

## Covid-19 Jobmaker Hiring Credit

### Summary

On 6 October 2020 as part of the 2020–21 Budget, the government announced a new incentive for businesses to employ additional young job seekers called the JobMaker Hiring Credit. The JobMaker Hiring Credit will be administered by the ATO. Eligible employers will have access to a JobMaker Hiring Credit for each new job they **create over the 12 months from 7 October 2020. The scheme ends on 6 October 2022.** The payments are for eligible employees, for a **maximum claim period of 12 months from their employment start date. Payments have commenced.**

### Subsidy Payable to Employer

The JobMaker Hiring Credit will be:

- \$200 per week for each eligible employee aged 16 to 29
- \$100 per week for each eligible employee aged 30 to 35.

Employers can make a claim for the first JobMaker period from 1 February 2021 and payments are made in arrears.

### Application Process (2 Step – Registration and Payment Claims)

Employers are required **register with the ATO** and make payment claims over the JobMaker Periods (refer to table below). Registration must be lodged before payment claims are made.

#### 1. **Registrations commenced on 6 December 2020.**

To complete their registration for the JobMaker Hiring Credit, employers must provide their:

- baseline headcount
- baseline payroll amount
- contact details.

This information can be provided through either:

You can register using either:

- ATO online services External Link via myGov . If you don't have an ATO online services account, see Get started with ATO online services – refer to link below:  
<https://www.ato.gov.au/General/Online-services/Get-started-with-myGov-and-ATO-online-services/>
- The Business Portal. To use the Business Portal you will need a myGovID linked to your ABN in Relationship Authorisation Manager (RAM), see Accessing online services with myGovID and RAM:  
<https://www.ato.gov.au/General/Online-services/Accessing-online-services-with-myGovID-and-RAM/>
- Your registered tax or BAS agent can also do it for you.

2. **Payment** claims are commencing from 1 February 2021 and generally cease for each aforementioned quarter, by the end of the following month:

| Period | JobMaker period                 | STP reporting due date | Claim period                      |
|--------|---------------------------------|------------------------|-----------------------------------|
| 1      | 7 October 2020 – 6 January 2021 | 27 April 2021          | 1 February 2021 – 30 April 2021   |
| 2      | 7 January 2021 – 6 April 2021   | 28 July 2021           | 1 May 2021 – 31 July 2021         |
| 3      | 7 April 2021 – 6 July 2021      | 28 October 2021        | 1 August 2021 – 31 October 2021   |
| 4      | 7 July 2021 – 6 October 2021    | 28 January 2022        | 1 November 2021 – 31 January 2022 |
| 5      | 7 October 2021 – 6 January 2022 | 27 April 2022          | 1 February 2022 – 30 April 2022   |
| 6      | 7 January 2022 – 6 April 2022   | 28 July 2022           | 1 May 2022 – 31 July 2022         |
| 7      | 7 April 2022 – 6 July 2022      | 28 October 2022        | 1 August 2022 – 31 October 2022   |
| 8      | 7 July 2022 – 6 October 2022    | 28 January 2023        | 1 November 2022 – 31 January 2023 |

### Eligibility

#### A) Employers

1. Hold an Australian Business number (ABN)
2. Be up-to-date with their tax lodgement obligations
3. Be registered for Pay As You Go (PAYG) withholding
4. Be reporting through Single touch payroll (STP).
5. New employees must: be aged 16 to 35 years
6. Must pass the head count criteria require that there is an increase in:
  - the business' total employee headcount (minimum of one additional employee) from the reference date of 30 September 2020; and
  - the payroll of the business for the reporting period, as compared to the three months to 30 September 2020.
7. Not be a Commonwealth, state and local government agencies, and entities wholly owned by these agencies.
8. Not be Sovereign entities (foreign Governments, their agencies and wholly owned foreign resident subsidiaries). However, Australian resident entities owned by a sovereign entity that meet all other eligibility criteria are eligible.
9. Not be entities in liquidation or who have entered bankruptcy.
10. Not be employers who are claiming the JobKeeper Payment.
11. Not be employers subject to the major bank levy.

B) Employees

To be an eligible employee must:

1. Meet age and payment criteria below:
  - be aged either: 16 to 29 years old, to attract the payment of \$200 per week; or
  - 30 to 35 years old to attract the payment of \$100 per week at the time their employment started;
2. Have worked at least 20 paid hours per week on average for the full weeks they were employed over the reporting period (employees that worked on average less than 20 hours per week, for the full weeks they were employed during a reporting period will be ineligible for that period).
3. Commenced their employment between 7 October 2020 and 6 October 2021;
4. Have received the JobSeeker Payment, Youth Allowance (Other), or Parenting Payment for at least one month within the past three months before they were hired;
5. Be in their first year of employment with this employer, reflecting that the hiring credit is only available for 12 months for each additional job
6. must be employed for the period that the employer is claiming for them; and
7. Be employed on a permanent, casual or fixed term basis.
8. Not be employees for whom the employer is also receiving a wage subsidy under another Commonwealth program such as the Boosting Apprenticeship Commencements wage subsidy, Supporting Apprentices and Trainees subsidy and the Australian Apprentice Wage Subsidy Trial; and
9. Not be employees that another employer is claiming the JobMaker Hiring Credit on behalf of i.e. employees cannot receive the hiring credit from two or more employers.
10. Must not be deceased or in prison!