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Applying for JobKeeper Payments with the Australian Taxation Office

Summary points

- JobKeeper is a new payment for businesses affected by the coronavirus, including employers, sole traders, contractors, sub-contractors and self-employed workers. It is run by the ATO and different to JobSeeker, which is run by Centrelink.
- Employers can receive \$1,500 a fortnight per eligible employee from the ATO. The employer is then responsible for paying the full \$1,500 to their employees. Employers may continue to pay normal wages to their employees on top of this payment.
- Sole traders, contractors, sub-contractors and self-employed workers can receive the payment for themselves directly into their bank accounts from the ATO.
- To be eligible for JobKeeper payments your business must:
 - have been active on 1 March 2020 and have an ABN
 - have faced a 30% fall in turnover (for businesses with an aggregated turnover of \$1 billion or less)
 - ensure anyone who will receive the payment meets eligibility criteria, including working for the business on or before 1 March 2020, being over the age of 16 and being an Australian resident for income tax purposes.
- If you are an employee:
 - you need to ask your employer to nominate you for the JobKeeper Payment (employees cannot apply themselves)
 - your employer will give you a *JobKeeper employee nomination notice form* to fill in
 - you can only receive the JobKeeper payment from one employer.
- If you are an employer, sole trader, contractor, sub-contractor or self-employed worker:
 - you can enrol for JobKeeper payments for your employees and/or yourself using the [ATO Business Portal](#) (you will need to first get a [MyGovID account](#) on your smartphone that is linked to your ABN). You can also enrol for JobKeeper payments by logging into the Online ATO Service via MyGov.
 - you need to ask your nominated employees to fill in a *JobKeeper employee nomination notice form*. If you are applying to receive the payment for yourself, you also need to fill in this form

- you need to provide information on your current and projected fall in turnover and you will need to continue doing this every month
- you must enrol before the 31 May, 2020 to claim JobKeeper payments for the month of April
- You can receive both the JobKeeper payment and the JobSeeker Payment (from Centrelink) at the same time but you need to report it to Centrelink as income. This may reduce your JobSeeker payment.

You can reach out to your local sex worker peer support organisation if you need help. Contact details are available here: <https://redbook.scarletalliance.org.au/home/sex-worker-orgs/>

Please read the remainder of this document for further information. You can also visit: <https://www.ato.gov.au/general/JobKeeper-Payment/>.

What is JobKeeper?

The JobKeeper Scheme is a new payment scheme that was recently introduced by the Australian Government to provide wage support to businesses affected by Coronavirus. Employers, sole traders, contractors (including sub-contractors), and self-employed workers can now enrol for JobKeeper payments via [Australian Taxation Office \(ATO\) Business Portal](#). You can also enrol for JobKeeper payments by logging into the Online ATO Service via MyGov.

Before 20 April, employers, sole traders, contractors and self-employed workers were encouraged to register their interest for JobKeeper payments through the ATO. Registration provided applicants with JobKeeper payments updates and information via SMS and email. By registering your interest, you did not complete the process of applying for JobKeeper payments. You must enrol for JobKeeper payments.

Enrolment for JobKeeper payments began on the 20th of April. To enrol for JobKeeper payments through the [ATO Business Portal](#), you must create a MyGovID account that is linked to your Australian Business Number (ABN). See the MyGovID section below for more information on how to create an account and link it to your ABN.

Alternatively, you can enrol for JobKeeper payments using your MyGov Account that is linked with the ATO. If you don't have a MyGov account or it is not linked to the online ATO Service, see the [Scarlet Alliance Applying for JobSeeker Payments](#) resource for information on how to create a MyGov account and link it to the ATO.

You must enrol for JobKeeper Payments by the 31 May, 2020 to receive JobKeeper payments for the month of April.

You do not enrol for JobKeeper payments with Services Australia, MyGov or Centrelink. However, you can enrol for payments by accessing the Online ATO Service via the MyGov portal. The JobKeeper Scheme is completely managed and delivered through the ATO.

The Government will provide successful applicants \$1,500 per fortnight for employees, sole traders, and self-employed workers for up to 6 months (until 27 September 2020) to maintain their income. Payments will begin in the first week of May, provided employers enrol by the end of April. They will be distributed monthly and, depending on what you claim, will be backdated to the 30 of March.

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The JobKeeper payments are a reimbursement of reduced fortnightly wages. They are not paid in advance. Instead, they are paid in arrears. These payments are also counted as assessable income for the business receiving the payments. This means that the JobKeeper payments are counted as income that can be taxed. However, the payment is not subject to GST. Legislation is also being drafted to not require employers to pay super guarantee on additional payments that are made to employees as a result of JobKeeper payments.

