



Single Touch Payroll

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/>
- Last modified: 04 Feb 2021
- QC 54701

Single Touch Payroll (STP), is an Australian Government initiative to reduce employers' reporting burdens to government agencies.

With STP, you report employees' payroll information to us each time you pay them through STP-enabled software. Payroll information includes:

- salaries and wages
- pay as you go (PAYG) withholding
- superannuation.

STP started on 1 July 2018 for employers with 20 or more employees and 1 July 2019 for employers with 19 or fewer employees.

We have provided a several concessions depending on business, industry, or employer types. Most of these end on 1 July 2021. If you have a current concession you will need to be reporting each pay day through STP by this date.

If you haven't started reporting through STP, you need to start reporting as soon as possible.

Next steps:

- [Start reporting now](#)
- [Concessional reporting](#) options for eligible employers who have exceptional circumstances.

Expanding data collected from STP

In the [2019–20 Budget](#)^{ca} it was announced that we would expand the data collected through STP.

This expansion of STP (also known as STP Phase 2) reduces the reporting burden for employers who need to report information about their employees to multiple government agencies. It also supports the administration of the social security system.

Employers will report the additional information through STP on or before each pay day.

The mandatory start date for STP Phase 2 reporting will be 1 January 2022.

There is nothing you need to do right now. We are working closely with digital service providers who will update your STP-enabled software for you.

More information about applying for additional time, if required, to transition to STP Phase 2 will be provided soon.

Key features

Key benefits and features of STP Phase 2 include:

- reducing the duplication of information employers provide to Government which will also reduce unnecessary interactions including
 - incorporating the reason for an employee ceasing employment to reduce the need for separation certificates
 - reporting child support garnishee and deduction amounts voluntarily through STP instead of through the separate manual remittance process
- removing the need to send tax file number and withholding declaration information to the ATO – this will now be captured in the employment conditions section of the STP report
- better defining the components that make up gross income that will
 - make it easier for employers to understand their obligations
 - help employees understand their earnings and help them with their interactions with Services Australia
 - ensure consistency of reporting across the various income types.
- reporting employee payments by income type (or income streams) including
 - salary and wages
 - foreign employment income
 - closely held payees
 - working holiday maker.

Find out about:

- [What is STP?](#)
- [How to report](#)
- [Single Touch Payroll employer reporting guidelines](#)
- [Concessional reporting](#) for eligible employers
- [Single Touch Payroll for intermediaries](#)
- [Single Touch Payroll for employees](#)
- [News, events and resources](#)

What is STP?

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/What-is-STP/>
- Last modified: 19 Sep 2019
- QC 60136

STP works by sending tax and super information from your STP-enabled payroll or accounting software to the ATO as you run your payroll.

You will:

- run your payroll
- pay your employees as normal
- give them a payslip.

Your pay cycle does not need to change. You can continue to pay your employees weekly, fortnightly or monthly.

Your STP-enabled payroll software will send us a report which includes the information we need from you, such as:

- salaries and wages
- pay as you go (PAYG) withholding
- super liability information.

The [employer reporting guidelines](#) contains a full list of payments that must be reported through STP.

Super funds will also be reporting to us. They'll let us know when you make the super payment to your employees' chosen or default fund. This is an important step toward making sure employees are paid their correct entitlements.

ATO systems will match the STP information to our employer and employee records.

If your employees have a myGov account linked to ATO online services, they will be able to see their year-to-date tax and super information in their Income statement. Their data is updated every time you report. For most employers, this will be each pay day.

At the end of the financial year you'll need to finalise your STP data. This means you are making a declaration that you have completed your reporting for the financial year.

Once you finalise your data, your employees' Income statement in ATO online services will be marked as 'Tax ready'. They, or their registered agent, will use the Income statement to lodge their tax return.

You won't need to provide us with a payment summary annual report for the payments you report through STP.

If you currently lodge an activity statement you will continue to do so.

See also:

- [STP reporting options](#)
- [How to report](#)
- [Start reporting](#)
- [Concessional reporting](#)
- [Need more time?](#)
- [Single Touch Payroll for intermediaries](#)
- [Single Touch Payroll for employees](#)
- [News, events and resources](#)
- [Single Touch Payroll employer reporting guidelines](#)

Expanding Single Touch Payroll (Phase 2)

- [https://www.ato.gov.au/Business/Single-Touch-Payroll/Expanding-Single-Touch-Payroll-\(Phase-2\)/](https://www.ato.gov.au/Business/Single-Touch-Payroll/Expanding-Single-Touch-Payroll-(Phase-2)/)
- Last modified: 19 Apr 2021
- QC 65099

What Single Touch Payroll Phase 2 is

In the 2019–20 Budget, the Government announced that Single Touch Payroll (STP) would be expanded to include additional information.

This expansion of STP (also known as STP Phase 2) will reduce the reporting burden for employers who need to report information about their employees to multiple government agencies. It also supports the administration of the social security system.

The mandatory start date for STP Phase 2 reporting will be 1 January 2022.

See also:

- [Expanding Single Touch Payroll Factsheet \(PDF, 227KB\)](#) 

What's next

There is nothing you need to do right now. We are working closely with digital service providers who will update their STP-enabled software.

We have published a factsheet which covers the key changes and more detailed information will be available soon.

It's important to remember that all STP-enabled solutions have different functions and updates for the expansion will be offered in different ways. What you need to do to set up will depend on what product you use and how you manage your payroll.

More information about applying for additional time, if required, to transition to STP Phase 2 will be provided soon.

What isn't changing

While you will need to report additional information in your STP report, there are many things which aren't changing, such as:

- the way you submit your STP report
- STP reports are still due on or before pay day unless you are eligible for a reporting concession
- the types of payments that are in-scope for STP reporting
- taxation and superannuation obligations
- end of year finalisation requirements.

Key changes

The additional information you need to report should already be captured in your current payroll software.

The key changes to the STP report include:

- [Employment conditions](#)
- [Income type and Country code](#)
- [Disaggregation of gross](#)
- [Salary sacrifice](#)
- [Lump sums](#)
- [Reporting previous Business Management Software IDs and Payroll IDs](#)
- [Child support garnishees and Child support deductions.](#)

Employment conditions

You already provide some employment condition information through your STP report such as your employee's commencement and cessation date and other information through the employees TFN declaration.

The extra information you will include in your STP report will mean that you will no longer need to send Tax File Number (TFN) Declarations to us – you will only need to keep them with your employee records.

This information includes both the following.

Employment Basis – the work pattern or engagement relationship. For example, whether your employee is full-time, part-time or casual.

Tax Treatment – there are many factors that help you work out the correct amount to withhold for your employees based on the information your employee provides in their TFN declaration and information you know about the employee. By reporting some extra information each payday, you will help us identify the factors that influenced how you calculated the pay as you go withholding. For example, where your employee has notified you that they have a Study Training Support Loan.

Reporting this information will allow us to notify your employee if they have provided you with incorrect information which may lead to them getting a tax bill at the end of the year.

You will also need to provide information if your employees leave that will reduce the need for you to provide them with separation certificates. This information will include a Cessation type – when your employee ceases employment, you will need to provide a reason for the separation in your STP report. There are many reasons why employees leave, for example you will tell us whether it was voluntary, a redundancy or due to illness.

Income type and Country code

The reporting of income types and country codes is being introduced to identify payments you make to your employees with specific tax consequences and to make it easier for them to complete their individual income tax return.

It will also help us identify where you are using a concessional reporting arrangement, such as for Closely Held payees.

Country codes will need to be reported about the home country of your employee who is either an inbound assignee or working holiday maker, or the host country of the employee who is an Australian resident working overseas.

Disaggregation of gross

Currently your STP report includes gross, which is the total of many different components and payment types. Because some of these are treated differently for Social Security purposes, you will now need to report more detail.

Your STP report will separately itemise the components which make up the gross amount by the following payment types:

- bonuses and commissions
- directors fees
- paid leave
- salary sacrifice
- overtime
- allowances
- gross (other).

Currently some allowances are reported separately, and some are reported as part of gross.

You will need to report all allowances separately, not just expense allowances that may have been deductible on your employee's individual income tax return. This means that allowances previously reported as gross must now be separately itemised and reported.

Salary sacrifice

Changes to superannuation guarantee law that apply from 1 January 2020 mean that salary sacrifice contributions can no longer be used to reduce ordinary time earnings or count towards your minimum superannuation guarantee obligations.

You will need to report salary sacrificed amounts in your STP report, which will make it easier for your employees to understand their superannuation entitlements when looking at their income statement.

Lump sums

There are changes on how lump sum payments will be categorised. These changes include both the following.

A financial year indicator has been added to lump sum E. If you make a lump sum E payment, each financial year relevant to the lump sum E amount paid must now be included in your STP report prior to finalisation of your employee's records. This will eliminate the need for you to provide lump sum E letters in most cases.

New lump sum W – the return to work payment that occurs in extremely limited circumstances and taxed concessionaly was formerly reported in STP under Payee gross. It now joins the lump sum payment types in separately itemised reporting.

Reporting previous Business Management Software IDs and Payroll IDs

You may have the option to provide us with previous Business Management Software IDs and Payroll IDs in your STP report where there has been a change to one of these. This might occur when you have had a change of business structure or where you have changed software and do not have the ability to zero out or finalise the previous records.

This will help us reduce and fix issues with duplicate income statements for employees in ATO online.

