

Welcome to the 110th (and biggest ever) edition of Speedway Australia's Speed eNews.

This weekly communication serves to keep clubs and organisations up to date on current events, handy tips to improve competition and safety, as well as any changes that may be taking place within the sport.

Please make sure that if you are the contact receiving this information for your organisation that you pass the information on to the rest of your committee as to keep them in the loop. You are also encouraged to distribute this newsletter to your members. Feel free to get in touch if you have any questions or require a copy of one of the previous editions.

TRACK FOCUS: SPECTACULAR SHARK BAY HAS FUNDRAISING BITE

Australia's westernmost Speedway is a hive of activity for the sleepy town of Denham on the shores of Shark Bay. It's the home of the [Shark Bay Speedway Club](#)

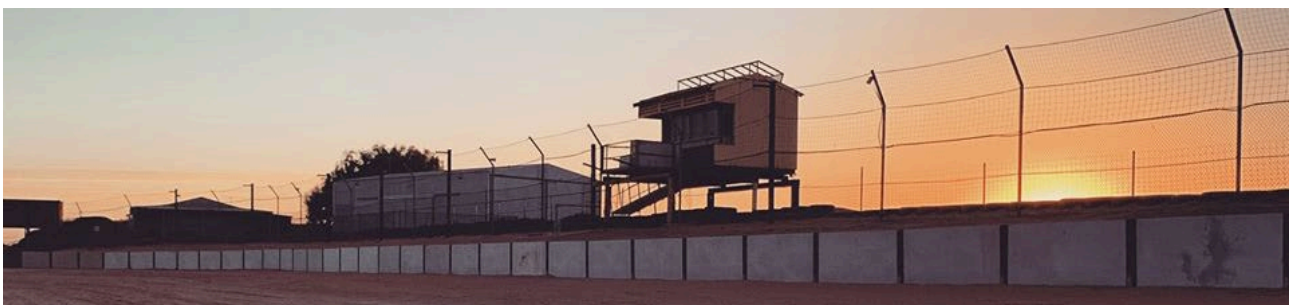
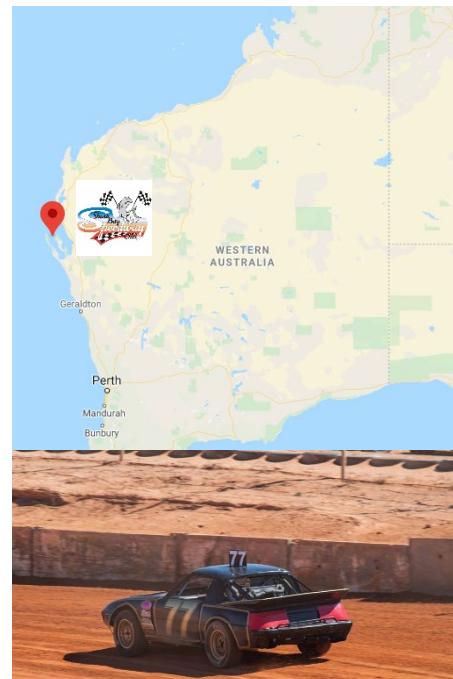
About 410km from Geraldton and 850km from Perth, Denham is a town with a permanent population of 500 and a speedway to be proud of. The Far Western Championships is the biggest event in town all year, with street parades and good council support.

Club President Mick Reynolds, Vice President and Local Shire member Greg Hewitt have been the driving force behind the wall upgrades with Greg being instrumental in gaining access to the local shire's heavy machinery to assist with the main straight being widened by 3 metres which saw 500 cubic metres of dirt moved.

The upgrade has been going for around 12 months and is currently halfway complete. There are 65 new concrete panels installed on the front straight (**below**) with another 75 panels to be installed on the corners and back straight over the next 12 months. The old fence can be seen in this picture (**right**).

Shark Bay secured an \$8,000 grant from the local shire and has engaged with the local community for sponsorship of their concrete panels which saw 65 sponsors invest \$200 for the panel and posts, leaving the out of pocket expense to the club as a minimal \$100 per panel.

Once finished it will surpass most tracks in the country. The safety fence is also impressive and completes an impressive set of venues in the northwest of the state.