Sex workers who are sole traders or contractors for taxation purposes and are able to meet the other eligibility criteria may be eligible to apply for JobKeeper payments directly with the ATO or using the Online ATO Service via MyGov. If you have a taxation agent that does your taxes, you may want to engage them to assist you in enrolling for JobKeeper payments. They are also able to enrol for the payments on your behalf.

Currently, the enrolment process is not requesting any documentation such as a copy of your tax return, activity statements, bank statements etc. However, the ATO may request these documents, further down the track.

JobSeeker VS JobKeeper Payments

The JobKeeper payments are different to the JobSeeker payments.

The JobSeeker payments:

- are managed and delivered by Centrelink,
- pay up to \$1,115.70 a fortnight with the Coronavirus Supplement, and
- are for people who have lost their jobs, had their hours reduced, do not have sufficient employment or income to meet their financial needs, or are unable to work due to injury or illness.

The JobKeeper payments:

- are managed and delivered by the ATO
- pays \$1,500 a fortnight.
- are paid by the ATO to employers, who then pass on the full payment to their nominated employees. Sole traders, contractors and self-employed workers are paid directly through the ATO.
- were introduced to support businesses to financially survive the coronavirus situation and assist employers hold on to their employees.

Employees can apply for JobSeeker payments and be nominated for JobKeeper payments by their employers at the same time. Sole traders, contractors and self-employed workers can apply for both JobKeeper and JobSeeker payments at the same time.

If you are receiving JobSeeker payments when your JobKeeper payments come through, Centrelink requires you to report your JobKeeper payments to Centrelink as income.

Who can enrol for JobKeeper payments

JobKeeper payments paid to employees through employers

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Employees do not independently register or enrol for JobKeeper payments with the ATO. Only eligible employers who want to participate in the JobKeeper Scheme can register and enrol their eligible employees for the JobKeeper payment. Employers can decide which employees they want to claim JobKeeper payments for and must notify those employees that they intend to claim JobKeeper payments for them. Employers need to get permission from their nominated employees to receive JobKeeper payments for them.

Once an employer has notified their employee of their intention to nominate them for the JobKeeper payments, the employers must provide the employee with the [JobKeeper Employee Nomination Notice](#) form. This form is used to:

- notify eligible employees that their employer is registering to participate in the JobKeeper Scheme
- request permission to nominate the employee for JobKeeper payments
- confirm that the employer is the nominated employee's primary employer.

The JobKeeper Nomination Notice form must be filled out by the employee and returned to the employer. The employer must keep a copy of the form for 5 years to document that their nominated employee was notified and agreed to participate in the JobKeeper scheme. The completed form does not need to be sent to the ATO. Employees can choose not to participate in the JobKeeper Scheme with particular employers.

If the employer plans to claim JobKeeper payments for their employees for the month of April, then the JobKeeper Nomination Notice form needs to be filled out for each eligible, nominated employee and returned to the employer before the end of May.

If an employee has multiple employers who are interested in nominating them, it is up to the employee to decide which employer they want to get JobKeeper payments through. Employees cannot be nominated and receive JobKeeper payments through more than one employer.

However, if an employee with multiple jobs has at least one permanent job with an employer, the employee can *only* accept being nominated and receive JobKeeper payments through their permanent employer. For example, if you have a permanent part time job with an employer and another long term casual job with a different employer, you are only eligible to be nominated and receive JobKeeper payments with your permanent part time employer.

JobKeeper payments are paid to employees through their employer in line with their existing pay cycle.

Employers are only able to register their employees. Employers who may also contract services from sole traders, contractors (including subcontractors) and self-employed workers for specific jobs cannot also register or enrol these workers for JobKeeper payments.

Employers who receive \$1,500 per employee per fortnight must pay their employee the full amount even if the employee normally receives less than \$1,500 in wages. Employers cannot pay employees less than \$1,500 per fortnight and keep the difference.

If an eligible employee earns more than \$1,500 per fortnight, the employer is recommended to continue to pay them their regular salary or wages. However, the employer will only be reimbursed \$1,500 for each eligible employee from the ATO. Any amount the employer pays above \$1,500 per fortnight is not subsidised by the JobKeeper payment.

Employers will only be paid a JobKeeper payment for employees from the fortnight they were re-engaged with the business.

JobKeeper payments paid to contractors, sole traders and self-employed workers

Contractors, sole traders and self-employed workers can independently enrol for JobKeeper payments through [the ATO Business Portal](#) or the Online ATO Service via [MyGov](#).