This is optional and not all STP-enabled solutions will offer this functionality.

Child support garnishees and Child support deductions

You will have the option to include Child support garnishees and Child support deductions in your STP report which will reduce the need for separate remittance advice reporting to the Child support registrar.

STP reporting options

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/STP-reporting-options/>
- Last modified: 22 Oct 2020
- QC 54702

The reporting systems and concessions available for Single Touch Payroll (STP) depend on how many employees you have.

On this page:

- [Counting your employees](#)
- [Employers with 19 or fewer employees](#)
- [Employers with 20 or more employees](#)

Counting your employees

To do a headcount to work out how many employees you have, each of the following count as one employee:

- full-time employees
- part-time employees
- casual employees
- employees based overseas
- any employee absent or on leave (paid or unpaid).

Don't include the following in your headcount:

- employees who have ceased working for you
- independent contractors
- staff provided by a third-party labour hire organisation
- office holders
- religious practitioners
- closely held payees such family members of a family business, directors or shareholders of a company and beneficiaries of a trust.

If you have a mixture of employees and closely held payees (who are excluded from your headcount), you are still considered a micro employer if you have one to four employees.

Example:

You have:

- three full-time employees
- one part-time employee
- two directors.

You are considered to have four employees and are considered a micro employer.

Employers with 19 or fewer employees

STP started from 1 July 2019 for employers with 19 or fewer employees (small employers). You should be reporting through STP now.

If you haven't started STP reporting and don't have a deferral, you need to take the following steps:

1. Start reporting now – if you use payroll software that is STP-enabled, you can start reporting now. To find out what you need to do, talk to your software provider or visit their website. See our [STP checklists](#) for important steps you need to take to connect your software to the ATO.
2. [Choose an STP-enabled software solution](#) – if you don't use payroll software, or if your software isn't STP-enabled, you can browse the STP product register to choose the right software solution for you.
3. Ask a third party to report for you, such as a registered tax or BAS agent or a payroll service provider.
4. Consider if one of the [concessional reporting options](#) is right for you.
5. If you have exceptional circumstances impacting on your ability to start reporting, apply for a [deferral](#). Or if you meet the criteria, you can apply for an [exemption](#).

See also:

- [How to report](#)

Employers with one to four employees

If you have one to four employees (micro employer) and you don't currently use payroll software, there are other ways to report STP information.

Many digital service providers offer [no-cost and low-cost STP solutions](#) for micro employers, including simple payroll software, mobile phone apps and portals.

Quarterly reporting concession

A quarterly STP reporting concession is temporarily available until 30 June 2021, if you use a registered tax or BAS agent and meet the eligibility criteria. Applications for this concession will only be considered in exceptional circumstances.

Check if you are [eligible](#) and talk your tax or BAS agent to see if this is a service they provide.

See also:

- [Quarterly reporting concession for micro employers](#)

Small employers with closely held payees

There are concessional reporting options for small employers with closely held payees.

A closely held payee means the payee is directly related to the entity from which they receive payments. For example:

- family members of a family-owned business
- directors or shareholders of a company

- trustees or beneficiaries of a trust.

Employers may not always pay closely held payees a regular salary or wage. Instead, they may draw on income from the business throughout the year. As STP information is reported each time payroll is run, it may not be practical for employers to report payments made to closely held payees as regularly.

See also:

- [closely held \(related\) payee exemption](#)

Employers with 20 or more employees

STP started from 1 July 2018 for employers with 20 or more employees (substantial employers).

You should be reporting through STP now.

If you have not yet started reporting through STP, our [checklists](#) will help you get ready. You can find out if your software is STP-enabled by talking to your software provider. Your tax or BAS agent can also help.

Penalties

The 12-month transition period for substantial employers to start STP reporting ended on 30 June 2019.

If you haven't started reporting via STP and you don't have a deferral, we may contact you. If you don't start reporting within a reasonable amount of time, we may apply penalties.

Find out about:

- [Failure to lodge on time penalties](#)

See also:

- [How to report](#)
- [Start reporting](#)
- [Concessional reporting](#)
- [Need more time?](#)
- [Single Touch Payroll for intermediaries](#)
- [Single Touch Payroll for employees](#)
- [News, events and resources](#)

How to report

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/How-to-report/>
- Last modified: 19 Sep 2019
- QC 60137

You can send STP data to us in one of the following ways:

- [Option one: Report through existing payroll or accounting solution](#)
- [Option two: Choose STP-enabled payroll software](#)
- [Option three: Choose a no-cost or low-cost solution](#) (for employers with 1–4 employees)
- [Option four: Ask a third party to report for you.](#)

How you send STP information to us depends on the software you use. There are three types of solutions. After you run your payroll you can either send the STP information:

- directly to us from your payroll software
- through a third party sending service provider (SSP) which is integrated into your software
- through a third party sending service provider (SSP) service which is outside your software.

To find out what type of solution is suitable you can:

- talk to your existing software provider
- look at the STP product register to [find STP software](#)^{EQ}.

Option one: Report through existing payroll or accounting solution

You can report from your existing payroll or accounting software if it is STP-enabled.

Next steps:

- Talk to your software provider to find out what they offer and what you need to do
- Read our [Get ready](#) and [Start reporting](#) checklists

Option two: Choose STP-enabled payroll software

If you don't currently use payroll software, or your current payroll software hasn't been STP-enabled, you should look for a suitable product.

If you have 1–4 employees, and you do not need payroll software, you can use an alternative solution (see [option three](#) or [option four](#)).

Next steps:

- Talk to your registered tax or BAS agent to find out which payroll software product would best suit your business needs
- Look at the STP product register to [find STP software](#)^{EQ}

Option three: Choose a no-cost or low-cost solution

Employers with 1–4 employees are eligible to use the [no-cost or low-cost solutions](#) we have asked software developers to build. These solutions should cost \$10 per month or less.

Option four: Ask a third party to report for you

You can ask a third party to report for you, for example a:

- registered tax or BAS agent
- payroll service provider.

It is your obligation to make sure the third party will be reporting for you through STP-enabled software.

If you use a registered tax or BAS agent, talk to them about your options. They may be able to report through STP for you, or work with you to outsource your payroll to a payroll service provider.

Payroll service providers who are providing a STP reporting service must be registered as a tax or BAS agent. You can check their registration details with the [Tax Practitioners Board](#)^{ca}.

Next steps:

- [Start reporting](#)
- [Concessional reporting](#)
- [Need more time?](#)
- [Single Touch Payroll for intermediaries](#)
- [Single Touch Payroll for employees](#)
- [News, events and resources](#)

Start reporting

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Start-reporting/>
- Last modified: 19 Sep 2019
- QC 60138

We have developed [detailed employer reporting guidelines](#) to help you report through STP. They include information about:

- what you need to report
- the rules of reporting
- making corrections
- finalising your STP data

- transitioning to Single Touch Payroll
- remitting PAYG withholding
- employee commencement services
- what employees need to know.

We have also provided checklists, a troubleshooting guide, and information on finalising your reporting and third party reporters.

Find out about:

- [STP checklists](#)
- [Troubleshooting STP reporting](#)
- [End-of-year finalisation through STP](#)
- [Single Touch Payroll for intermediaries](#)

STP checklists

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Start-reporting/STP-checklists/>
- Last modified: 28 Jul 2020
- QC 54703

We've developed two checklists to help you prepare for STP reporting.

On this page:

- [Get ready checklist](#) – includes the initial steps, such as choosing how you will report through STP.
- [Start reporting checklist](#) – will help you take the right steps before sending your first STP report to us.

Get ready checklist

Follow the steps below to get ready for STP.

1. Work out how you will report through STP

The first step is to work out how you will report through STP. This may depend on the size of your business and if you currently use payroll or accounting software.

You can submit your payroll data through your STP-enabled software yourself or use a service provider to do it for you.

Do it yourself

You can use STP-enabled software to submit your payroll data – you may already be using software that's STP-enabled.

You can find software solutions on the STP product register (see [Software solutions for STP](#)). If you're an employer with 1–4 employees, you can choose a no-cost or low-cost STP solution. There are also [concessional reporting options](#) available to you.

- If you currently use STP-enabled software, go to [step 2](#) below.
- If you don't use STP-enabled software, talk to your tax or BAS agent for advice on choosing the right product to suit your business needs.

Use a service provider

You can ask a third party, such as a registered tax or BAS agent or a payroll service provider, to [report through STP for you](#).

2. If you use payroll software, talk to your provider

Find out how your payroll software will offer STP reporting. This may be through an update to your existing software, or an additional service.

Older software products, such as those purchased off-the-shelf, may not be updated to offer STP reporting. Your provider will tell you which of their products offer STP.

Remember to:

- find out what support they will give you to help your transition to STP
- upgrade or install your software when ready
- subscribe to any communications they provide – for example, email, newsletter or social media updates.

3. Talk to your staff about STP

Check that the right people in your business know about STP – especially the person or people responsible for running your payroll.

Ensure you are:

- paying your employees correctly
- calculating your employees' super entitlements correctly
- addressing overpayments correctly
- maintaining accurate information, including names, addresses and date of birth records.

Fixing any errors in your payroll now will help you report successfully.

At the end of the financial year, you won't need to provide your employees with a payment summary (or send a payment summary annual report to us) for information you've reported and finalised through STP.

You should tell your employees not to expect a payment summary and that instead their information is available via myGov or through their tax professional.