Project Summary: Upgrade of concrete wall around the entire track and widening of main straight by 3 metres.

Project Benefits: \$8,000 in grants and \$13,000 sponsorship

Project Timeframe: 24 months



WE'VE HAD A GO, NOW IT'S YOUR TURN!

Speedway Australia has adapted quickly to the online environment in recent weeks, rolling out successful iRacing events in partnership with Speedway Sedans Australia, Kingaroy Speedway and World Series Sprintcars.

Our aim was to get the platform up and running quickly, showcasing the sport and ironing out any bugs. We've tried a number of things and learnt a great deal.

But as always our goal is to assist tracks with sustainable growth, and once we have these next events out of the way we're happy to open up the field and work with you to put on successful iRacing events of your own.

Essentially, we've done a lot of the hard work, and we are now happy to share the love with Speedway Australia tracks.

There are likely to be plenty of opportunities for weekend and weeknight events in the coming months, and if we can plan this in a structured and logical fashion as a sport then we will avoid the pitfalls of not working together, such as date clashes and unprofitable events. Here's what we have planned still.

Calendar of Upcoming Speedway Australia Hosted Events

May 1-3	World Series Sprintcars – Sunshine Swing
May 15-17	World Series Sprintcars – Western Swing
June 6-8	SSA National Junior Sedan title & Modified Sedan Nationals



With a 60-car show taking around 1.5 hours, there are plenty of opportunities for venues to have a go themselves, utilising existing contacts and social media platforms to spread the word on an upcoming virtual race meeting.

These are the services that Speedway Australia are happy to supply to tracks, at cost.

- **Nomination platform (including bank merchant fees)**
- **Commentary via World Series Sprintcars' Ben Bishop – link in with your own track commentators**
- **Broadcasting via Speedway Australia eSports Facebook platform**
- **Game hosting via Speedway Australia iRacing league**
- **Race meeting administration via trusted partners – Brady Baldwin, Joel Berkley, Brett Williams**
- **Assistance from Speedway Australia Sport Development Officers – Adam Brook & Ross Kirby**

All we ask in return is that we work with tracks on a logical and fair basis, with an even spread of venues and events in the upcoming months. It doesn't work for anyone if there are two or more events on the same night, so we'd schedule them accordingly.

Moama in NSW and Nyora in VIC have already made contact, so they'll be the first tracks in the queue. Other than that, if you're interested in hosting an event – please get in touch. It's a great way to promote your venue to the world, and potentially offset a few costs.

LOTTERYWEST GRANTS AVAILABLE IN WA

Lotterywest's purpose to build a better Western Australia together has never been more relevant in these uncertain times.

The State Government, through Lotterywest, is committing \$159 million into a [COVID-19 Relief Fund](#) to respond to the hardship being experienced by the Western Australian community as a result the COVID-19 pandemic.



This fund will comprise the following programs:

CRISIS & EMERGENCY RELIEF

Applications for this program will be accepted immediately.

Support is available for Western Australian not-for-profit community sector organisations and local government authorities to provide crisis and emergency relief services to:

- People currently experiencing hardship that are at risk of becoming entrenched in disadvantage due to the crisis.
- People newly experiencing hardship as a result of COVID-19; and
- Those that are most at risk of serious infection (immune compromised, older people, diagnosed chronic medical conditions, Aboriginal and Torres Strait Islander peoples).

Lotterywest will help meet costs related to increased demand for crisis relief services; working differently in the current climate; and supporting collaboration to address the increased demand.

Information regarding the assessment criteria for this program can be [found here](#).

If you have an existing grant to deliver emergency relief services and believe you need a variation to that grant, Lotterywest will work with you to meet these needs.

EVENT CANCELLATION RELIEF FOR ARTS, SPORTS AND COMMUNITY GROUPS

Support will be available for not-for-profit arts, sports and community organisations that are experiencing financial hardship as a result of a cancelled event resulting from COVID-19. This program will consider cancellation costs, loss of revenue and incurred and/or committed costs related to events that delivered broad community benefit.

Lotterywest will be working directly with sports, arts and community groups to deliver this program in collaboration with the Department of Local Government, Sports and Cultural Industries and Venueswest.