Self-employed workers generally refers to people who operate their own business and provide services on a contract basis. Self-employed workers can be independent contractors and they can have employees.

[Contractors](#) run their own business and are sometimes also referred to as ‘independent contractors’ or ‘subcontractors’. Contractors are responsible for managing most aspects of their business, including getting insurance, setting their own fees and working arrangements, deciding who they provide services to, and paying taxes and GST.

A [sole trader](#) is ‘a business structure where the individual owner is legally responsible for all aspects of the business, including any debts and losses and day-to-day business decisions. A sole trader may or may not employ other people in their business.’

The terminology used to describe your employment status may vary depending on the industry you work in. Sometimes these terms are used interchangeably to describe similar business arrangements.

Sex workers are often deemed by employers as contractors or subcontractors even when we are treated like an employee and work for a sex industry business, such as a brothel, strip club, escort agency, or a massage parlour. Sex workers who are operating privately may be classified as a sole trader for taxation purposes.

Successful, eligible sole traders, contractors and self-employed workers will receive \$1,500 per fortnight, paid on a monthly basis.

Eligibility criteria

Employers, self-employed workers and sole traders are eligible if:

- your business was active on 1 March 2020
- your business has a turnover of less than \$1 billion and the turnover will be or is estimated to be reduced by more than 30% relative to a comparable period a year ago (of at least a month - for example your March 2020 turnover is 30% less than your March 2019 turnover); or
- your business has a turnover of \$1 billion or more and the turnover will be or estimated to be reduced by more than 50 per cent relative to a comparable period a year ago (of at least a month).

Employers are responsible for registering employees to receive the JobKeeper payments and ensuring the employees receive the payments.

To be an eligible employee to receive the JobKeeper payment through your employer, you must:

- be currently employed by the employer. Employers can choose to nominate employees who were stood down recently or rehired

http://www.scarletalliance.org.au/library/applying_for_jobkeeper

- were full time workers or part time workers on or before 1 March 2020. Employees who were employed after 1 March 2020 are ineligible and employees who were stood down before 1 March 2020 are ineligible. Long term casual employees who have been working for the employer on a regular basis for longer than 12 months from 1 March 2020 and who are not a permanent employee for another employer are also eligible. Employees on [a fixed term contract](#) with their employer are also eligible to be nominated if they were employed on or before 1 March 2020.
- be at least 16 years of age on or before the 1 March 2020
- were an Australian resident on or before 1 March 2020 within the meaning of the *Social Security Act 1991* which requires that the employee is an Australian citizen, the holder of a permanent visa, or a protected Special Category Visa Holder. They must also be residing in Australia. More information about these requirements can be found on the [Services Australia website 'Residence Descriptions'](#) Page. Your employee can also be an Australian tax resident who is a Special Category (Subclass 444) Visa Holder
- not already be registered to get a JobKeeper Payment from another employer.
- agree to be nominated by your employer.

If you were receiving Parental Leave from your employer, you are still eligible to get JobKeeper payments. However, if you are receiving Parental Leave Pay or Dad and Partner Pay from Service Australia, you are ineligible to get JobKeeper payments.

Also, if you are receiving worker's compensation but are still working, you are still eligible to receive JobKeeper payments. For example, if you are receiving worker's compensation and you are working reduced hours, you are still eligible to receive JobKeeper payments through your employers or directly through the ATO. However, people who were receiving worker's compensation and were not working at all are ineligible to receive JobKeeper payments.

For more information on how employers can re-engage their employees and begin the process of applying for JobKeeper payments, see [the Your Eligible Employees](#) and [Enrol for JobKeeper Payment](#) pages.

Eligibility criteria for sole traders, contractors or self-employed workers

Eligible sole traders, contractors and self-employed workers need to enrol directly through the [ATO Business Portal](#) or using the Online ATO Service via [MyGov](#). If your application for JobKeeper payments is successful, the ATO will pay you money straight into your bank account. Sole traders, contractors and self-employed workers with or without employees can apply for JobKeeper payments. If you have employees, you may be able to claim additional JobKeeper payments of \$1,500 per fortnight per eligible employee, as well as \$1,500 for yourself.

A sole trader, contractor or self-employed worker is eligible if:

- your business was active on 1 March 2020. At this point, it is unclear how the ATO will want you to show your recent business activity. It may be through a declaration of your business activity or you may be required to show your business activity through your tax return or activity statements.
- your business has suffered or estimated to suffer a fall in turnover relative to a comparable prior period (of at least a month). That is, at the time you enrol for JobKeeper payments, you need to confirm that your business has experienced or projected to experience a:

- 30% fall in turnover (for an aggregated turnover of \$1 billion or less)
- 50% fall in turnover (for an aggregated turnover of more than \$1 billion), or
- 15% fall in turnover (for ACNC-registered charities other than universities and schools).