4. Start reporting

Once you're ready, you should start reporting. Read our [start reporting checklist](#) before you send your first STP report to us. This will help you send your report successfully.

We'll help and support you through your first year of reporting. If you make a mistake, you will be able to [make corrections](#).

See also:

- [Single Touch Payroll employer reporting guidelines](#) – what you need to report, how to make corrections and how to finalise your STP data at the end of the financial year.

Small employers with closely held payees

If you're an employer with 19 or fewer employees, you don't need to start reporting for closely held (related) payees until 1 July 2021. However, you can start reporting now if you are ready and able to. There is no need to apply for a deferral. If you have arms length employees, you should have started reporting these employees from 1 July 2019.

See also:

- [Small employers – closely held \(related\) employees](#)

Employers with 20 or more employees

You should already be reporting through STP, the mandatory start date was 1 July 2018.

5. If you need more support

If you need more support, you can:

- speak to your registered tax or BAS agent
- [subscribe](#) to receive business updates from us
- follow us on Facebook, Twitter and LinkedIn
- phone us on 13 28 66.

Start reporting checklist

Following these steps before sending your first STP pay event report will help you report successfully.

Ask your provider how your software will connect to the ATO

Before you start STP reporting, you'll need to ensure your software is connected to the ATO. We won't be able to receive your STP reports unless we're connected to your STP-enabled software.

Your software can connect directly to the ATO in one of three ways:

- a software ID
- a sending service provider (SSP)
- a machine credential.

A software ID is usually displayed by your software during the STP set-up. You or your registered agent must provide the ATO with your unique software service ID (SSID) by:

- completing a one-off notification through [Access Manager](#)
- phoning 1300 852 232.

Remember, we will not be able to receive your STP report without the correct SSID.

If your software is connected to the ATO by an SSP, your SSP will set up the connection to us for you. There is no need for you to contact us.

Alternatively, you can use a [machine credential](#)¹⁷ installed on your device.

If you're not sure how your solution connects to us, speak with your provider.

Work out who will authorise your STP reports

If you are the business owner or public officer, you're already authorised to send reports.

If someone else in your business (such as the payroll manager) will authorise reports, you'll need to give them authority to do so. You may need to record this authorisation in your payroll software. Your software provider should provide instructions. You don't need to contact us to set up this authorisation.

If you're getting a third party (registered tax or BAS agent or payroll service provider) to report for you, they need to be linked to your account at the ATO. They will also need to be authorised for each pay event they lodge. Talk to them to work out how this will be set up.

Work out who will send your STP report

You can choose to submit your own reports.

If you are one entity in an economic group and you appoint another entity (for example, a head office) to report for you, you will need to sign a *Cross entity authorisation nomination form* (XEA). This form will appoint the entity that will send your STP reports. To complete this form log into [Access Manager](#) and find the form under 'Who has access to my business'.

If a third party will be sending your STP reports, they need to be linked to your account at the ATO.

Choose a contact person

Decide who you want us to contact if we have any questions about STP matters. This contact needs to be listed in the STP pay event report. It should be someone who understands your payroll amounts and how they are calculated.

Start STP reporting and check your data was sent correctly

After sending your report, check your software for a 'successful' status. This indicates we have received the file.

Ask your software provider:

- how they will alert you to any reporting errors
- where in the software you can find and fix errors.

If there were errors in your report follow the steps to [correct a pay event report](#).

You can login into the Business Portal to [view your lodged STP reports](#). Allow up to 72 hours processing time after lodgment.

If your report hasn't been lodged successfully, read our [troubleshooting information](#).

Speak to your payroll solution provider if you need further assistance.

Troubleshooting STP reporting

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Start-reporting/Troubleshooting-STP-reporting/>
- Last modified: 12 Oct 2020
- QC 54704

This list includes some of the common errors we've seen with Single Touch Payroll (STP) reports.

Table: STP troubleshooting information for employers and intermediaries

Reporting issue	What you need to do
You have started reporting and your software is not connecting to the ATO.	See our Start reporting checklist and make sure you have taken those steps before you submit your first report. There are different methods for connecting your software to the ATO. In most cases, your digital service provider will tell you how to do this as part of your STP setup.

<p>You have submitted your first STP report and you want to know if we have received it.</p>	<p>There is no need to phone us to confirm your report has been received. We will send you a confirmation message once we receive your STP report. The message will generally be displayed in your software.</p> <p>You can also check in the Business Portal to view your lodged STP reports.</p> <p>We will also send a welcome letter to you when you start reporting through STP.</p>
<p>You use multiple payroll solutions and you are unsure which Business Management Software (BMS) ID to use.</p> <p>If you use the wrong BMS ID, your employees may not see the right information in ATO online services through myGov, and this could affect their pre-filling at tax time.</p>	<p>You can report separately from each payroll solution. Most products will allocate the BMS ID for you. Talk to your digital service provider to find out about the BMS ID you should use.</p> <p>Find out more in the rules of reporting through Single Touch Payroll.</p>
<p>You submitted an STP report when you didn't mean to, or your report contained a significant amount of incorrect data.</p>	<p>You can submit a full file replacement within 24 hours.</p> <p>A full file replacement gives you the ability to completely replace the latest STP report you sent us.</p>
<p>You have submitted several full file replacements for the same pay period and they have failed.</p>	<p>A full file replacement can only be submitted once within a 24-hour period. You should wait 24 hours before attempting to submit again.</p> <p>If this fails again, talk to your digital service provider.</p>
<p>You have submitted your STP report several days after paying your employees.</p>	<p>The law requires you to submit your STP report on or before the day you pay your employees.</p> <p>If you make an out-of-cycle payment, this can be reported in your next regular pay cycle.</p> <p>We will not be issuing penalties for late reporting in the first year of STP reporting. However, if you are consistently late submitting your reports:</p> <ul style="list-style-type: none"> • we will issue reminders • we may apply penalties after the first year of STP reporting.

<p>You have used a substitute tax file number (TFN) for an employee who has not provided you their TFN (for example, you used 000000000).</p>	<p>You can temporarily use a substitute TFN. However, you need to update your employee's information with the correct TFN as soon as it's available.</p> <p>When you use a substitute TFN, the STP information you report can't be matched to your employee. This means they will not be able to see their year-to-date tax and super information in ATO online services.</p> <p>Continuing to use a substitute TFN will affect your employee's ability to use pre-filled data at tax time.</p>
<p>You have entered an incorrect Australian business number (ABN) in your STP report.</p>	<p>You must report your own ABN.</p> <p>If you use an incorrect ABN, we will not be able to match the information you report to the records of your business entity, or your employees' myGov account.</p> <p>You can make a correction to update the ABN.</p>
<p>You are unsure if you need to report superannuation.</p>	<p>You must report superannuation amounts through STP.</p> <p>For each employee, make sure you report the following each pay period:</p> <ul style="list-style-type: none"> • year-to-date employer super liability • ordinary time earnings (OTE) amounts. <p>If you pay above the minimum super guarantee liability, you should report that amount.</p> <p>If the year-to-date super liability for an employee is zero, report zero – do not leave the field blank.</p> <p>See the rules of reporting through Single Touch Payroll for more information.</p>
<p>You have deleted unused or legacy pay codes (such as overtime allowances) from your payroll software.</p>	<p>Deleting pay codes may affect the accuracy of your STP data. While your software may allow you to do this, you should check if the pay code you are deleting has been used in a previous STP report in the same financial year.</p> <p>If you delete a pay code, check your data is correct before submitting your report.</p>
<p>You are a related entity and you need to submit STP reports on behalf of other ABNs in the</p>	<p>A related entity that submits STP reports on behalf of other ABNs within a group needs to have a business authority to lodge on their</p>

<p>group.</p>	<p>behalf.</p> <p>You can create this authority. The way you do this depends on whether the entity has been linked in Relationship Authorisation Manager (RAM):</p> <ul style="list-style-type: none"> • If the entity has been linked in RAM – create the authority through Access Manager. • If the entity has not been linked in RAM – complete a Cross entity authorisation nomination form. <p>The entity can choose the type of permission they want to give you. This tells us what they want you to be able to do or see on their behalf. The STP permission is called 'Payroll event form'.</p>
<p>Your software is requesting an email address for each employee.</p>	<p>Although it's not compulsory, including employee email addresses will help us identify the employee if the TFN provided doesn't match our records.</p> <p>If your software requires you to enter an email address for an employee, and they don't have one, ask your digital service provider what to do. Do not enter a fake or invalid email address.</p>
<p>You missed sending an STP report.</p>	<p>Your employees will not see the correct year-to-date amounts in ATO online services.</p> <p>There are a number of options available if you realise you have missed sending an STP report:</p> <ul style="list-style-type: none"> • You can lodge the missed report, if you are able to do so. • If all employees in the missed report will be paid again in the next regular pay run, make sure the year-to-date values in the next pay run are up-to-date. • If some employees are not being paid again, lodge an update event within 14 days to update their year-to-date balance. <p>If you continue to miss reports, you may be subject to failure to lodge penalties after the first year of reporting.</p>
<p>Your last STP report employee's year-to-date</p>	<p>If you are unsure how to correct this in your payroll software, contact your digital service</p>

<p>information does not match the information in your payroll software.</p>	<p>provider. Lodging an Update Event or correction is different across payroll software, so they will let you know what you need to do.</p>
<p>Your employees income statement is showing as 'not tax ready' after you have completed your end of financial year declaration.</p>	<p>Check the finalisation declaration has been correctly added, and successfully processed in your payroll software. If processed and you have changed your payroll software or updated the payroll IDs for the employee during the year, check if you have duplicated their data in your payroll software. If you have access to those records, correct the duplication and submit the finalisation declaration. Phone us if you need to confirm duplicated data.</p>

End-of-year finalisation through STP

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Start-reporting/End-of-year-finalisation-through-STP/>
- Last modified: 01 Apr 2021
- QC 58561

You need to make a finalisation declaration by 14 July each year.