If you require assistance with the Grant Application process please contact Sport Development Officer for WA, SA, NT & TAS: Ross Kirby at ross@speedwayaustralia.net.au.

JOBKEEPER STIMULUS PACKAGE UPDATE

Over the Easter weekend, the rules of the JobKeeper stimulus package were finalised and legislated. These rules have provided us with some additional details, deadlines and further guidance surrounding the decline in turnover tests and anti-avoidance provisions for employers.

The full legislative document can be found at: <https://www.legislation.gov.au/Details/F2020L00419>. Updated release can be found at: <https://treasury.gov.au/coronavirus/jobkeeper>



KEY OVERVIEW:

From 20 April 2020 employers can enrol with the ATO for the JobKeeper payment via the business portal and authenticate with myGovID. To register, and for additional information please visit: <https://www.ato.gov.au/general/jobkeeper-payment/employers/enrol-and-apply-for-the-jobkeeper-payment/>



Employers must register their interest in the JobKeeper scheme with the ATO by the end of April in order to qualify for the first payment being made in May. We recommend that if you are doing so that you:

- Assess whether you have or will likely experience the required turnover decline.
- Compile all relevant employee and payroll data to provide to the ATO. For most businesses the ATO will use Single Touch Payroll data to pre-populate employee details.
- Establish framework to notify all eligible employees that they will be receiving the JobKeeper payment and to receive nomination notices.
- The employee nomination notice can be found here:
<https://www.ato.gov.au/Forms/JobKeeper-payment---employee-nomination-notice/>
- In order to allow for a smoother application process, the nomination form should be filled in and submitted with the ATO for each employee prior to the end of April
- Continue to report information to the ATO on a monthly basis (including number of eligible employees).

Employers will need to report their projected turnover for the upcoming month and the actual turnover for the previous month by the 7th of each month. The ATO should release a format of this report shortly.

CLARIFICATION SURROUNDING DECLINE IN TURNOVER TEST:

To qualify for the JobKeeper payment, employers must establish that they have or are likely to face a decline in their aggregated turnover of 30% or more in the relevant month or quarter. Please note that aggregated turnover includes the turnover of your connected or affiliated entities. Accordingly, the 30% decline in turnover will be assessed on the group as a whole, rather than an entity in isolation. In practice, this means that a management fee from one entity to another cannot be manipulated in order to give the desired reduction in turnover.

Aggregated turnover will be compared with the actual turnover for the corresponding period in 2019. Based on their frequency of GST reporting, employers will use either:

- A calendar month (any months from March 2020 to September 2020) or;
- A quarter (either the April-June 2020 or July-September 2020 quarters) Turnover is calculated as per GST turnover, which includes taxable supplies and all GST free supplies, however it excludes input taxed supplies such as residential rental income.

Projected turnover is the employer's estimate of gross revenue based on probability. The projection should be based on a reasonable estimate of sales for upcoming months/quarters and employers are expected to be able to substantiate this estimate if required.



An employer will qualify for the JobKeeper payment when their actual turnover for the chosen period has declined by 30% or more as compared to the actual turnover for the same period in 2019. Once they have qualified, they will not be required to meet the turnover test again and will receive the payment for the following months regardless of changes in their turnover.



Employers only receive payments from when they satisfy the turnover test, this means there are no back payments of the JobKeeper scheme prior to that date. For example, if an employer satisfies the test in the month of June 2020, they will not be back paid JobKeeper payments for March & April 2020.

EXAMPLES:

Jeff is an employer and estimates his projected turnover for the month of April 2020 to be 30% less than it was in April 2019. Therefore, Jeff applies for the JobKeeper payment. The actual turnover for the month of April 2020 ends up being 45% less than it was for the same period in 2019, this means that Jeff has qualified for the JobKeeper scheme from the month of April and will not be required to meet the turnover test again. Jeff will receive the JobKeeper payments through to September 2020 regardless of future fluctuations in his turnover.

