

# JobKeeper for Farm Businesses

## What is the JobKeeper extension?

### JobKeeper Extension 1

This extension will run from 28 September 2020 to 3 January 2021. Your business is eligible for the payment if its GST turnover for the quarter ending 30 September 2020 is 30% lower than its GST turnover for the quarter ending 30 September 2019.

### JobKeeper Extension 2

This extension will run from 4 January 2021 to 28 March 2021. A business is eligible for the payment when its GST turnover for the quarter ending 31 December 2020 is 30% lower than its GST turnover for the quarter ending 31 December 2019.

## Are there other ways I can demonstrate my eligibility?

If your business cannot demonstrate a 30% fall in turnover using the above comparison periods, there are alternative tests. There are seven circumstances where an alternative test may be applicable:

1. Your business commenced after the start of the relevant comparison period.
2. There was an acquisition or disposal of part of your business after the start of the relevant comparison period.
3. There was a restructure of your business.
4. Your turnover was unusually high during the relevant comparison period.
5. Your business was affected by drought or natural disaster.
6. Your business had a large irregular variance in its turnover which was not cyclical or seasonal.
7. Your business is a sole trader or partnership and business has been affected by sickness, injury or leave.

More detailed information on the application of these alternative tests is available [here](#).

## Which of my employees is eligible?

From 28 September 2020 there will be two rates of the JobKeeper payment.

The Tier 1 rate will apply to eligible employees who worked for 80 hours or more in the four weeks of pay periods before either 1 March 2020 or 1 July 2020. These employees will receive \$1200 per fortnight (before tax) in the Extension 1 period and \$1000 per fortnight (before tax) in the Extension 2 period.

All other eligible employees will receive \$750 per fortnight (before tax) in the Extension 1 period and \$650 per fortnight (before tax) in the Extension 2 period.

### Eligible employees are those who:

1. Were employed by the business on 1 July 2020;
2. Were non-casual employees or long-term casual employees (employed on a regular and systematic basis during the 12-month period that ended 1 July 2020) on 1 July 2020;
3. Were 18 years or older, or 16 or 17 years and independent or not studying full-time, on 1 July 2020; and
4. An Australian resident as of 1 March 2020 (an Australian citizen, a permanent residence visa holder, or a protected Special Category visa holder).

Before your business can claim for payments beyond 28 September, you must notify the ATO which of the two payment rates applies to your eligible employees.

# JobKeeper for Farm Businesses: FAQs

## How do I apply?

If your business and your employees are eligible for JobKeeper, you should apply by following the steps on [this page](#).

## Do I include GST-free sales when calculating my turnover?

Yes. Revenue derived from GST-free sales (most food, for example) should be included when calculating your turnover.

## Am I eligible for JobKeeper if I can't demonstrate a 30% fall in turnover because I was drought-affected last year?

Yes. Revenue derived from GST-free sales (most food, for example) should be included when calculating your turnover.

If, during the relevant 2019 comparison period, your business undertook at least some of its activities in a drought declared zone or a zone that was affected by some other natural disaster (bushfire, flood etc.) you can instead compare the turnover in your relevant 2020 period to the equivalent period in the year before the drought or natural disaster was declared.

For example, if you are using the quarter ending September 2020 as your comparison period, and are unable to demonstrate a 30% fall in turnover between the quarter ending September 2019 and the quarter ending September 2020 because your farm was in a declared drought zone in the quarter ending September 2019 and your income was unusually low, you can instead compare your turnover in the quarter ending September 2020 with your turnover in the quarter ending September 2018.

If your business has been operating in a drought-declared zone since 2015, you can compare your turnover for the quarter ending September 2020 with your turnover for the quarter ending September 2014.

For the purposes of JobKeeper, a declared drought zone is defined by your relevant state or territory government criteria.

## Am I eligible for JobKeeper if I can't demonstrate a 30% fall in turnover because my income is seasonal?

If your business is unable to demonstrate a 30% fall in turnover because of an irregular variation in income, you may be eligible for an alternative test. However, seasonal and cyclical variations in income are not considered irregular variations.

To demonstrate an irregular variation, you must show that your business income in your lowest turnover quarter of 2019 was 50% or less of the income in your highest turnover quarter in 2019. You must also show that this variation was not cyclical or seasonal.

For example, if your turnover was low in the quarter ending September 2019 because you run a cropping business and earn little income at this time of year, then you are not eligible for an alternative test because this is a seasonal variation. However, if your turnover in the quarter ending September 2019 was low because that year's crop failed, then you may be eligible for an alternative test.

The alternative test will allow you to compare your turnover in your chosen period of 2020 with your turnover in the equivalent period in the year before the irregular variation occurred. If your turnover in the quarter ending September 2019 was unusually low because your crop failed, you may instead compare your turnover in the quarter ending September 2020 with your turnover in the quarter ending September 2018.