If you do not finalise by this date, you should do this as soon as possible to ensure your employees can access their information to complete their income tax return.

Employers with closely held payees

If you have 20 or more employees, you should be reporting closely held payees each pay day along with arms-length employees. The finalisation due date for closely held payees is 30 September each year.

For small employers (19 or fewer employees) who only have closely held payees, the due date for end-of-year STP finalisation will be the payee's [income tax return due date](#).

For an employer with a mixture of both closely held payees and arms-length employees, the due date for end-of-year STP finalisation for closely held payees is 30 September each year. All other employees are due 14 July each year.

See also:

- [Small employers – closely held \(related\) payees](#)

Making a finalisation declaration

Before making your finalisation declaration, make sure your STP information is correct.

If you can't make a finalisation declaration by the due date, you will need to apply for a [deferral](#).

You can finalise your data earlier if it's ready. The sooner you finalise your employees' information, the sooner they will be able to lodge their tax returns.

This finalisation process is explained in detail in the STP employer reporting guidelines, including amendments for current and previous financial years.

Next step:

- [Finalising your Single Touch Payroll data](#)

When you have reported and finalised your employees' information through STP, you are exempt from:

- providing payment summaries to your employees
- lodging a payment summary annual report.

For payments to your employees that were not reported through STP, you still need to:

- give a payment summary to your employees
- provide us with a [payment summary annual report](#) for these payment summaries.

See also:

- [Transitioning to Single Touch Payroll](#)

Making an amendment

If you identify that you need to make an amendment after you have submitted a finalisation declaration, you'll need to submit these as soon as possible. You can make the amendments to finalised STP data in your STP solution.

We recommend you tell your employees when you make an adjustment that will be reflected in their income statement. If they have already lodged their tax return they may need to lodge an amendment.

See also:

- [Amendments after finalisation](#)

What to tell your employees

You will need to tell your employees:

- you are no longer required to provide them with a payment summary for the information you've reported and finalised through STP
- they can access their year-to-date and end-of-year income statement online through myGov or talk to their registered tax agent
- 'income statement' is the new term for their payment summary
- to wait until their income statement is 'Tax ready' before lodging their tax return
- to check their personal details and if necessary, update with both you and the ATO (incorrect personal details may prevent them from seeing their STP information)
- [The way you get your payment summary is changing](#) and [Employee factsheet \(PDF, 227KB\)](#)  are available to help them understand the changes
- if they don't have a myGov account they can easily create one – see [Setting up your myGov account](#).

What your employees will see

STP allows your employees to view their payment information at any time in our online services through myGov.

On 1 July, they will see the status of this information change from 'year-to-date' to 'not tax ready'. It will stay like that until you submit your finalisation declaration.

When you have made the finalisation declaration, your employees will see the status of their payment information change to 'tax ready'.

Some employees like to lodge their tax returns early in July and may choose to do so before you have finalised their STP information. We will make it clear to them that their income statement is not 'tax ready'. If they choose to use the un-finalised information, they will need to acknowledge that:

- you may finalise their income statement with different amounts
- they may need to amend their tax return and pay additional tax.

Employees with more than one employer

If your employees have more than one employer, remind them that not all employers have started STP reporting yet.

They will still receive a payment summary from employers who are not yet reporting through STP.

Employees without a myGov account

If your employee doesn't have a myGov account, it's easy for them to create one. See [Using ATO online services – individuals and sole traders](#) for information on how set up a myGov account and link it to the ATO.

They can also talk to their tax agent who will have access to their income statement information.

If they can't create a myGov account and don't have a tax agent, they can phone us on 13 28 61.

Employees who can't see their income statement in myGov

If we have been unable to match your STP data to your employee, they may not see their income statement. This may happen where the tax file number (TFN) you've reported doesn't match our records.

If your employee can't see their income statement, they will need to phone us on 13 28 61.

See also:

- [Single Touch Payroll for employees](#)
- [News, events and resources](#)

Watch:

This video is a webinar about end-of-financial-year processing through Single Touch Payroll. It was delivered for large employers in February 2019 and some information may be out of date. You should rely on our website content for the most up-to-date information.

Media: End of year processing through Single Touch Payroll
<https://tv.ato.gov.au/ato-tv/media?v=bd1bdiunpzwidiz> (Duration: 40:03)

Concessional reporting

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Concessional-reporting/>
- Last modified: 19 Sep 2019
- QC 59375

There are a number of concessional reporting options available to help you transition to Single Touch Payroll reporting. Eligibility depends on your circumstances.

Find out about:

- [Micro employers](#)

- Micro employers in the [agriculture, fishing and forestry industry](#)
- Micro employers who are [not-for-profit clubs and associations](#)
- [Closely held payees](#)
- [Seasonal and intermittent employers](#)
- Employers of [inbound assignees](#)

Micro employers

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Concessional-reporting/Micro-employers/>
- Last modified: 08 Feb 2021
- QC 59383

If you are a micro employer and need more time to move to real-time digital reporting, you can apply for the quarterly reporting concession. The concession approves you to report quarterly for two years through your registered tax or BAS agent.

From 1 July 2021, the quarterly reporting concession will change. It will only be considered for micro employers experiencing [exceptional circumstances](#).

Note: Applications for the quarterly reporting concession with exceptional circumstances from 1 July 2021 are not currently being accepted. We'll update this page when you can apply.

Eligibility for the concession

To be eligible for this quarterly reporting concession, you must meet all of the following:

- be a micro employer on the day you apply (work out how to [count your employees](#))
- lodge your activity statements electronically through a registered tax or BAS agent
- have a non-computerised payroll. This could include running your payroll manually and keeping records on a spreadsheet or paper
- all amounts owing to us are either not yet due or subject to a payment plan
- all lodgment obligations are either not yet due or subject to a deferral
- for applications for a period commencing after 1 July 2021, you must also meet the guidelines for [exceptional circumstances](#).

Note: If your circumstances change, we may review your quarterly concession.

Find out about:

- [Exceptional circumstances](#)

- [Applying for the concession](#)
- [When to report](#)
- [Notifying us if you won't be paying employees again for the year](#)
- [Payments included in the quarterly report](#)
- [How to lodge the quarterly STP report](#)
- [Finalisation declaration due dates](#)

Exceptional circumstances

[Law Administration Practice Statement 2011/15 Lodgment obligations, due dates and deferrals](#) (PS LA 2011/15) explains when it would generally be fair and reasonable to grant a deferral due to exceptional or unforeseen circumstances.

In addition to the circumstances set out in PSLA 2011/15, the following circumstances may be considered exceptional when considering an application for the quarterly reporting concession from 1 July 2021:

- [Seasonal or intermittent workers](#) – for micro employers who generally have either no or between one and four employees for most of the year and then increase their workforce for less than three months of a financial year.
- [No or unreliable internet connection](#) – we would consider the following
 - an inability to connect to the internet
 - a connection that consistently requires multiple attempts
 - consistent dropouts or disconnections
 - exceedingly slow data transfer.

Note: employers with no or intermittent internet connection may also apply for an:

- [exemption](#) via your registered tax or BAS agent
- operational [deferral](#) – allowing up to an additional three days to lodge.

We will consider any other unique circumstances on a case-by-case basis.

Applying for the concession

Speak with your registered agent if you think quarterly reporting might be right for your business.

Your registered agent will need to apply online for this concession and lodge your STP reports on your behalf. Registered agents can apply through Online services for agents using the online [STP deferrals and exemptions](#) tool.

Note: Applications for the quarterly reporting concession with exceptional circumstances from 1 July 2021 are not currently being accepted. We'll update this page when you can apply.

When to report

Your registered agent will need to lodge your STP report once per quarter. The due date for the STP lodgment will be the same as the due date of your activity

statement. If you lodge your STP report quarterly, it is due the same day as your quarterly activity statement.

If you lodge activity statements monthly, the due date for your quarterly STP report is the same day as your last monthly activity statement for that particular quarter.

Speak with your registered agent about your activity statement due date.

If you are approved to report quarterly but want to report monthly, you can. Your registered agent must lodge the monthly STP pay event on or before the 21st day of the following month. This is the same due date as monthly activity statements.

Notifying us if you won't be paying employees again for the year

If you will not be paying any employees for the rest of the financial year, you should lodge a 'No requirement to report' notification.

To notify us:

- log in to the Business Portal
- select Manage employees
- select STP deferrals and exemptions
- select No requirement to report.

Payments included in the quarterly report

The quarterly report needs to include your:

- employees' year-to-date amounts – up to and including the last pay day of the quarter
- total gross wages – same as the W1 label on your activity statement
- total pay as you go (PAYG) withholding – same as the W2 label on your activity statement.

This quarterly report could be in two formats, either:

- every individual pay event for the quarter
- a single combined pay event which reports all the information for the quarter.

