

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE

**Inquiry into Coronavirus Economic Response Package Amendment (Ending Jobkeeper
Profiteering) Bill 2021**

Topic: JobKeeper amounts (over)paid by entity type
Senator: Rex Patrick

Question:

1. For each of the following categories,
 - a. Micro business (<\$2M turnover)
 - b. Small (\$2M to \$10M turnover)
 - c. Medium (\$10M to \$100M turnover)
 - d. Large (\$100M to \$250M turnover)
 - e. Very Large (>\$250M turnover)

please provide

1. the number of entities the ATO is aware of
2. the number of entities that received JobKeeper
3. The total amount of JobKeeper paid
4. The total amount of (undisputed or disputed) overpayment established through compliance

2. For each of the following categories,
 - a. Public Companies listed on the stock market
 - b. Public companies not listed on the stock market
 - c. Small Proprietary Companies
 - d. Large Proprietary Companies who are required to lodge financial reports with ASIC
 - e. Large Proprietary Companies who are exempt from lodging financial reports with ASIC
 - f. Private Schools
 - g. Private Universities
 - h. Clubs
 - i. Foreign Controlled Australian Entities
 - j. Charities
 - k. Not for profits
 - l. Unions
 - m. Political Parties

please provide

1. the number of entities the ATO is aware of
2. the number of entities that received JobKeeper
3. The total amount of JobKeeper paid
4. The total amount of (undisputed or disputed) overpayment established through compliance

Answer:

Notes for all components:

- Data is as at 15 September 2021.
- (1) *Total entities* is the total number of entities with an active ABN as at 15 September 2021. This can include all entity types: individuals, partnerships, trusts, companies, superannuation funds.
- *Net payments* are the payment disbursements for the JobKeeper extension after return of overpayments from entities.
- The data remains subject to revisions as with all programs of this size there will be organisations that complete late applications, amend/adjust their application for the period in subsequent periods and applications processed may be subject to compliance activities.
- Overpayments are the total value of overpaid JobKeeper payments for entities that had one or more compliance reviews.

- (1 – 4)

Business income range	(1) Total entities	(2) Number of entities who received a net payment	(3) Net payments (\$b)	(4) Overpayments made to clients subject to compliance (\$b)
<\$2M*	6,338,400	959,300	39.24	0.210
\$2M-\$10M	209,400	66,000	15.22	0.045
\$10M-\$100M	80,100	16,700	12.17	0.040
\$100M-\$250M	16,000	1,700	3.44	0.019
>\$250M	39,800	2,400	9.13	0.045
Not for profit	208,500	19,000	9.62	0.018
Other**	16,200	<100	<0.01	0.001
Total	9,021,700	1,065,000	88.82	0.378

Totals may not add due to rounding.

In addition to the overpayments from direct ATO compliance action, there were approx. \$92 million in overpayments which resulted from client initiated amendments. This is where clients became aware that they did not meet all the eligibility criteria for some or all of the JobKeeper payments received, and self corrected with the ATO. These amounts are in addition to the 0.378b in the table above.

Notes:

- The business income ranges above are based on ATO system-based categorisation of entity types.
- Business income is based on income from tax returns and other ATO information sources such as total sales from Business Activity Statements where tax returns are not available.
- Not for profits are organisations that are not carried on for the profit or gain of its individual members.
- <\$2m* category above has been adjusted to include entity types not previously identified in ATO systems as “individual non-business” where they have received JobKeeper.
- Other** includes entities where the business income may be unknown.
- Overpayments made to clients may include amounts from other actions, not just decline in turnover actions.

- (1-4)

Some of the categories listed are not ones used by the ATO and cannot be easily provided and for some of the categories the ATO cannot provide data. In the table below, we can provide statistics on non-government entities in the school industry, which also includes special school education, Charities and Not for profit entities and labour association services.

Please note that the ATO does not have data available for:

- Large Proprietary Companies who are required to lodge financial reports with ASIC
- Large Proprietary Companies who are exempt from lodging financial reports with ASIC
- Private Universities
- Political parties

Question	Entity type	(1) Total entities	(2) Number of entities who received a net payment	(3) Net payments (\$b)	(4) Overpayments made to clients subject to compliance (\$b)
J	Charities	58,600	12,000	7.57	0.013
K	Not-for- profits	208,500	19,000	9.62	0.018
F	Non- government entities in the school industry	3,500	700	0.75	0.012
L	labour association services (includes unions)	4,900	200	0.02	<0.001

Notes on entity type:

- Charities are entities registered as a charity with the Australian Charities and Not-for-profits Commission (ACNC).
- Not-for-profit organisations are organisations that provide services to the community and do not operate to make a profit for its members (or shareholders, if applicable).
- Non-government entities in the school industry figures are based on JobKeeper applications in the “school education” ANZSIC group. The figures do not include government entities, government-controlled entities or sole traders. Industry is based on ANZSIC codes registered with the Australian Business Register.
- The different categories listed under entity type may not be mutually exclusive, for example. charities may be not for profits (NFP), and schools may relate to entities who are either charities or NFPs.
- Labour association services (includes unions) figures are based on JobKeeper applications in the “labour association services” ANZSIC class. Industry is based on ANZSIC codes registered with the Australian Business Register.