Daisy is an employer and estimates her projected turnover for the quarter ending 30 June 2020 to be 40% less than it was in the quarter ending 30 June 2019. Therefore, Daisy applies for the JobKeeper payment. The actual turnover for the quarter ending 30 June 2020 ends up higher than it was projected, only being 20% less than it was in the quarter ending 30 June 2019. It is likely the ATO will require a repayment of the JobKeeper payments.

FOR BUSINESSES THAT HAVE BEEN OPERATING LESS THAN 12 MONTHS OR DO NOT HAVE APPROPRIATE PRIOR YEAR COMPARATIVES:

The Tax Commissioner will have discretion to consider additional information the employer can provide to establish the significant impact they suffered during the Coronavirus pandemic and may set out alternative tests to establish eligibility in specific circumstances.

EXAMPLES:

Kyle opened his business in October 2019 and was turning over a reasonable amount. Unfortunately, the pandemic has resulted in a significant decline in Kyle's business turnover. Under these circumstances, we foresee that the ATO would use its discretion to permit Kyle to use a different actual comparative as opposed to a corresponding period in a prior year.

For example, the ATO may let Kyle compare his April 2020 turnover to an average amount over the months he has been operating (October 2019 – March 2020). If the projected turnover for April 2020 had declined by 30% or more when compared with his monthly average to-date, it is anticipated the employer would satisfy the decline in turnover requirement.

ANTI-AVOIDANCE PROVISIONS:

It is important to note that JobKeeper payments may be required to be repaid if the actual turnover for the period is greater than the projected turnover figure used in the turnover test and has not declined by 30% or more in relation to the corresponding actual turnover from the prior year. Further guidance relating to the margin of error that will be accepted when relying on projected turnover figures is still to come from the ATO. This will relate to whether the initial application was lodged in good faith and should not be liable to any penalties.



The ATO has the authority to require all JobKeeper payments to be repaid, in addition to penalties and interest, for businesses that have artificially manipulated their turnover in order to qualify for or increase their JobKeeper entitlements. Significant penalties and criminal offences may arise where an employer intentionally accesses the scheme through false or misleading statements as outlined in the legislation.

We would recommend erring on the side of caution in light of this as there will likely be future consequences for employers who have exploited the JobKeeper scheme.



PRESERVING CASH FLOW TIPS:

The JobKeeper payments are paid in arrears which may put significant pressure on the cashflow of your business. In order to effectively manage this potential liquidity risk, we recommend the following:

- Ensuring you have accurately assessed whether your turnover projections will be at least 30% less than the corresponding actual turnover from the prior year (if you require any assistance in relation to this please contact us).
- Getting in contact with your bank to defer or reduce existing loan repayments. This will free up some additional cashflow to help you maintain the JobKeeper payments in the interim.
- Substituting short term funding for longer term debt. Negotiating with your lender a longer loan with already minimal interest rates will boost your cashflow for a small amount of interest.

QBCC REQUIREMENTS:

At present, the QBCC have not made any announcements in the wake of the COVID 19 pandemic. It is to be assumed that the firm attitude and stance that the QBCC had taken prior to the pandemic remains in place. It is now more important than ever that builders and contractors maintain their licensing requirements including liquidity ratios and net tangible assets obligations.

If you are worried about your current circumstances in relation to this, please contact us to discuss potential strategies and options to ensure you are complying with your licensing requirements.

PREVIOUSLY DISCUSSED:

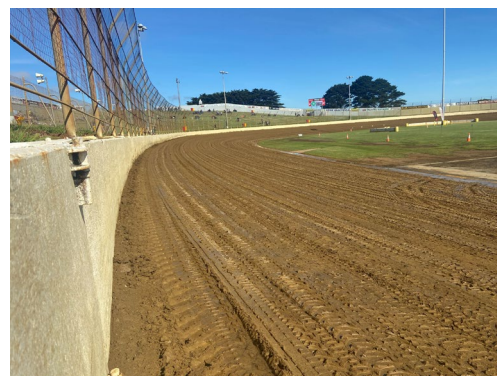
Below is a review of the key points of the legislation:

TIMING OF PAYMENTS

The payments will be made starting from the first week of May to eligible employers, and the frequency of payment will be monthly. These payments will be available from the period 30 March 2020 through to 27 September 2020. These payments will be made in arrears, meaning that employers will need to make these payments to their employees prior to them receiving this rebate from the Government.