Speak to your registered agent about how they offer quarterly reporting and what they need to lodge on your behalf.

How to lodge the quarterly STP report

You will need to lodge the STP report through your STP-enabled software. You can't lodge the STP pay event report in Online services for agents.

Speak to your STP solution provider to see how they offer quarterly reporting.

The STP pay event report is a separate obligation to the activity statement. You must lodge the activity statement separately.

See also:

- [Small employers – closely held \(related\) payees](#)
- [Seasonal and intermittent employers](#)
- Employers of [inbound assignees](#)
- [Need more time?](#)

Finalisation declaration due dates

You will need to finalise your STP information at the end of the financial year. This tells us your data is complete and we can change your employees' income statement to 'Tax ready'.

If your registered agent reports your STP information to us for you, they need to submit a finalisation declaration on your behalf by 14 July each year.

These due dates are earlier than the due date of your June activity statement. This may mean you need to visit your registered agent earlier than before. However, the timeframe should align to the business processes you previously had to ensure that payment summaries were issued to employees by 14 July each year.

See also:

- [Finalising your STP data](#)

Agriculture, fishing and forestry industry

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Concessional-reporting/Agriculture,-fishing-and-forestry-industry/>
- Last modified: 08 Feb 2021
- QC 60146

If you are a micro employer in the agriculture, fishing or forestry industry and you need more time to move to real-time Single Touch Payroll (STP) reporting, you can choose to report quarterly until 30 June 2021.

From 1 July 2021 you will need to report per pay event. If you have exceptional circumstances and can't report each pay day, you may be eligible for the [quarterly reporting concession for micro employers](#).

To be eligible for the quarterly reporting concession, you must be a micro employer with 1–4 employees at the time of application. Work out how to [count your employees](#). You must also meet the eligibility criteria.

If you are a [seasonal or intermittent employer](#), you may be eligible for a different concession.

Eligibility for quarterly reporting

To be eligible for this quarterly reporting concession, you must:

- be a micro employer on the day you apply
- be in the agriculture, fishing or forestry industry.

You must also meet both of the following:

- all amounts owing to us are either not yet due or subject to a payment plan
- all lodgment obligations are either not yet due or subject to a deferral.

On this page:

- [Applying for the concession](#)
- [Increase in employee numbers](#)
- [Quarterly STP report due date](#)
- [Reporting more frequently](#)
- [Payments included in your quarterly report](#)
- [How to lodge the quarterly STP report](#)
- [Finalisation declaration due dates](#)

Applying for the concession

You or your registered agent will need to apply for this concession by completing the following steps:

- log in to the Business Portal
- select Manage employees
- select STP deferrals and exemptions.

Your registered tax or BAS agent can also apply using the instructions above through:

- Online services for agents – select Business then STP deferrals and exemptions.

The concession will cease on 30 June 2021.

Increase in employee numbers

If your application for this concession is accepted but your employee numbers increase after this date, you are still eligible to report quarterly until 30 June 2021.

Quarterly STP report due date

You will need to send your STP report once per quarter. The due date for STP lodgment will be the same as the due date of your activity statement.

See also:

- [Due dates for lodging and paying your BAS](#)

Reporting more frequently

If you are approved to report quarterly but would like to report more frequently (such as monthly, fortnightly or weekly) you can do so at any time.

If you choose to report monthly, you should report this monthly pay event by the 21st day of the following month. This is the same due date as monthly activity statements.

If you choose to report fortnightly or weekly you should report on or before each pay day.

If you are approved to report quarterly but would like to report monthly, you can do so. You should report the monthly STP pay event on or before the 21st day of the following month. This is the same due date as monthly activity statements.

Payments included in your quarterly report

The quarterly report needs to include your:

- employees' year-to-date amounts – up to and including the last pay day of the quarter
- total gross wages – same as the W1 label on your activity statement
- total pay as you go withholding – same as the W2 label on your activity statement.

This quarterly report could be in two formats, either including:

- every individual pay event for the quarter
- a single combined pay event which reports all the information for the quarter.

How to lodge the quarterly STP report

The quarterly STP report is a separate obligation to the activity statement. It can only be lodged through STP-enabled software. You can't lodge it via the Business Portal or Online services for agents.

If the STP-enabled solution you are using does not support a quarterly pay event, you may need to lodge multiple pay events to cover all of the pay dates in the quarter (that is, three pay events for a monthly payroll) by the same due date for the quarter.

Remember that your activity statement is not a replacement for the STP report. It must be lodged separately.

See also:

- [STP product register](#)²³ – list of available STP solutions

Finalisation declaration due dates

You will need to finalise your STP information at the end of the financial year. This

tells us your data is complete and we can change your employees' income statement to 'Tax ready'.

For the final quarter of each financial year (April to June), you will need to report and finalise your STP data before 14 July.

These due dates are earlier than the due date of your June activity statement. If a registered agent lodges your BAS, this may mean you need to visit them earlier than normal. However, the timeframe should align to the natural business process you previously had to ensure that payment summaries were issued to employees by 14 July each year.

See also:

- [Finalising your STP data](#)

Not-for-profit clubs and associations

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Concessional-reporting/Not-for-profit-clubs-and-associations/>
- Last modified: 08 Feb 2021
- QC 60147

Not-for-profit clubs or associations (for example, school parent associations or local sporting clubs) who are micro employers (making payments to employees or volunteers) can choose to report quarterly until 30 June 2021.

From 1 July 2021 you will need to report per pay event. If you have exceptional circumstances and can't report each pay day, you may be eligible for the [quarterly reporting concession for micro employers](#).

To be eligible for a quarterly reporting concession, you must be a micro employer with 1–4 employees at the time of application. Work out how to [count your employees](#). You must also meet the eligibility criteria.

Eligibility for quarterly reporting

To be eligible for this quarterly reporting concession, you must be a:

- micro employer on the day you apply
- not-for-profit club or association – for example, a school parent association, a school canteen or a local sporting club.

You must also meet both of the following:

- all amounts owing to us are either not yet due or subject to a payment plan

- all lodgment obligations are either not yet due or subject to a deferral.

On this page:

- [Applying for the concession](#)
- [Increase in employee numbers](#)
- [Quarterly STP report due date](#)
- [Reporting more frequently](#)
- [Payments included in your quarterly report](#)
- [How to lodge the quarterly STP report](#)
- [Finalisation declaration due dates](#)

Applying for the concession

You or your registered agent will need to apply for this concession by completing the following steps:

- log in to the Business Portal
- select Manage employees
- select STP deferrals and exemptions
- choose Concessional reporting.

Your registered tax or BAS agent can also apply using the instructions above through:

- Online services for agents – select Business then STP deferrals and exemptions.

The concession will cease on 30 June 2021.

Increase in employee numbers

If your application for this concession is accepted but your employee numbers increase after that date, you are still eligible for the concession until 30 June 2021.

Quarterly STP report due date

You will need to send your STP report once per quarter. The due date for STP lodgment will be the same as the due date of your activity statement.

See also:

- [Due dates for lodging and paying your BAS](#)

Reporting more frequently

If you are approved to report quarterly but would like to report more frequently (such as monthly, fortnightly or weekly) you can do so at any time.

If you choose to report monthly, you should report this monthly pay event by the 21st day of the following month (this is the same due date as monthly activity statements).

If you choose to report fortnightly or weekly you should report on or before each pay day.

Payments included in your quarterly report

The quarterly report needs to include your:

- employees' year-to-date amounts – up to and including the last pay day of the quarter
- total gross wages – same as the W1 label on your activity statement
- total pay as you go withholding – same as the W2 label on your activity statement.

This quarterly report could be in two formats, either including:

- every individual pay event for the quarter
- a single combined pay event which reports all the information for the quarter.

How to lodge the quarterly STP report

The quarterly STP report is a separate obligation to the activity statement. It can only be lodged through STP-enabled software. You can't lodge it via the Business Portal or Online services for agents.

If the STP-enabled solution you are using does not support a quarterly pay event, you may need to lodge multiple pay events to cover all of the pay dates in the quarter (that is, three pay events for a monthly payroll) by the same due date for the quarter.

Remember that your activity statement is not a replacement for the STP report. It must be lodged separately.

See also:

- [STP product register](#)²⁷ – list of available STP solutions

Finalisation declaration due dates

You will need to finalise your STP information at the end of the financial year. This tells us your data is complete and we can change your employees' income statement to 'Tax ready'.

For the final quarter of each financial year (April to June), you will need to report and finalise your STP data before 14 July.

These due dates are earlier than the due date of your June activity statement. If a registered agent lodges your BAS, this may mean you need to visit them earlier than normal. However, the timeframe should align to the natural business processes you previously had to ensure that payment summaries were issued to employees by 14 July each year.

See also:

- [Finalising your STP data](#)

Small employers – closely held (related) payees

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Concessional-reporting/Closely-held-payees/>
- Last modified: 23 Mar 2021
- QC 59387

Small employers (19 or fewer payees) are exempt from reporting amounts paid to closely held payees through Single Touch Payroll (STP) until 30 June 2021. You don't need to apply for this exemption.

From 1 July 2021, amounts paid to closely held payees will need to be reported through STP. If you're a small employer you can report these amounts on or before each payday, or you can choose to report this information quarterly.

If you have any other payees (also known as arm's length employees) they must be reported on or before each payday.

Different arrangements apply for businesses with 20 or more payees.

