COVID-19 wage subsidy (JobKeeper) payments

Australia only

Updated 20 May 2020

We know there’s a lot to take in when it comes to JobKeeper, so we’ve made a few changes to STP reporting to make it easier.

Information and updates are coming through thick and fast, and our help content is being updated with the latest information all the time, so check back regularly.

If you’ve previously set up the JOBKEEPER-START-FNxx pay item, we recommend completing task 4 'Notify the ATO that you're starting to pay JobKeeper'. This ensures you'll meet the ATO's reporting guidelines for JobKeeper.

JobKeeper is a government scheme to help businesses continue paying their employees. Eligible employers will be reimbursed a fixed amount of $1500 per fortnight (before tax) for each eligible employee.

To be eligible for the JobKeeper payment, employers and their employees must meet a range of criteria. For eligibility criteria for you and your employees, and all the details on the JobKeeper scheme, visit the ATO website.

For the latest information about ATO measures and the support available for your business, visit ato.gov.au/coronavirus

Key dates

<table>
<thead>
<tr>
<th>Date</th>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Set up for JobKeeper with ATO</td>
<td></td>
</tr>
<tr>
<td>from 30 March</td>
<td>EOI</td>
<td>Express interest in JobKeeper.</td>
</tr>
<tr>
<td>by 31 May</td>
<td>Enrol</td>
<td>Enrol for JobKeeper with the ATO.</td>
</tr>
<tr>
<td></td>
<td>Set up JobKeeper in MYOB</td>
<td></td>
</tr>
<tr>
<td>by 30 April</td>
<td>Notify</td>
<td>Report start fortnight for eligible employees. See steps below.</td>
</tr>
<tr>
<td>from 4 May</td>
<td>Declare</td>
<td>Submit pay via STP. See steps below.</td>
</tr>
<tr>
<td>by 8 May</td>
<td>Catch-up</td>
<td>Make sure your employees have been paid the correct JobKeeper amounts for April. This must include any required back pay to meet the minimum ($1500 per fortnight) for the April transition period.</td>
</tr>
<tr>
<td></td>
<td>Ongoing tasks</td>
<td>Deadline for reporting April JobKeeper payments.</td>
</tr>
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Setting up JobKeeper payments in MYOB

Once you've completed the enrollment process with the ATO, you can set up the following in MYOB:

- a new income account - for receiving JobKeeper payments from the government
- a new wage pay item - to report your employees JobKeeper payments via Single Touch Payroll
- inform the ATO - you need to notify the ATO that you've started paying JobKeeper to eligible employees.

We'll start by creating an income account that you can use to account for the JobKeeper reimbursements from the government.
Paying employees during JobKeeper

The pays you complete under the JobKeeper scheme will look quite similar to any other pay day, but with these changes:

If an employee:

- earns more than the JobKeeper payment, enter their pay as you normally would and record their pay against the relevant pay item
- earns less than the JobKeeper payment, enter their pay as you normally would and record their pay against the relevant pay item, and the top-up amount (to bring their pay up to the JobKeeper minimum) against the JOBKEEPER-TOPUP pay item
- has been stood down, enter the full JobKeeper amount against the JOBKEEPER-TOPUP pay item

If this is the first pay under JobKeeper, make sure you notify the ATO in the Single Touch Payroll reporting centre that you’re starting to make JobKeeper payments to all eligible employees. For details, see task 4 ‘Notify the ATO that you’re starting to pay JobKeeper’.

Now, let’s establish the JobKeeper payment amounts you’ll need to pay (before tax) based on an employee’s pay frequency:

<table>
<thead>
<tr>
<th>Pay frequency</th>
<th>JobKeeper payment amount</th>
<th>Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weekly</td>
<td>$750</td>
<td>1500 / 2</td>
</tr>
<tr>
<td>Fortnightly</td>
<td>$1500</td>
<td>1500 x 1</td>
</tr>
<tr>
<td>Twice a Month</td>
<td>$1625</td>
<td>1500 x 26 / 24</td>
</tr>
<tr>
<td>Monthly*</td>
<td>$3250</td>
<td>1500 x 26 / 12</td>
</tr>
</tbody>
</table>

*Monthly paid employees must receive at least $1,500 for each full JobKeeper fortnight within the month. This is a minimum of $3,000 for each month except August 2020 which has 3 full fortnights. You can choose to pay $3,250 each month, but your reimbursements will be based on complete fortnights each month.

Let’s take you through it:

To process a JobKeeper pay

Receiving JobKeeper payments from the government

The JobKeeper payments you receive from the government will be deposited into your nominated bank account.

How you record these payments in AccountRight depends on whether or not you have a bank feed set up on that account.

If the version of MYOB you’re using doesn’t have a Banking menu, you’ll need to find another
method to record the receipt of JobKeeper payments from the government. If you need help, contact us, or consult your MYOB Partner.

<table>
<thead>
<tr>
<th>If you use bank feeds</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you don't use bank feeds</td>
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</tbody>
</table>

**FAQs**

- How are leave accruals affected by JobKeeper?
- What if I've paid my employees before setting up JobKeeper?
- An employee has become ineligible during JobKeeper. What should I do?
- What if I've accidentally selected an ineligible employee for JobKeeper?
- What if I've selected the wrong JobKeeper start date?
- Is my business eligible for JobKeeper?
- I'm a sole trader. Am I eligible for JobKeeper?

Book your spot to learn about the JobKeeper payments in our free webinars

**Related topics**

- Do a pay run
- Creating pay items
- Payroll
- Managing your bank feeds
- Receive money