In cases where this may result in cash flow issues, it has been mentioned by the banks that the Job Keeper payments may be an acceptable basis on which to seek credit in order to facilitate these first payments to employees.

Payments of wages should be recorded via your usual payroll system and reported to the ATO via Single Touch Payroll. Businesses who do not report through Single Touch Payroll are still able to claim this payment, however there will be a manual process for this.



EMPLOYER ELIGIBILITY (EXPECTED TURNOVER & CHANGES IN CIRCUMSTANCES)

A business will need to meet the requirement of a turnover reduction or expected turnover reduction of 30% for businesses with a turnover of under \$1 billion, or 50% for businesses with a turnover of over \$1 billion. Even if a business does not qualify for the payments right now, if the turnover test is later met then the employer can start receiving the Job Keeper payments from then until either the turnover test is failed or the scheme comes to an end.

Please note that if the eligible employee is paid more than \$1,500 per fortnight before tax, the employer will only be reimbursed \$1,500 per fortnight. If the employee has not been paid \$1,500 per fortnight since 30 March 2020, the employer must make a 'top-up' payment to the employee so that they are eligible. The ATO will provide further guidance on how this will work.

CASUAL STAFF (CHANGES OF OWNERSHIP & CORPORATE GROUPS)

Casual Staff are required to meet the same 12-month test as other employees. Changes of business ownership do not disqualify a casual employee who has worked for the business for 12 months. Further, casuals who have been transferred from another member of a corporate group may still be eligible for the Job Keeper payments provided they meet the 12-month requirement.

OUTSTANDING ATO DEBT (INTERACTION WITH JOB KEEPER PAYMENTS)

These Job Keeper payments will not be used to offset outstanding employer ATO debt and will generally be paid directly to the employer. It has been made clear that the intention of these payments is to have them directly passed on to the employees, rather than pay down employer debt.

EMPLOYEE ELIGIBILITY (ALTERNATIVE EMPLOYMENT FOUND, JOB SEEKER PAYMENTS)

If an employee has been stood down but remained an employee of that business, they are able to source other income and remain eligible for the Job Keeper payments from the first employer. In effect, this allows an employee to be receiving these Job Keeper payments from an employer they are still employed by, even if they have sourced alternative work in the meantime. The Job Keeper payments are only able to be received from ONE employer, being the primary employer.

If an employee has been stood down and is subsequently receiving income support via the Job Seeker payments, this does not affect the employee's eligibility for the Job Keeper payments. However, receipt of JobKeeper payments will have the likely effect of making an employee ineligible for the Centrelink Job Seeker payments.

Having met the requirements, an employee is only eligible for the payment if they were employed on or before 1 March 2020. For employees stood down or re-hired, they may still be eligible for this payment if they were originally hired prior to 1 March 2020.

SELF EMPLOYED, PARTNERSHIPS, COMPANIES, & TRUSTS

People who are self-employed ARE eligible for these Job Keeper payments provided that they meet the following conditions:

- estimate their turnover has or will fall by 30 per cent or more.
- had an ABN on or before 12 March 2020, and
- were actively engaged in the business.
- are not entitled to another Job Keeper Payment (either a nominated business participant of another business or as an eligible employee).



Partnerships will also be eligible for these Job Keeper payments, provided that the above conditions are met. The payments, however, will be limited to one partner in the partnership as well as any eligible employees.

Trusts who pay trust distributions to beneficiaries will also be eligible for the Job Keeper payments, provided the above conditions are met. In the case of a trust that distributes to multiple beneficiaries, unfortunately only one individual beneficiary may be nominated to receive these Job Keeper payments as well as any eligible employees.

Companies that pay directors fees may nominate one director to receive the Job Keeper payments, along with any other eligible employees.

INTERACTION WITH THE APPRENTICE & TRAINEE WAGE SUBSIDY

From 1 April 2020, if you are receiving the 'Supporting Apprentices and Trainees' subsidy, you will no longer be eligible for this if you choose to receive the Job Keeper payments from 1 May 2020. You may only claim one of the payments.