On this page:

- [STP reporting for closely held payees](#)
- [Ways to report amounts paid to your closely held payees](#)
- [Report payments on or before the date of payment](#)
- [Report actual payments quarterly](#)
- [Report a reasonable estimate quarterly](#)
- [What you need to report](#)
- [How to lodge the quarterly STP report](#)

STP reporting for closely held payees

A closely held payee is an individual directly related to the entity from which they receive payments.

For example:

- family members of a family business
- directors or shareholders of a company
- beneficiaries of a trust.

You must continue to report information about all of your other employees (known as arm's length employees) via STP on or before each payday (the statutory due

date).

If you only have closely held payees, you are not required to start STP reporting until 1 July 2021. You do not need to tell us that you only have closely held payees.

Ways to report amounts paid to your closely held payees

From 1 July 2021, amounts paid to closely held payees can be reported through STP in any of the following ways:

- [Report actual payments on or before the date of payment](#) – whenever you make a payment to a closely held payee, report the information on or before each pay event.
- [Report actual payments quarterly](#) – report your actual payments to closely held payees quarterly. Each quarter, when your activity statement is due, report all payments made in that quarter.
- [Report a reasonable estimate quarterly](#) – report amounts equal to or greater than a percentage of gross payments and tax withheld from the latest year, across each quarter.

Choosing how you report

You can choose which reporting methods you want to use. Not all reporting methods will suit your business circumstances.

If you can report actual payments you should report either quarterly or on or before the date of payment.

Example 1

ABCD Pty Ltd has one closely held payee, who is the company director.

Throughout the year, the director draws money from the business to use for personal expenses and promptly records this in the company books of account as loans the company has provided her.

She visits her tax agent in December and June each year for assistance and during those visits they determine a director's fee amount to pay which discharges the loan.

ABCD Pty Ltd chooses to report actual payments on or before the date of payment. This is because when a payment is made, the actual amount at the time of the payment is known, and the tax agent can help lodge the STP report at the same time.

Example 2

WXYZ Pty Ltd also has one closely held payee, who is the company director.

Throughout the year, the director draws money from the business to use for personal expenses.

The amounts drawn from the business are wages, but the director doesn't keep track of each transaction. This means it's known roughly – but not exactly – how much money is drawn from the business. An exact amount won't be known until the company's tax agent is consulted at the end of the year.

WXYZ Pty Ltd chooses to report using the reasonable estimate method. This enables the company to meet its STP reporting obligations without the director needing to visit the tax agent more often.

Report payments on or before the date of payment

Small employers with closely held payees can choose to report amounts paid to those payees on or before payday.

If you have other (arm's length) employees you must report amounts you pay to those employees this way.

If you choose to report amounts you pay to your closely held payees on or before payday, the general rules for reporting in STP apply. However, you'll have more time to make a finalisation declaration for your closely held payees.

As you would for your arm's length employees you must still:

- include any pay as you go (PAYG) withholding amounts on your activity statement and pay the amount you owe to us by the due date
- make super guarantee (SG) contributions for your closely held payees before the quarterly due date.

See also:

- [Single Touch Payroll employer reporting guidelines](#)
- [Making a finalisation declaration for closely held payees](#)

Report actual payments quarterly

Small employers with closely held payees can also choose to report the total amounts paid to those payees quarterly rather than reporting on or before payday.

If you choose to report this way, each quarter you still need to:

- include any PAYG withholding amounts on your activity statement and pay the amount you owe to us by the due date
- make SG contributions for your closely held payees before the quarterly due date.

See also:

- [Due dates for lodging and paying your BAS](#)
- [Super guarantee due dates](#)
- [PAYG withholding](#)

Report a reasonable estimate quarterly

If you choose to report using this method, you need to:

- make a reasonable estimate of the amounts you have paid to closely held payees during the quarter
- report that estimate through STP.

As the estimate is based on payments you have made to your closely held payees, you should also:

- report and pay your PAYG withholding on your activity statement based on your estimate
- make SG contributions for your closely held payees based on your estimate.

Determining a reasonable estimate

When working out a reasonable estimate, consider all of your circumstances. Do you expect them to change during the financial year? Your estimate should reflect the amount you have paid your closely held payees during the quarter.

If your circumstances are not materially different to the year for which you have most recently completed a finalisation declaration, we'll generally accept it is reasonable to report a year-to-date amount in STP that is equal to:

- Quarter 1 – 25% of the total amount reported in that previous year
- Quarter 2 – 50% of the total amount reported in that previous year
- Quarter 3 – 75% of the total amount reported in that previous year
- Quarter 4 – 100% of the total amount reported in that previous year.

If your circumstances have materially changed, adjust your estimate to reflect your circumstances. This will ensure you're not overpaying or underpaying your obligations.

If you reduce your estimate lower than that of your most recently finalised declaration, we may contact you to find out why.

Example

MNOP Family Trust has two closely held payees who are trust beneficiaries,

that draw from the business throughout the year. They know this money as wages.

In the 2019–20 financial year, MNOP Family Trust pays each closely held payee \$120,000. A Payment Summary Annual Report (PSAR) is lodged in May 2021 reflecting this.

In early October 2021, MNOP Family Trust is determining the reasonable estimate to report through STP for Quarter 1.

They know that the business was impacted by COVID-19, but trading in Quarter 1 is similar to what they experienced during the 2019–20 financial year.

They are drawing money from the business in a similar way to the 2019–20 financial year.

As MNOP Family Trust's circumstances are similar to the last year, they consider it is a reasonable estimate to report a year to date figure for each payee through STP that is 25% of the 2019-20 amount (\$30,000).`

In May 2022, MNOP Pty Ltd lodges a PSAR showing it paid each closely held payee \$60,000 in the 2020–21 financial year. In early October 2022, MNOP Pty Ltd is determining the reasonable estimate to report through STP for Quarter 1.

They know they were paid less in 2020–21 due to COVID-19, but that the quarter has been more like the 2019–20 financial year.

They consider it is not reasonable to make an estimate of 25% of the amount paid during the 2020–21 financial year (\$15,000).

Instead, they determine a reasonable estimate is \$30,000 and they report that through STP.

When your circumstances change during the year

If you choose to report reasonable estimates, it's important you adapt your estimate during a financial year if your circumstances change.

What this means:

- If you're likely to pay your closely held payees more than you estimated, you should increase your estimate so the year to date figure reflects your circumstances.
- If the estimate you made in a previous quarter during the same financial year was too high, you can reduce your estimate for the current quarter so the year to date figure reflects your circumstances.

If your end of financial year estimates were too low

It's important not to under-estimate the amounts you report for your closely held payees.

If you identify at the end of the financial year your estimates throughout the year were too low, you'll need to:

- revise your Quarter 4 activity statement to include any additional PAYG withholding you need to pay, and
- pay that amount to us.

When you revise your Quarter 4 activity statement, general interest charge (GIC) may apply. You can ask us to remit the GIC if there are extenuating circumstances.

You'll also need to review the superannuation contributions you made to ensure you've contributed enough.

You'll need to lodge a super guarantee charge (SGC) statement if you haven't made contributions throughout the year that are at least :

- equal to the minimum SG rate, or
- above the maximum contributions base.

We'll remit any false or misleading statement penalties or failure to withhold penalties that might otherwise apply as a result of your estimates being too low, as long as:

- you followed this guidance
- your estimates throughout the year were reasonable based on your circumstances
- you paid the amounts you owed each quarter.

See also:

- [Remission of GIC on late payment of debts](#)
- [The super guarantee charge \(SGC\)](#)

If you identify at the end of the financial year that your estimates were too high

If you identify at the end of the financial year that your estimates throughout the year were too high, you have several options.

If you've paid too much PAYG withholding, you can revise your activity statements to claim back the excess by either:

- revising each quarter to the correct PAYG withholding amount
- reducing the PAYG withholding amount reported in Quarter 4 by the amount of the excess – and working backwards to earlier quarters if the excess is higher than the amount reported in Quarter 4.

You can also choose to do nothing. Your closely held payees will be entitled to a

credit for the PAYG withholding that relates to them when they complete their personal income tax return.

If you've contributed too much super, you may find it difficult to obtain a refund of the excess from your closely held payee's super fund. If you can't obtain a refund from their super fund, you can count the excess towards the contributions you have to pay for the current quarter or a future quarter, as long as:

- it's for the same closely held payee, and
- the start of the quarter is within one year after the date you paid the excess amount to the super fund.

We'll remit any false or misleading statement penalties or failure to withhold penalties that might otherwise apply as a result of your estimates being too high, as long as:

- you followed this guidance
- your estimates throughout the year were reasonable based on your circumstances
- you paid the amounts you owed each quarter.

What you need to report

Like all STP reporting for arm's length employees, your quarterly STP report for your closely held payees must include:

- year-to-date amounts, up to and including the last day of the quarter, for each closely held payee who received a payment subject to withholding that is [required to be reported](#) via STP
- the payee's ordinary times earnings (OTE) or your superannuation liability for the payee
- your total gross wages for payments being reported – same as the W1 label on your activity statement
- your total PAYG withholding payments being reported – same as the W2 label on your activity statement.

You also have the option of including any applicable [voluntary reportable](#) withholding amounts in your quarterly STP report that you paid to a closely held payee during the quarter.