For more information on the income turnover tests used by the ATO, see [the Basic Test resource](#).

- your business had an Australian Business Number (ABN) on 12 March 2020
- you lodged an income tax return for 2018-19 year before 12 March 2020
- you are an Australian resident (within the meaning of section 7 of the *Social Security Act 1991*), or a resident for income tax purposes and the holder of a special category (Subclass 444) visa.

Your income tax return must show the income you made through your business that you are claiming JobKeeper payments for during the 2018-19 year. You can also show activity statements or the GST return for any tax period that started on 1 July 2018 and ended before 12 March 2020 showing that your business made a taxable, GST-free or input taxed income.

If you have an active ABN that is connected to your business but have not lodged your tax return, it is recommended that you lodge your tax return as soon as possible and request the ATO for special consideration in applying for JobKeeper payments.

If you are concerned that you do not have formal records of your business activity to lodge a tax return, your taxation agent may be able to lodge it using other documentation as evidence of your income. For example, your taxation agent may be able to figure out your business profit and expenses using your bank account statements. Other documentation used to figure your profit and expenses for your business can include personal records you have kept of your income, such as spreadsheets documenting your income or even income recorded in your diary. In the instance you don't have any documentation of your income or expenses, your taxation agent may be able to estimate these figures by looking at your bank account statements.

If you lodged your tax return or activity statement after 12 March 2020, you may still be able to apply for JobKeeper payments using these documents. [Call the ATO](#) for more information on this.

Where your business was not in operation the year earlier or your turnover the year earlier is not representative of your usual or average turnover, there are [alternative tests](#) that can be applied to establish your eligibility.

Businesses owned by sole traders, contractors and self-employed workers are ineligible for the JobKeeper payment scheme if the business is:

- subject to the Major Bank Levy. Businesses which are subject to the Major Bank Levy generally include businesses that are banks, such as ANZ and Westpac.
- not for profit businesses.
- an Australian or local government agency
- wholly owned by an Australian or local governing body
- in liquidation or has entered bankruptcy.

If you are a sole trader and a permanent employee for another business, you can only get a JobKeeper payment as a permanent employee of the other business. If you are a permanent employee, this disqualifies you from being able to access JobKeeper payments as a sole trader. This is regardless of whether the business you are a permanent worker for qualifies for JobKeeper or not. See [Sole Trader and Employee example for clarification](#).

http://www.scarletalliance.org.au/library/applying_for_jobkeeper

Enrolment for JobKeeper payments starts on 20 April 2020. When you are enrolling for JobKeeper payments, you will be required to log into the [ATO business portal](#) using MyGovID or the Online ATO Service via MyGov.

Enrolling for JobKeeper payments using the Online ATO Service via MyGov

To enrol for JobKeeper payments using the Online ATO Service via MyGov, your MyGov account needs to be linked with the ATO. If you do not have a MyGov account or it is not linked with the ATO, see [Scarlet Alliance Applying for JobSeeker Payments](#) resource for information on how to create a MyGov account and link it with the ATO. Alternatively, you can apply for JobKeeper payments via the ATO Business Portal (see section below).

Once you have entered the Online ATO Service via your MyGov account, select 'JobKeeper Enrol' from the 'Employment' drop down menu on the top of your screen. You will then be provided with the option to enrol for JobKeeper payments. When you have selected this, you will be directed to the JobKeeper Enrolment form.

The enrollment form will progressively expand as you answer the questions. You will need to:

- declare that in the month that you have selected you have experienced or are likely to experience a reduction in turnover of 30% or more.
- report the number of eligible employees who you have nominated for JobKeeper payments. If you do not have any nominated employees, then select 0.
- notify whether you are enrolling as a sole trader and confirm that you meet the following criteria:
 - 'you are actively engaged in the entity's business
 - had an ABN on 12 March 2020
 - you are aged 16 or over
 - you are not currently receiving parental leave pay, dad and partner pay
 - you are not currently totally incapacitated for work and receiving payments under an Australian workers' compensation law in respect of their total incapacity to work
 - you are an Australian resident (within the meaning of section 7 of the Social Security Act 1991), or a resident for income tax purposes and was the holder of a special category (Subclass 444) visa.
 - you are not an employee (other than a casual employee) of another entity
 - a trustee in bankruptcy has not been appointed to your property
 - had assessable income in 2018-2019 income year and provided notice to the Commissioner on or before 12 March 2020 OR made a supply in 1 July 2018 – 12 March 2020 and provided notice to the Commissioner on or before 12 March 2020'.
- provide your business bank details. This means you will need to provide the details of the bank you used to conduct your business (ie deposit your income into and pay for expenses with) and lodge your tax return.
- provide your name, phone number and email address.
- confirm that all the information you provided is correct.

