements, but still may be eligible for JobSaver. These circumstances include:

- businesses not operating for the full year to 30 June 2020 (e.g. new businesses)
- businesses affected by drought, bushfires or other natural disasters
- business acquisition, disposal, or business restructure that has impacted the business' turnover
- a sole trader or small partnership impacted by sickness, injury or leave.

Businesses in these circumstances should contact Service NSW to determine if an alternate comparison period, or alternative supporting evidence, can be applied.

## Auditing requirements

Successful applications may be subject to an audit.

A public reporting channel will be established to allow people to report businesses not adhering to JobSaver guidelines.

Service NSW can request a combination of the following documents to support its determination of eligibility and use of funds in accordance with JobSaver Terms and Conditions including:

- accountant's letter
- prior BAS statements
- income tax declarations
- audited profit and loss statements.

You'll need to keep all documentary evidence relied upon in your application for a minimum of 5 years.

## How to apply

Applications are open now. To apply:

1. Check you meet the [eligibility criteria](#).
2. Have your [documentation and evidence](#) ready for uploading.

**Note:** You cannot save and resume your application once you've started.

3. Select the 'Apply online' button.
4. Log in, or create your MyServiceNSW Account.
5. Select and verify your identity documents.
6. When your identity is verified, select 'Continue'.
7. Confirm your personal details.
8. Enter your business details and answer the eligibility questions, then select 'Next'.
9. Provide information about your decline in turnover and upload your supporting documentation, then select 'Next'.
10. Enter your bank details, then select 'Next'.
11. Review your application.
12. Check the declaration boxes.
13. Select 'Submit' to complete your application.

When you submit your application, you'll receive a confirmation email with your application reference number. If you do not receive this email, please check your junk mail folder, and then call 13 77 88 if you're still unable to locate the email.

## **When do I get paid?**

After your application is received, it will be reviewed by Service NSW, who will contact you if they need additional information to support your application. **If your application is approved, Service NSW will transfer funds to your specified bank account within 5 business days from the approval date.**

## **When to contact us**

You will need to contact us to obtain an accountants letter to support the required decline in turnover if your business is outside the "highly impacted industries" list and you are making a claim.

We can also provide you with a copy of your 2020 income tax return where required, or assistance with finalisation and lodgement of your 2020 income tax return if not already completed.

If you supply our details to Service NSW for possible compliance checking, you should also let us know so we can support you if compliance checking takes place.

For further details on eligibility criteria and to apply, visit [COVID-19 JobSaver payment – Guidelines](#).