See also:

- [The rules of reporting through STP](#)
- [Superannuation Guarantee Ruling SGR 2009/02](#) *Superannuation guarantee: meaning of the terms 'ordinary time earnings' and 'salary or wages'*

How to lodge the quarterly STP report

You must lodge your STP report for closely held payees through an STP-enabled solution, the same as you would for arm's length employees. You can either lodge the report yourself or have your registered agent lodge it on your behalf.

Depending on your STP reporting solution, your report may include both your arm's length employees and your closely held payees.

The STP report can't be lodged through ATO portals. It is not an additional label on your activity statement.

Speak to your STP solution provider to see how they offer reporting for closely held payees.

See also:

- [STP product register](#)²⁷ – list of available STP solutions
- [STP checklists](#)

When to lodge quarterly STP reports

If you choose the quarterly reporting option, your quarterly STP report is due on or before the due date for your quarterly activity statements. This includes concessions that may apply to your circumstances.

If you report your PAYG withholding on monthly activity statements, your quarterly STP report including amounts paid to your closely held payees is due on the same day as your activity statement for the final month of the quarter.

Choosing a quarterly option does not change the due date for:

- reporting and paying your PAYG withholding on your activity statement
- making SG contributions for your closely held payees.

You must continue to report information about all of your other employees via STP on or before payday.

See also:

- [Due dates for lodging and paying your BAS](#)
- [Super guarantee due dates](#)
- [PAYG withholding](#)

Correcting information about a closely held payee

When reporting quarterly you have until the due date of your next quarterly STP report to correct a closely held payee's year-to-date information. This is when you identify a need for a correction throughout the financial year.

If a closely held payee will not be included in your next quarterly STP report, you must either:

- include them in your current quarterly STP report with corrected year to date amounts, or
- lodge an Update event by the relevant due date for quarterly activity statement with the corrected year to date amount for the payee.

Example

Mentois Pty Ltd lodges an STP report with \$0 for its closely held payee in Quarters 1 and 2.

In Quarter 3, it identifies that a payment was made to the payee in Quarter 1, but the payee has left and won't receive any further payments.

To correct the information, Mentois Pty Ltd submits an Update event. This includes the correct year-to-date amounts for payments made, amounts withheld and superannuation liabilities that apply.

See also:

- [Correcting a pay event report](#)

Making a finalisation declaration for closely held payees

Small employers with only closely held payees have until the due date of the closely held payee's individual income tax return to make a finalisation declaration for a closely held payee.

You need to speak with the closely held payee about when their individual income tax return is due.

You can make a finalisation declaration for a closely held payee at any time during the financial year. For example, for closely held payees who have ceased employment.

If using the reasonable estimate reporting method throughout the year, you must update your STP report. Show the correct actual year-to-date amount you paid your closely held payees during the financial year – not just the total of your estimates.

You must make a finalisation declaration for arm's length employees by 14 July.

See also:

- [Finalising your STP data](#)

Seasonal and intermittent employers

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Concessional-reporting/Seasonal-and-intermittent-employers/>
- Last modified: 08 Feb 2021

- QC 59388

If you are a seasonal and intermittent employer, you may be eligible to lodge your STP report quarterly until 30 June 2021.

Seasonal and intermittent employers are those who generally have either no employees or between 1–4 employees for most of the year and then have an increase of employees for less than three months of a financial year. Those months do not need to be consecutive.

From 1 July 2021 this reporting concession will be rolled into the [quarterly reporting concession for micro employers](#).

On this page:

- [Eligibility for the concession](#)
- [Applying for the concession](#)
- [Increase in employee numbers](#)
- [Quarterly STP report due date](#)
- [Reporting more frequently](#)
- [Notifying us when you won't pay employees again for the year](#)
- [Finalisation declaration due dates](#)

Eligibility for the concession

If you normally have no employees or between 1–4 employees and then employ:

- 5–19 seasonal or short-term employees for a three-month period or less – you are eligible for this concession
- 20 or more seasonal or short-term employees – we will consider applications on a case-by-case basis.

You must also meet both of the following:

- all amounts owing to us are either not yet due or subject to a payment plan
- all lodgment obligations are either not yet due or subject to a deferral.

Applying for the concession

You or your registered agent will need to apply for this concession by completing the following steps:

- Log in to the Business Portal
- select Manage employees
- select STP deferrals and exemptions
- choose Concessional reporting.

Your registered tax or BAS agent can also apply using the same steps through:

- Online services for agents – select Business then STP deferrals and exemptions.

Increase in employee numbers

If your application for this concession is accepted but your employee numbers increase after that date, you are still eligible for the concession until 30 June 2021.

Quarterly STP report due date

If you report quarterly, you will need to send your STP pay event at the same time as you lodge your activity statement.

The due date for lodgment will be the due date of your activity statement.

See also:

- [Due dates for lodging and paying your BAS](#)

Reporting more frequently

If you are approved to report quarterly but would like to report more frequently (such as monthly, fortnightly or weekly) you can do so at any time.

If you choose to report monthly, you should report this monthly pay event by the 21st day of the following month (this is the same due date as monthly activity statements).

If you choose to report fortnightly or weekly you should report on or before each pay day.

Notifying us when you won't pay employees again for the year

If you will not be paying any employees for the rest of the financial year, you should lodge a 'No requirement to report' notification.

To lodge the report:

- log in to the Business Portal
- select Manage employees
- select STP deferrals and exemptions
- select No requirement to report.

Finalisation declaration due dates

You will need to finalise your STP information at the end of the financial year. This tells us your data is complete. We can then change your employees' income statement to 'Tax ready'.

Employers or their registered agents need to submit a finalisation declaration through their STP-enabled solution.

You can make the finalisation at any time throughout the financial year. You can

choose to do this when your season is over or you stop paying employees for the year.

For the final quarter of each financial year (April to June), you will need to report and finalise your STP data before 14 July.

These due dates are earlier than the due date of your June activity statement. This may mean you need to visit your registered agent earlier than normal. However, the timeframe should align to the business process you previously had to ensure that payment summaries were issued to employees by 14 July each year.

See also:

- [Finalising your STP data](#)

Inbound assignees

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Concessional-reporting/Inbound-assignees/>
- Last modified: 24 Sep 2020
- QC 59487

Some multinational employers exchange, or transfer, employees between affiliated entities in different tax jurisdictions. This is done for business and commercial purposes. These employees are known as 'inbound assignees'.

An inbound assignee is an individual that:

- is employed by an offshore entity – for example, an entity that is non-resident for Australian taxation purposes
- is seconded to Australia
- has all, or part, of their base salary and other remuneration paid by an offshore entity
- is maintained in Australia using a 'shadow payroll arrangement'. This is a notional payroll for the purposes of
 - paying tax and social security obligations
 - applying internal tax equalisation and protection policies.

Shadow payroll arrangements can differ across entities and vary in complexity. A common practice is to conduct the initial calculations outside of payroll software and then enter the amounts into the software for reporting and reconciliation purposes.

On this page:

- [Why a concession is needed](#)

- [Eligibility for the concession](#)
- [Employers who are not required to report through STP](#)
- [Understanding the effect of the reporting concession](#)
- [Report due date](#)
- [Payments made in June](#)
- [Extensions to the concessional period](#)
- [Payments included in the report](#)
- [Finalisation declaration due dates](#)

Why a concession is needed

There are many factors in operating a shadow payroll arrangement which can make it difficult to report through Single Touch Payroll (STP) on or before the day an amount is paid to an inbound assignee.

These factors include:

- delays in receiving information from an overseas payroll
- currency conversion of payment amounts
- a requirement for additional calculations to ascertain liabilities and implement tax equalisation.

Eligibility for the concession

You may be eligible for concessional reporting if you are required to report information through STP for an inbound assignee.

Although you may be eligible for this concession for your inbound assignees, your Australian based employees must still be reported on or before pay day.

You can't use this reporting concession for payments to employees that are made through an Australian-based payroll.

Employers who are not required to report through STP

You will not be required to report through STP if:

- your entity has no Australian presence
- the assignee is on a short-term assignment in Australia
- your entity has been granted a pay as you go (PAYG) withholding variation to nil.

In these cases, you will need to report inbound assignees' PAYG withholding information to us via a [payment summary annual report](#), unless specified otherwise on the variation notice. You should issue a payment summary to the inbound assignee by 14 July.

Understanding the effect of the reporting concession

The reporting concession does not affect the tax treatment of payments to inbound assignees.

For example, if you make a payment but don't process this through a shadow payroll until several weeks later, the payment is still deemed to have been made on the earlier date. This is also the date that would apply for PAYG withholding obligations.

However, the concession does provide:

- additional time to gather the information about the payments which needs to be reported
- flexibility in calculating and reporting the payments. Reporting a [reasonable estimate](#) is sufficient, provided that the estimate is corrected before or at the end of financial year finalisation.

Report due date

Reporting about inbound assignees is due before the last day of the month after the relevant payment was made. For example, if a payment was made on 14 April, it would need to be reported by 31 May.

One month in arrears

If you are reporting through STP in relation to your inbound assignees, you will be permitted to submit each report at any time before the end of the calendar month following the date payment is made to the employee.

This reporting for inbound assignees can be either:

- a separate STP pay event only for inbound assignees
- included in the entity's regular STP pay event for its local employees.

The STP pay event should state the date the payment was actually made to the inbound assignee. If this is not possible, it will be acceptable for the entity to report the same date as the other (local) payments shown in the pay event.