If at 1 May 2020 you begin to receive the Job Keeper Payments, payments for the quarter 1 January 2020 through to 31 March 2020 under the 'Supporting Apprentices and Trainees' will not be affected. Eligibility for the Apprentice & Trainee subsidy will end from 1 April 2020 onward.

To officially register your interest for this scheme, please visit the following ATO link, <https://www.ato.gov.au/general/gen/JobKeeper-payment/>.

JOBKEPPER FOR SUB-CONTRACTORS

In light of the recent eligibility discussions surrounding the Job Keeper package, it is important to consider how subcontractors will be affected by these measures. Subcontractors are not treated as employees, and therefore do not meet the eligibility criteria set out in regard to being Full Time, Part Time, or Casual workers. As a result, even if an employing business with a turnover of less than \$1 billion has experienced a turnover drop of 30% or more, subcontractors who perform work for these businesses will not be entitled to the Job Keeper payments.

Fortunately, however, subcontractors report their activities as business income via a business schedule in their own tax return. As a result, even though Job Keeper payments via the employer may be denied, an application may be made by the subcontractor personally. Note that this application may be made provided that all other conditions set out for sole traders have been met, most notably that there has been, or it is reasonably expected that there will be a 30% or greater drop in the subcontractor's turnover.



In practice, this means that if the subcontractor has not had a reduction in work, then they will not be eligible for the payments. Payments will be made to the subcontractor directly starting from the first week of May, provided they were eligible for the scheme from 30 March 2020 onwards, and they have registered their interest via the ATO website.

EXAMPLE 1 – SUBBIES GET LESS WORK

Subcontractor A performs work for Company Z, and reports this on their income tax return via the business schedule. They have been paid on average \$2,000 per fortnight up until the 30th of March 2020, where due to COVID-19 the amount of work they have been contracted to perform has dropped by 50% to \$1,000 per fortnight. This drop of 50% satisfies the 30% turnover reduction test, making Subcontractor A eligible to receive the \$1,500 Job Keeper payments in addition to his regular earnings. Monthly payments will be made starting from the first week of May, ending on the earlier of the 27th of September or when eligibility ceases, whichever occurs first.



EXAMPLE 2 – SUBBIES CONTINUE TO WORK

Subcontractor B performs work for Company Y, and reports this on their income tax return via the business schedule. They are paid on average \$1,000 per fortnight. Company Y have experienced a downturn in business and have had their turnover reduced by 30% or more. The work being contracted out to Subcontractor B, however, has not changed and remains at \$1,000 per fortnight. Company Y as an employer is now eligible for the Job Keeper payments, however as Subcontractor B is not an employee of Company Y, they are not eligible to receive these payments of \$1,500 per fortnight via Company Y. Further, as the amount of work being subcontracted out to Subcontractor B has not changed, they will also not be able to receive these payments personally.

Please note that it is important to ensure than any subcontractors being employed have maintained the relevant public liability, indemnity, and any other relevant insurances or licenses required by law to perform work.

Any information provided above does not constitute advice, and for specific advice tailored to your personal situation you should contact your accountant. Thanks to our independent Board member Damien McKern for the details.

SPEEDWAY AUSTRALIA CONTACTS

Please see below for the relevant contacts for all your Speedway Australia requirements. These now include mobile numbers for all staff, so you can contact them directly whether or not the office is open.

Office	General Enquiries	08 8139 0777	admin@speedwayaustralia.net.au
Tim Savell	General Manager	0424 923 494	tim@speedwayaustralia.net.au
James Hadley	Youth Development Officer	0457 184 080	james@speedwayaustralia.net.au
Liz Weaver	Track & Safety Dev. Officer	0487 002 287	liz@speedwayaustralia.net.au
Adam Brook	Sport Development Officer	0429 333 528	adam@speedwayaustralia.net.au
Ross Kirby	Sport Development Officer	0436 375 938	ross@speedwayaustralia.net.au
Kirsten Knox	Licensing & Operations Admin.	0499 484 738	kirsten@speedwayaustralia.net.au
Robin Pearce	Accounts	0407 244 772	accounts@speedwayaustralia.net.au
Angela Warren	Office Administrator	0474 291 542	angela@speedwayaustralia.net.au

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