

Job Keeper 2.0

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Extension of the JobKeeper Payment

The Government is extending the JobKeeper Payment by a further six months to March 2021. Support will be targeted to businesses and not-for-profits that continue to be significantly impacted by the Coronavirus.

The payment rate will be reduced, and a lower payment rate will be introduced for those who work fewer hours. Other eligibility rules remain unchanged.

ATO instructions for employers reporting via STP: <https://www.ato.gov.au/general/jobkeeper-payment/in-detail/jobkeeper-guide---employers-reporting-through-STP/>

STP reporting of tier level

Tier level is determined on hours worked per week in a reference period. For employees, the reference period is either the four weeks ending at the end of the most recent pay cycle before 1 March 2020, or before 1 July 2020. The ATO is also establishing alternative reference periods that can be used where the standard periods are not appropriate. The reference period is a historical period, so an employee's tier will not change unless it was incorrectly determined.

Here is the guidelines from ATO on how to determine tier level: <https://www.ato.gov.au/General/JobKeeper-Payment/Payment-rates/80-hour-threshold-for-employees/>.

Employers may use STP to report the Tier level to which they have assessed and assigned eligible employees. The Tier level must be reported as Other Allowances using the specific text descriptions only:

- **JK-TIER1** – for those employees who worked 80 hours or more in any reference period.
 - In Quarter 3, they must be paid at least **\$1,200** per JobKeeper fortnight.
 - In Quarter 4, they must be paid at least **\$1,000** per JobKeeper fortnight.
 - If these employees are paid less than these amounts, a top-up payment must be made to the specified amounts and reported, as per the current reporting arrangements for JobKeeper top-up payments.
- **JK-TIER2** - for those employees who worked fewer than 80 hours in any reference period.
 - In Quarter 3, they must be paid at least **\$750** per JobKeeper fortnight.
 - In Quarter 4, they must be paid at least **\$650** per JobKeeper fortnight.
 - If these employees are paid less than these amounts, a top-up payment must be made to the specified amounts and reported, as per the current reporting arrangements for JobKeeper top-up payments.

Alternate short forms

Along with the extension of Job Keeper scheme, ATO introduces alternate short forms for allowance name to help software providers who can not use allowance name being too long.

Our Payroll does not have this issue but both forms are now being accepted by ATO when processing STP files.

- **JOBKEEPER-START-FNxx** can be changed to **JK-ST-FNxx** with "xx" is the fortnight number.
- **JOBKEEPER-FINISH-FNxx** can be changed to **JK-FI-FNxx** with "xx" is the fortnight number.
- **JOBKEEPER-TOPUP** can be changed to **JK-TOPUP**.

Transition from Job Keeper to Job Keeper 2.0 in Payroll

- If your business is not eligible for Job Keeper 2.0, you don't need to report anything to stop JobKeeper. ATO will assume if you don't start reporting Tier information, JobKeeper is no longer needed.
- If your business is eligible for JobKeeper 2.0 and you have employees who are eligible for JobKeeper, determine which tier level your employees belong to. Click [here](#) to view the full instruction on ATO website.
- Here are the proper settings for both tier levels:

- Tier 1 - JK-TIER1

Allowance Maintenance

Allowances

JK-TIER1
JK-TIER2

Allowance Details

Allowance Name * JK-TIER1

Description * Job Keeper Tier 1

Allowance Type * Other

View References ...

Allowance Amount 0.01

Or Gross %

Pay Period Min Amount 0

Max Amount (0=No Limit) 0

Select this Account

* Allowance should always be an expense account

☐ Apply this allowance automatically on each pay run

☒ Show on payslip

☒ Pay tax on this allowance

☐ Pay compulsory superannuation on this allowance

☒ Is reportable in PAYG Payment Summary

☐ Is part of the Gross Payments

Make sure the name is correct

Make sure the allowance is reported separately from your Gross

- Tier 2 - JK-TIER2

Allowance Maintenance

Allowances

JK-TIER1
JK-TIER2

Allowance Details

Allowance Name * JK-TIER2

Description * Job Keeper Tier 2

Allowance Type * Other

View References ...

