

# JobKeeper Payment Information for Uniting Churches in SA



The Uniting Church in Australia  
Synod of South Australia

Prepared for Congregations using the Synod payroll bureau service

31 April 2020

## SUMMARY

The Australian Government recently passed legislation to provide a JobKeeper payment for eligible organisations to continue to pay eligible employees for the period 30 March 2020 to 27 September 2020. To be eligible both Congregations and employees need to satisfy a range of criteria.

The JobKeeper payment is open to eligible Congregations to enable them to pay their eligible employee's salary or wages of at least \$1,500 (before tax) per fortnight. Eligible Congregations will be reimbursed a fixed amount of \$1,500 per fortnight for each eligible employee.

For those who earn less than \$1,500 per fortnight, if eligible and they nominate for the payments, they will be topped up to \$1,500 per fortnight. This is essentially a form of welfare payment and economic stimulus payment from the Government who are using employers to distribute these payments.

For those who earn great than the \$1,500 per fortnight, the JobKeeper is a wage subsidy to the employer to keep employees employed during this difficult time.

**Please note that the ATO have now advised that in addition to lay staff, Ministers of the Word (MoW) and Deacons (MoD) do qualify for the JobKeeper payment.** Those exercising a ministry of Pastor role (MOP) **are** also eligible as they have contracts under common law.

The rest of this document will refer to "employees" as covering lay staff, MoW, MoD, MoPs for simplicity.

Congregations who employ staff under their own ABN (ie MoPs and laystaff) will need to pay eligible employees a minimum of \$1,500 (before tax) per fortnight to claim the JobKeeper payment. This will be paid to the Congregation in arrears each month by the ATO. The first payments to eligible Congregations will commence in the first week of May 2020. JobKeeper payments can be made for the period beginning 30 March 2020.

Congregations must continue to pay their employees a minimum of \$1,500 for each fortnight, in order to continue to qualify for the JobKeeper payment.

Synod lay staff and MoWs and MoDs paid under the Synod ABN will need to be paid the minimum \$1,500 per fortnight. This will be paid via the Synod payroll and for those placed in a congregation, the Synod will receive the JobKeeper payments and pass them through to congregations. Where a MoW or MoD is in more than one placement, Synod will apportion the JobKeeper payment amongst the various congregations depending on FTE.

Employees need to agree to be part of the program. This is achieved via completion of an employee nomination form which is available for download here; <https://www.ato.gov.au/Forms/JobKeeper-payment---employee-nomination-notice/>. Note that the JobKeeper payment can only be received from one employer. If an employee has both a permanent and casual employer, they must register with the permanent employer.

To be eligible for the JobKeeper payment, Congregations and their employees must meet a range of criteria. These are detailed below.

Congregations can choose to participate in the scheme and then nominate the employees they are entitled to claim for. A Congregation can choose not to participate in the JobKeeper payment but if eligible, the offer must be made to employees to participate.

Below is a checklist for Congregations employing lay staff to determine if they are eligible for the JobKeeper payments and if they elect to register. Where congregations employ a MoW or MoD, they are employed under the Synod ABN and therefore will qualify for the JobKeeper as the Synod income has fallen by more than the 15%. The job keeper will then be passed onto the relevant congregation(s). However, where a top up payment is required, we need to Congregation to conform via the declaration that they are happy to cover the top up until the JobKeeper is received from the government.

This information has been sourced from <https://www.ato.gov.au/General/JobKeeper-Payment/> and tailored to Congregations of the Uniting Church in SA.

## JOB KEEPER PAYMENT CHECKLIST

For Congregations with Laystaff and Minister of Pastor paid by the Synod Pay Bureau.

### 1. Eligibility

- For the purposes of this payment, in the context of the Uniting Church in SA, an employer is deemed to be the Synod (i.e. staff employed and paid under the Synod ABN) or a Congregation with an ABN who is registered with the ACNC who employs staff (whether lay staff or MOPs).
- To be eligible each Congregation needs to prove GST Turnover on your BAS has reduced by greater than 15% for the same period last year;
  - March 2020 compared to March 2019 using actual income; or
  - April 2020 compared to April 2019 using reliable forecast income; or
  - April to June 2020 compared to April to June 2019 using reliable forecast income

 **Note** that for registered charities (which most congregations should be if registered with the ACNC) in order to calculate a decrease in turnover, you will need to include donations (i.e. tithes and offerings) in addition the turnover that would ordinarily appear on your BAS.

- Eligibility calculations need to be documented and filed for audit and verification purposes. Copies of these calculations will need to be provided to [payroll@sa.uca.org.au](mailto:payroll@sa.uca.org.au) in the declaration form attached to this document.

 **Note** that if you qualify for JobKeeper payments for the first fortnight because your turnover has declined by the relevant amount, you remain eligible and do not need to keep testing turnover in following months. However, you will have ongoing monthly reporting requirements.

