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BAS and Bookkeeping Assistance

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BUSINESS BULLETIN

SPRING 2020

BUSINESS ADVICE – **JobKeeper Extended**

The JobKeeper 2.0 legislation has just passed both houses of Parliament, and is now law (subject to the formality of Royal Assent). This legislation enables the Treasurer to draft a legislative instrument setting out the key changes to the scheme as follows:

Employer Eligibility

From 28 September 2020, businesses and not-for-profits seeking to claim JobKeeper will be required to re-assess their eligibility for the JobKeeper extension with reference to their actual turnover in the September quarter 2020 (rather than the June and September quarters). Businesses and not-for-profits will need to demonstrate that they have met the relevant decline in turnover test in this quarter to be eligible for JobKeeper from 28 September 2020 to 3 January 2021.

Businesses and not-for-profits will need to further reassess their eligibility in January 2021 for the period from 4 January to 28 March 2021. Businesses and not-for-profits will need to demonstrate that they have met the relevant decline in turnover test in the December quarter 2020 (rather than each of the June, September and December quarters) to remain eligible for the period to 28 March 2021 (the March quarter).

Payment Rates

The payment rates have been pared back and will now

KEY DATES

21 SEPTEMBER

Lodge August monthly BAS

21 OCTOBER

Lodge September monthly BAS

28 OCTOBER

Pay Superannuation Guarantee

contributions for July-September

28 OCTOBER

Lodge July-September quarterly BAS (if

lodging by paper)

31 OCTOBER

Lodge personal income tax returns if

you are not using a tax agent

depend upon the hours worked by an employee.

From 28 September 2020 to 3 January 2021, the JobKeeper Payment rates will be:

- \$1,200 per fortnight for all eligible employees who were working in the business or not for-profit for 20 hours or more a week on average in the four weeks of pay periods before either 1 March 2020 or 1 July 2020, and for eligible business participants who were actively engaged in the business for 20 hours or more per week on average; and
- \$750 per fortnight for other eligible employees and business participants (less than 20 hours)

From 4 January 2021 to 28 March 2021, the JobKeeper Payment rates will be:

- \$1,000 per fortnight for all eligible employees who were working in the business or not for-profit for 20 hours or more a week on average in the four weeks of pay periods before either 1 March 2020 or 1 July 2020, and for business participants who were actively engaged in the business for 20 hours or more per week on average; and
- \$650 per fortnight for other eligible employees and business participants (less than 20 hours)

Employee Eligibility

- Employees that meet the eligibility requirements can now be nominated by a new employer if their original employment with a JobKeeper employer ended before 1 July 2020
- As of 3 August 2020, the key date for assessing employee eligibility is now 1 July 2020 (not 1 March 2020)

Action Required?

While the official details for the JobKeeper extension are not yet available, the ATO this week indicated that employers will not need to re-enrol if they were already enrolled in JobKeeper prior to 28 September.

BUSINESS PROPERTY – Buying Motor Vehicles

In the current low interest rate environment, rarely been a better time to invest in your business by acquiring plant and equipment including motor vehicles. Whether you're buying a vehicle for business or private purposes, here are some tips when buying

1. Educate Yourself

In order to get a good deal, you must first know what a good deal is. This requires doing some research to find out what incentives specific car manufacturers are offering. We recommend searching sites like racq.com.au or redbook.com.au as well as the manufacturer's website to educate yourself on current car prices, reviews, financing, and more.

2. Decide Which Car You Really Want

While it's easy to be tempted by a great deal, you should make sure the car is actually the one you really want. You need to be able to see yourself driving it for 3 or more years. This will prevent you from making an impulse buy and

very expensive regret or mistake. Importantly, customers who ask a salesperson for "the best price" on 3 different cars are never taken seriously. So when it comes to striking a deal, know



EXACTLY what you want before talking price.

3. Get a Pre-Approved Loan

It's also a good idea for your financier to arrange finance in advance of your purchase. A preapproval is usually good for 60 days, which should be plenty of time to find the car you want.

4. Negotiate the Whole Package Together

There's nothing worse than thinking you're getting a good deal at first, only to find that you're not getting the trade-in price or incentives that you expected. You should insist the dealership gives you the final cost after all these things are added in before you commit.

5. Leverage Supply and Demand

Most brands have moments of the year where they have too much stock of a particular model. Look out for those periods where a manufacturer is heavily advertising a particular model – it usually means they have more stock than they would like. Likewise this can apply to individual dealers. You might get a price from Dealer A who only has 1 or 2 of your model available but Dealer B has 10 – usually making them more flexible on the final price.

6. Make Dealers Compete for Your Business

When you've decided on the car you want, it's a good idea to contact a handful of dealerships and ask each one for their best price. Letting them know you're talking to other dealers will start a bidding war, which will drive the price of the car down. Just remember each car you're looking at has the same features so they are comparable.

TAX MAN – Keeping Your Records

You should keep records long enough to cover the period of review (also known as the amendment period) for an assessment that uses information from the record.

The period of review is the time period within which the assessment can be amended by you or by the ATO.

For example, the period of review for:

- an income tax return is generally two years for individuals and small businesses and four years for other taxpayers, from the day after we give you the notice of assessment
- a business activity statement (BAS) is generally four years from the day after the notice of assessment is given
- a fringe benefits tax return is generally three years from your date of lodgement.

You need to keep your records long enough to cover the five-year retention period and the period of review for the relevant assessment. In many cases, the five-year retention period will also cover the period of review.

When your assessment is amended, the period of review for that amended assessment restarts from the day after we give you the notice of amended assessment



HR – Bullying Laws

Bullying laws are embedded in Australia workplace law. Under these laws, bullying (which can be perpetrated by a manager/director or by one employee to another) occurs when an individual or group of individuals repeatedly behave unreasonably towards a worker and that behavior creates a risk to health and safety. It is irrelevant whether the person doing the bullying intends to bully the victim. However, in an out for employers, if the conduct complained of is a “reasonable management action carried out in a reasonable manner”, then that does not constitute bullying.

If a worker (including contractors you engage) has been bullied, they can apply to the Fair Work Commission for an order that the bullying stop. However, the new laws do not give the bullied employee an entitlement to monetary compensation from the employer or the person who engages in bullying, nor do they give the bullied employee the right to reinstatement of their position. The following is a brief overview of the anti-bullying processes at the Fair Work Commission (the Commission) that will be applied in most cases.

1. Application is lodged—a worker lodges an application for an order to stop workplace bullying.
2. Response from the employer or business—the Commission sends a copy of the application to the employer and the person/s alleged to be bullying the applicant, and they are given an opportunity to respond.
3. Application is dealt with by the Commission—by mediation, conference or hearing, depending on the circumstances of each case.
4. Application is settled or determined—the matter may be settled by mediation or in conference, or the Commission may issue a decision and/or an order to stop the workplace bullying.

To minimise the chances of a claim (and the friction that may result, as well as the loss of time to the employer in responding to a claim) it's recommended that employers have an effective workplace bullying policy in place and that employees are trained in relation to this policy. If a bullied employee feels as though they have redress within the workplace, they are less likely to seek external redress via the Fair Work Commission.