Allowance Amount 0.01

Or Gross %

Pay Period Min Amount 0

Max Amount (0=No Limit) 0

Select this Account

* Allowance should always be an expense account

☐ Apply this allowance automatically on each pay run

☒ Show on payslip

☒ Pay tax on this allowance

☐ Pay compulsory superannuation on this allowance

☒ Is reportable in PAYG Payment Summary

☐ Is part of the Gross Payments

Make sure allowance name is correct

Make sure the allowance is reported separately from your Gross

- Add those tier level allowances to eligible employees and double-check to make sure all settings are correct:

Employee Maintenance

Basic Details
Employment
Allowance
Deduction
Leave
Banking
Cost Centre
Standard Roster
Termination
Document
Notes
Base Rate History

Allowances Import From Pay Grade

Allowances YTD Amount

Allowance Details

Allowance Name
Description

Allowance Type Car ☐ Apply this allowance automatically

Allowance Amount ☐ Show on payslip

Or Gross % ☐ Pay tax on this allowance

Pay Period Min Amount ☐ Pay superannuation on this allowance

Pay Period Max Amount (0=No Limit) ☐ Is reportable in PAYG Payment Summary

☐ Is part of the Gross Payments

Withholding Tax Variation

Variation Percentage

This variation expires after

Opening Balance... <<Previous Next>> Save Save and Close Close

Select Allowances

Allowances

☐ Motor Vehicle Allowance tax free
☐ Motor Vehicle Allowance Taxable
☐ Bonus for Deals Completed
☐ Bonus for Showed Appointments
☐ Finance Bonus
☐ Volume Bonus
☐ Old Stock Bonus
☐ Reimburse Recovered Registration
☐ Delivery/Order Target
☐ Transport Reimbursement
☐ JK-TIER1
☒ JK-TIER2
☐ JK-TIER1X

Allowance Maintenance... OK Cancel

Employee Maintenance

Basic Details
Employment
Allowance
Deduction
Leave
Banking
Cost Centre
Standard Roster
Termination
Document
Notes
Base Rate History

Allowances Import From Pay Grade

Allowances YTD Amount

JK-TIER2

Allowance Details

Allowance Name JK-TIER2

Description Job Keeper Tier 2

Allowance Type Other ☐ Apply this allowance automatically on each pay run

Allowance Amount 0.01 ☒ Show on payslip

Or Gross % ☒ Pay tax on this allowance

Pay Period Min Amount 0 ☐ Pay superannuation on this allowance

Pay Period Max Amount (0=No Limit) 0 ☒ Is reportable in PAYG Payment Summary

☐ Is part of the Gross Payments

Withholding Tax Variation

Variation Percentage

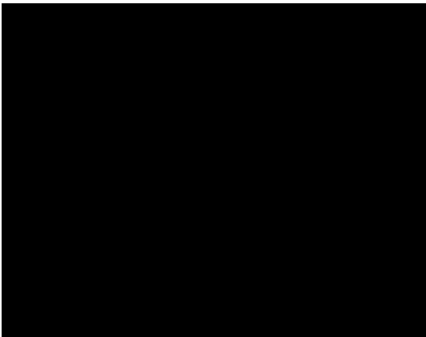
This variation expires after

Opening Balance... <<Previous Next>> Save Save and Close Close

- Apply one of those tier level allowance and other job keeper allowances (start/finish fortnight and top up if needed) in your employee payrun.
Note: for start/finish fortnight and tier level allowance, you are only required to report once during JobKeeper scheme. No need to apply those allowances in every payrun.
- After committing the payrun, check the STP file again and make sure those Job Keeper allowances are reported in the right section. Here is the example of STP file snapshot, all Job Keeper allowances should be reported in **allowance collection** section.
If they are not appeared in the right section, please go back and check your allowance settings of the affected employees.

* There are some Opening Balance transactions in this financial year and you have chosen to NOT include them in STP reporting documents. Those transactions should already be reported via STP by another Payroll system.
If you change your mind, please make appropriate change in System Options and re-generate STP file again

Employee Record:

Employee ID		☐ Final Pay
Name		
Tax File Number		
Email		
Phone		
Date of Birth		
Address		
Employment Start Date		
Employment End Date		
Pay Period		

YTD Figures

Gross		Lump Sum A Type
Tax		Lump Sum A
Super Liability		Lump Sum B
OTE		Lump Sum D
RESC		Lump Sum E
FBT		

Allowance Collection

Type	Amount	Description
Other	\$96.16	Motor Vehicle Allowance Taxable
Other	\$0.01	JK-TIER1

