

October Newsletter

If you have any question about the following, please discuss with your accountant

As you may be aware, part of the Government Support through the current Public Health

JobKeeper Extension – 28th Sep to 3rd Jan

The first extension period for JobKeeper has now commenced. Eligible employers need to submit a declaration of decline in turnover by 31st October. Likewise, they need to nominate employees to what JobKeeper Tier they will be assigned to, and make payments of this amount, at a minimum, prior to the 31st October 2020. This is the only month where an extension for payment is permitted. All other payments need to be made to employees at the end of the JobKeeper fortnights. As usual, a monthly declaration needs to be submitted to the ATO within 14day of the end of the month. If you need assistance in testing for your eligibility, please contact your accountant.

NSW Extension of Support for Commercial Tenants and Landlords – to 31st Dec 2020

The Retail and Other Commercial Leases (Covid-19) Regulations of New South Wales has been extended to 31st December 2020 from its original expiry date, 25th October 2020. Tenants who wish to request further rent relief need to re-establish their eligibility. Eligible landlords who provided rent relief to their tenants within this period can apply for a 25% land tax concession.

Commercial rent relief arrangements for other states and territories:

- Victoria & Queensland – until 31 December 2020
- South Australia – until 3 January 2021
- Western Australia – until 28 March 2021
- Tasmania, the Northern Territory and Australian Capital Territory – has now ceased

Federal Budget 2020

The Australian Treasurer delivered the Federal budget on 6th October 2020. The Covid-19 pandemic has had a profound impact on Australia's economy since March 2020. The Government's economic response is designed to support Australian households and businesses through this crisis and ensuring a strong economy recovery.

Despite the trillion-dollar debt, there is plenty of good news for many Australians in the Budget.

Here's what's in it for you:

- Tax Cuts – these will be backdated to 1/7/2020. The 19% threshold will be increase from \$37K to \$45K and the 32.5% threshold will go from \$90K to \$120K
- JobMaker Hiring Credit – will give businesses incentives to take on additional young jobseekers. A claim of either \$200/\$100 for new eligible employees aged 16-29yrs or 30-35yrs respectively
- The Budget includes \$25 billion in additional temporary and targeted support in response to the Covid-19 pandemic
- Temporary full expensing – until 30th June 2022, business with turnover up to \$5b will be able to deduct the full cost of eligible depreciable assets of any value in the year they are first used or installed ready for use.
- The \$150K instant asset write-off by 31st Dec 2020 will also have an extra 6 months, until 30th June 2021, to first use or install those assets
- Temporary loss carry-back – companies with turnover up to \$5b will be able to offset their tax losses against previous profits on which tax has been paid to generate a refund. Losses incurred in 2019-20, 2020-21 and 2021-22 can be carried back against profits made in or after 2018-19
- Exempting retraining from FBT – the Government is exempting employer-provided retraining activities from FBT to encourage business to retain and redeploy their workers in new roles within the business
- Insolvency reforms for small business will reduce complexity, time, and costs for small businesses. These changes to the Australian insolvency framework are the most significant to take place in almost 30yrs

Change is in the air!

With the change of season, there is a feeling of growth and renewal in the air. We are happy to be announcing in the coming weeks, some exciting and fresh changes coming to Books and Wages – we will keep you posted!

Do you know what a genuine redundancy is?

Due to the economic down-turn generated by Covid-19, you may be considering reducing staffing costs and this may result in some roles being made redundant. It is important that a role is a genuine redundancy so that the employee is not able to succeed in the event they pursue an unfair dismissal. In the case of a genuine redundancy

1. The role will not be carried out by any other employee.
2. There were no other reasonable positions that the employee could have taken.
3. You need to follow the requirements as provided by the relevant Modern Award.
4. You must give minimum notice to the employee as per the NES (including an additional week if they are over 45yrs).
5. You must provide the minimum payout to the employee as per the NES.
6. Redundancy is not payable if: the employee was fired for serious misconduct, is a casual employee, is a trainee or apprentice, you are a small business.

October Key dates

14 October – September Jobkeeper declaration deadline

21 October – September Monthly activity statements – final date for lodgement and payment.

28 October – Quarter 1 activity statements - final date for lodgement and payment*

28 October – Quarter 1 Superannuation Guaranteed - final date for lodgement and payment

31 October – Submit proof of decline in turnover for Sep 2020 quarter, for JobKeeper extension

*Extensions apply for lodgements made by a registered BAS Agent

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