## 2. Eligible employees

- Lay staff or MoP or MoW or MoD who are;
  - permanent full-time or part-time employee at 1 March 2020, or
  - long-term casual employee (employed on a regular and systematic basis for at least 12 months) as at 1 March 2020 and not a permanent employee of any other Congregation
  - at least 16 years of age on 1 March 2020
  - an Australian resident as at 1 March 2020
- If your employees have multiple employers, they can usually choose which employer they want to nominate through. However, if your employees are long-term casuals and have other permanent employment, they must choose the permanent employer and cannot nominate you. They cannot receive the JobKeeper payment from more than one employer (or Congregation).

 **Note** that you are able to claim the job keeper for ALL eligible employees. This include employees who earn more than and less than \$1,500 per fortnight.

## 3. Nomination

- For congregations who use the CBU for bookkeeping purposes, CBU will action this after receiving confirmation from the congregation that they are eligible and willing to fund the payments until reimbursed by the Government.
- Congregations who have staff who are not CBU clients, but use the payroll bureau will need to nominate themselves by the end of May and then notify Synod of the nomination via the declaration attached. Further information is available here; <https://www.ato.gov.au/general/jobkeeper-payment/employers/enrol-for-the-jobkeeper-payment/#Step1>
- Advise your employees that you intend to nominate them for Job Keeper payments.
- Employees need to agree to be nominated.
- Employees are to complete the nomination form <https://www.ato.gov.au/Forms/JobKeeper-payment---employee-nomination-notice/> and return to the Congregation. The nomination form does not need to be provided to the ATO however Congregations are required to keep a copy of the completed form as part of their record keeping obligations under the law. A copy of this nomination form will need to be provided to payroll as part of the registration process with the payroll bureau with the attached declaration form.
- If you are not a CBU client and need to enrol, this will need to be through the ATO website using your own ABN and must be done by the end of May in order to claim the payments for April.
- Where lay staff or MOPs are employed by more than one congregation, they can only register with one congregation and the JobKeeper payment should be divided based on FTE between the multiple congregations.

## 4. Additional Payroll for April

- You may need to perform a separate pay run to “top up” employees who have been paid less than the \$1500 per fortnight or to pay those who have not been paid at all due to being stood down.
- For congregations with staff paid by the pay bureau service, if you qualify and have employees who you

wish to “top up” or pay the full \$1500, Synod payroll will perform a second pay run prior to the end of April to ensure these employees can participate in the scheme. If this is required, this will be indicated on the Synod declaration form.

## **5. Ability to fund interim additional payments**

- Assess the congregation’s ability to fund the additional payments (if any) above noting that the reimbursement will occur in arrears and could be up to 1 month delay in receiving the JobKeeper payment.



**Note** that if congregations are not able to fund the advance payments, a loan from the Uniting Church Loan Fund (UCLF) can be made available for up to \$5,000 per employee. This will need to be repaid to the UCLF by 31 October 2020. Access to this facility can be nominated on the attached declaration form. If this election is made, it will be followed up with a formal agreement.

## **6. Payment**

- As a Congregation, you will receive a payment from the ATO of \$1,500 per employee per fortnight as long as you and your employees meet the eligibility criteria. This will be paid for each eligible employee monthly in arrears. This first payments will be made from the first week of May.
- You cannot claim the JobKeeper payment on behalf of employees who were not paid at least \$1,500 before tax during each JobKeeper payment period. You cannot claim the JobKeeper payment in advance. The JobKeeper payment is a reimbursement from the ATO to a Congregation in arrears, and cannot be paid in advance in any circumstances.
- A Congregation will usually get \$3,000 a month per eligible employee for the two fortnightly periods in that month.
- For Congregations using the Synod payroll bureau service, the payments will be made to employees via the usual service with full payment being direct debited from the congregation bank account on the day of the top up payroll. The payments of the JobKeeper payments will be made by the ATO directly into the Congregation bank account which is nominated at the time of registration. Please note that this could result in the Congregation needing to fund any payments more than the usual payroll amounts for a period of up to 4 weeks due to the ATO timelines of reimbursing the funds.
- If your eligible employees earn more than \$1,500 per fortnight, you should continue to pay them their regular salary or wages. However, you will only receive \$1,500 for each eligible employee. Any amount you pay above \$1,500 per fortnight is not subsidised by the JobKeeper payment.
- If an employee has been stood down after 1 March 2020, you can start paying them \$1,500 per fortnight to qualify for the JobKeeper payment for that employee.

## **7. Other items to note**

- If additional payments are made to employees to bring them up to the \$1500 per fortnight, note that superannuation is only payable on the contracted hours.
- There is no salary sacrifice available on top up JobKeeper payments.