Deduction Collection

Type	Amount
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- **Please note that reporting correct tier level is legally binding with ATO, so make sure you have the tier level correct for all of your eligible employees.**
- In case that you make the wrong choice and report wrong tier level for some employees, please make sure you rectify as soon as possible via STP.
 - if that happens in the most recent payrun, you can roll back that payrun and re-enter the correct allowance. Check STP file after to make sure there is only 1 correct tier level reported in allowance section.
 - If the error has been made a few payruns back, you can correct the issue in the next payrun by adding a correction allowance:
 - Add another allowance to the affected employees to correct the wrong tier (**JK-TIER1X** to cancel tier 1 and **JK-TIER2X** to cancel tier 2). The settings are the same for both correction allowances and as followed:

Allowance Maintenance

Allowances

- JK-TIER1
- JK-TIER2
- JK-TIER1X

Allowance Details

Allowance Name: JK-TIER1X

Description: correction for tier 1

Allowance Type: Other

View References ...

Allowance Amount: 0.01 Or Gross %

Pay Period Min Amount: 0 Max Amount (0=No Limit): 0

Select this Account: [Redacted]

* Allowance should always be an expense account

☐ Apply this allowance automatically on each pay run

☒ Show on payslip

☒ Pay tax on this allowance

☐ Pay compulsory superannuation on this allowance

☒ Is reportable in PAYG Payment Summary

☐ Is part of the Gross Payments

- In the next payrun, apply the correction allowance and the correct tier level allowance. Make sure in the STP file you will see something similar to this:

YTD Figures		
Gross		Lump Sum A Type
Tax		Lump Sum A
Super Liability		Lump Sum B
OTE		Lump Sum D
RESC		Lump Sum E
FBT		

Allowance Collection		
Type	Amount	Description
Other	\$192.32	Motor Vehicle Allowance Taxable
Other	\$0.01	JK-TIER1
Other	\$0.01	JK-TIER2
Other	\$0.01	JK-TIER1X

In this example, this employee will be in tier level 2 for the whole life of JobKeeper 2.0.

- **Note: This design does not support multiple corrections, so extreme caution should be taken to ensure accuracy of originally reported JobKeeper extension data. This critical detail is used to determine the reimbursement amount to the employer**

JobKeeper Extension Fortnights

The JK-ST-FNXX codes are:

FN	Dates	Allowance description
14	28/09/2020 – 11/10/2020	JK-ST-FN14
15	12/10/2020 – 25/10/2020	JK-ST-FN15
16	26/10/2020 – 08/11/2020	JK-ST-FN16
17	09/11/2020 – 22/11/2020	JK-ST-FN17
18	23/11/2020 – 06/12/2020	JK-ST-FN18
19	07/12/2020 – 20/12/2020	JK-ST-FN19
20	21/12/2020 – 03/01/2021	JK-ST-FN20
21	04/01/2021 – 17/01/2021	JK-ST-FN21
22	18/01/2021 – 31/01/2021	JK-ST-FN22
23	01/02/2021 – 14/02/2021	JK-ST-FN23
24	15/02/2021 – 28/02/2021	JK-ST-FN24
25	01/03/2021 – 14/03/2021	JK-ST-FN25
26	15/03/2021 – 28/03/2021	JK-ST-FN26

The JK-FI-FNXX codes are:

FN	Dates	Allowance description
14	28/09/2020 – 11/10/2020	JK-FI-FN14
15	12/10/2020 – 25/10/2020	JK-FI-FN15
16	26/10/2020 – 08/11/2020	JK-FI-FN16
17	09/11/2020 – 22/11/2020	JK-FI-FN17
18	23/11/2020 – 06/12/2020	JK-FI-FN18
19	07/12/2020 – 20/12/2020	JK-FI-FN19
20	21/12/2020 – 03/01/2021	JK-FI-FN20
21	04/01/2021 – 17/01/2021	JK-FI-FN21
22	18/01/2021 – 31/01/2021	JK-FI-FN22
23	01/02/2021 – 14/02/2021	JK-FI-FN23
24	15/02/2021 – 28/02/2021	JK-FI-FN24
25	01/03/2021 – 14/03/2021	JK-FI-FN25
26	15/03/2021 – 28/03/2021	JK-FI-FN26

Further reading

[ATO JobKeeper Extension Factsheet](#)