After you have filled in these details, select submit.

While the enrolment form does not ask for any supporting documentation, you may be required to show that your turnover has declined using previous tax returns and Activity Statements later down the track.

Enrolling for JobKeeper payments via the ATO Business Portal

Setting up your MyGovID to access the ATO Business Portal

To use the [ATO Business Portal](#) to enrol for JobKeeper payments, employers, sole traders, contractors and self-employed workers will need a [MyGovID account](#) that is linked to their ABN. MyGovID is different to MyGov. MyGovID is an Australian Government service which allows you to authenticate your identity online. You can then use myGovID to login to selected government online services, such as the ATO.

To set up your MyGovID, you will need to download the MyGovID app onto your smartphone from the Apple Store or Google Play. You cannot download the MyGovID app onto your PC or Desktop computer. The myGovID app is compatible with most smartphones using iOS 10 or later on Apple devices or Android 7.0 (Nougat) or later. This excludes devices that use the Android Go operating system, such as Android One.

You will need to provide an email address to make an account with MyGovID. You will also need to provide MyGovID with your legal name, address and date of birth. This information will later be used to cross check your details with the ATO and the Australian Business Register (ABR) to link your MyGovID with business registered under your name. The process of linking your MyGovID with your ABN will retrieve and connect your Tax File Number (TFN) with your MyGovID.

To verify your details, you will need to either provide a scanned copy of or details from at least two of the following forms of identification:

- Australian passport
- drivers license
- birth certificate
- Medicare card

For more information on how to set up your MyGovID, see:

<https://www.mygovid.gov.au/how-do-i-get-set-up>

<https://www.ato.gov.au/General/Online-services/Accessing-online-services-with-myGovID-and-RAM/>

Enrolling for JobKeeper payments as a sole trader using your MyGovID

Once you have made a MyGovID account and linked your account with your business, you will need to close the tab and re-enter and log into the [ATO business portal](#). Once you are logged into the Business Portal, select the 'manage employees' link under the 'Start Here' column. Then select the link to enrol for JobKeeper payments. You will then be taken to an enrolment form.

This enrolment form is intended to notify the ATO of your intention to claim JobKeeper payments and confirm your bank details for receiving the JobKeeper subsidy. You will be asked to declare that your business turnover has declined or is projected to decline by 30%. While the enrolment form does not

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ask for any supporting documentation, you may be required to show that your turnover has declined using previous tax returns and Activity Statements later down the track.

If you are enrolling as a sole trader, you will need to confirm that you meet the following criteria:

- You are actively engaged in the entity's business
- You are aged 16 or over
- had an ABN on 12 March 2020
- You had assessable income in 2018-2019 income year and provided notice to the Commissioner on or before 12 March 2020 OR made a supply in 1 July 2018 – 12 March 2020 and provided notice to the Commissioner on or before 12 March 2020
- You are an Australian resident (within the meaning of section 7 of the Social Security Act 1991), or a resident for income tax purposes and was the holder of a special category (Subclass 444) visa.
- You are not an employee (other than a casual employee) of another entity. Selecting yes informs the Commissioner of your nomination to the wage subsidy as sole trader'

You must enrol by the 31 May, 2020 to claim JobKeeper payments for the month of April. To ensure that you receive JobKeeper payments as early as possible, it is recommended that you enrol by the end of April. However, enrolment is open until the end of May.

For more on enrolling for JobKeeper payments as a sole trader, see:

<https://www.ato.gov.au/General/JobKeeper-Payment/Sole-traders-and-other-entities/>

After you have enrolled for JobKeeper payments

Each month, employers need to provide some information as to their current and projected fall in turnover through a monthly JobKeeper Declaration report.

For sole traders, contractors and self-employed workers, you will need to login into the Online ATO Service via MyGov or the ATO Business Portal each month to reconfirm the eligibility of your business and your reported eligible employees. You will need to:

- provide your current and projected GST turnover.
- re-confirm your contact and bank details for payment.

Support from Sex Worker Organisations

Please don't hesitate to reach out to the sex worker peer support organisation in your state or territory. Peer workers can help to guide you through the application process, or try to answer any further questions you may have about any of the information contained in this document. Visit <https://redbook.scarletalliance.org.au/home/sex-worker-orgs/> for the contact details of sex worker peer support organisations in your state or territory.

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