Example 1: Reporting one month in arrears

BigMultinational PLC has a presence in several countries including Australia.

In preparation for a large project, 35 employees of BigMultinational PLC are seconded from South Africa to Australia for the period 27 July 2019 to 26 March 2020. These inbound assignees employees are paid through a payroll in South Africa, with a shadow payroll maintained in Australia for the purposes of tax compliance.

On 27 August 2019, the employee's salary is paid through the South African payroll. Data about the payments to the 35 inbound assignees employees is sent to Australia. It is processed through the Australian shadow payroll on 5 September.

Normally, BigMultinational PLC would be required to submit an STP report

to us, on or before 27 August, showing the salary paid to the inbound assignees on 27 August.

However, we have granted concessional reporting to BigMultinational PLC because of the shadow payroll arrangements. This means the deferred due date is the end of the month after the payment date, that is 30 September.

On 20 September, the salary of other employees is paid through the Australian payroll. BigMultinational PLC prepares and submits an STP report on 20 September which includes both:

- the Australian payroll salary payments on 20 September
- the shadow payroll salary payments to the inbound assignees on 27 August.

BigMultinational PLC met its STP reporting obligations when it included its inbound assignees in the same STP report as the local employees. The shadow payroll values can be shown in the STP report as being paid on 20 September.

Payments made in June

There are two ways you can report payments made in June:

- Lodge a separate pay event for the payments made to inbound assignees in June.
- Lodge an update event which includes the June payments into the year-to-date amounts for each inbound assignee.

The final submission may also be used for the purpose of finalising STP reporting for the financial year. The final submission for a year will be due by the same date as the finalisation is due.

We understand that if you submit June payment information using an update event, you will not submit a pay event during the month of July.

Extensions to the concessional period

We expect that most entities operating shadow payroll arrangements will be able to report through STP by the end of the next month after the payment date. However, if you can't do so, you will need to request additional time.

We will assess requests on a case by case basis.

How to apply for additional time

You can apply for additional time via the Business Portal:

- select Manage employees then STP deferrals and exemptions
- from the STP deferrals and exemptions form select Recurring deferral and

complete the fields as follows

- Start and end date – enter the period of time for which the extension to the concession will apply. The period end date must be within the financial year in which the application is made.
- Number of additional days required to lodge each report – the number of days in addition to the existing concession period
- Number of employees currently on payroll – the number of employees subject to shadow payroll arrangements
- Reason – select Inbound Assignees

Your registered tax or BAS agent can also apply using the same steps through:

- Online services for agents – select Business then STP deferrals and exemptions.

Payments included in the report

The report needs to include your:

- employees' year-to-date amounts – up to and including the last pay day of the quarter
- total gross wages – same as the W1 label on your activity statement
- total pay as you go withholding – same as the W2 label on your activity statement.

These amounts can be [reasonable estimates](#).

Reasonable estimates

There may be occasions where you do not have the full details of payments made to inbound assignees in time for you to meet your STP reporting obligations. In these situations, you can report a reasonable estimate.

What a reasonable estimate is will depend on the situation. For example:

- If an accurate currency conversion rate is not available, use the latest available rate or an average rate to determine the reportable amounts until the correct rate is available.
- The receipt of information from overseas is delayed, but the employee has previously received a regular monthly salary with minimal adjustment. Report the salary payment in line with the previous pattern. Make any adjustments in a future report when the final information is received.
- There is uncertainty about how to classify an amount within payroll. Make a judgment about whether to include or omit that amount. Make a correction (if required) when the uncertainty is resolved.

Estimated information will need to be corrected when you submit a finalisation declaration for the inbound assignee.

Example 2: How to apply reasonable estimates

Michael is seconded to Australia for work. He is paid out of the payroll in his home country. A shadow payroll is maintained in Australia by his Australian host entity.

Every month, Michael is due to receive a salary of US\$10,000. There are regular deductions that mean the gross payment reportable in STP by the Australian host is consistently US\$9,200 (converted to Australian dollars). There are occasionally other deductions that mean the amount varies.

In March 2020, due to an administrative error in Michael's home country, his compensation information isn't sent to his Australian host. However, his Australian host knows Michael has been performing work and was due to receive a salary.

Michael's Australian host makes a reasonable estimate of the amount to include in their STP report, based on the pattern of previous reporting.

Later, the Australian host discovers that Michael was in fact paid a higher amount due to a scheduled salary increase. In the next STP pay event they submit they include Michael's new regular salary and a correction of the previous estimate.

Finalisation declaration due dates

You will need to finalise your STP information at the end of the financial year. This tells us your data is complete and we can change your employees' income statement to 'Tax ready'

A finalisation declaration for inbound assignees may be:

- included in the final pay event
- submitted separately through a STP update event.

If a concessional finalisation declaration is made for a shadow payroll arrangement, the declaration must be done by:

- 14 September 2020 for the 2019–20 financial year
- 14 August following the end of the financial year for 2020–21 and future years.

See also:

- [Finalising your Single Touch Payroll data](#)

Example 3: How to apply concessional finalisation due date

BigMultinational PLC has a presence in several countries including

Australia.

In preparation for a large project, 35 employees of BigMultinational PLC are seconded from South Africa to Australia for the period 27 April 2020 to 26 March 2021. These inbound assignee employees are paid through a payroll in South Africa, with a shadow payroll maintained in Australia for the purposes of tax compliance.

On 27 June, the employee's salary is paid through the South African payroll. Data about the payments to the 35 inbound assignees is sent to Australia. It is processed through the Australian shadow payroll on 5 July.

Normally, BigMultinational PLC would be required to submit an STP report to us, on or before 27 June, showing the salary paid to the 35 inbound assignees on 27 June.

However, we have granted concessional treatment to BigMultinational PLC because of the shadow payroll arrangements. This means the deferred due date for reporting these June payments is 14 August.

On 20 July, BigMultinational PLC:

- pays the salary of other employees through the Australian payroll
- prepares and submits an STP pay event showing the Australian payroll payments. The payments for the inbound assignees are not included.

On 3 August, BigMultinational PLC prepares and submits an update event which

- updates the year-to-date amounts for each of the 35 inbound assignees to include the salary payments from 27 June
- updates the year-to-date amounts for each of the 35 inbound assignees to incorporate any reconciliation adjustments or corrections required
- includes a finalisation declaration for each record.

BigMultinational PLC has now met its reporting obligations in STP.

See also:

- [Need more time?](#)
- [News, events and resources](#)

Need more time?

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Need-more-time/>
- Last modified: 26 Nov 2019
- QC 60140

Depending on your situation you may be:

- [able to apply for more time to start reporting](#)
- [exempt for certain payments](#)
- [exempt for certain employees](#)
- [able to apply for another type of exemption.](#)

Deferrals

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Need-more-time/Deferrals/>
- Last modified: 24 Sep 2020
- QC 56186

Under Single Touch Payroll (STP), there are deferrals for:

- commencing your reporting
- submitting particular reports.

There are different ways to apply, depending on the type of deferral.

On this page:

- [Transitional deferrals](#)
- [Unreliable or no internet service](#)
- [Other types of deferrals](#)

Transitional deferrals

A transitional deferral should be used if you need more time to get ready for STP reporting.

Deferrals will only be considered if you have exceptional circumstances.

Find out about:

- [Employers with 19 or less employees](#)
- [Employers with 20 or more employees](#)
- [Registered agents](#)

Employers with 19 or less employees

STP reporting for small employers started from 1 July 2019.

If you haven't started reporting and need more time, you can ask us for a deferral by:

- logging in to the Business Portal and selecting Manage employees then STP deferrals and exemptions
- phoning 13 28 66.

If you use a registered tax or BAS agent they can request the deferral for you.

Employers with 20 or more employees

STP reporting for large employers started from 1 July 2018.

If you haven't yet started STP reporting and need more time, deferrals will only be considered in exceptional circumstances.

If you haven't started reporting, you can apply for your own deferral by:

- logging in to the Business Portal
- selecting Manage employees then STP deferrals and exemptions.

If you use a registered agent they can request the deferral for you.

Registered agents

You must be a [registered tax or BAS agent](#)²⁷ to:

- provide payroll services and report through STP for your clients
- apply for a deferral on your clients behalf.

Payroll services include processing payroll on behalf of the employer. They also include performing payroll-related functions, such as interpreting legislation and helping employers to calculate their pay as you go (PAYG) withholding and super guarantee liability.

Client not ready to report

If one of your employer clients is not be ready to start STP reporting, you can apply for a deferral using Online services for agents – select Business then STP deferrals and exemptions.

You're not ready to report

If you are not ready to start STP reporting due to exceptional circumstances you can apply for a deferral using Online services for agents – select Business then STP deferrals and exemptions.

From Friday 25 September 2020, the Registered agent bulk client request form for STP Transitional deferral and small business reporting concessions (SBRC) requests will no longer be available.

See also:

- [TPB\(I\) 31/2016 Payroll service providers](#)²⁷ – for more information about

registered agents.

Unreliable or no internet service

If you live in an area where there is no internet connection, or the connection is unreliable, this may impact your ability to report through STP.

We understand you may experience:

- an inability to connect to the internet
- a connection that requires multiple attempts
- dropouts or disconnections
- exceedingly slow data transfer.

You or your registered tax or BAS agent can apply for a deferral or exemption through:

- the Business Portal (employers) – select Manage employees then STP deferrals or exemptions
- Online services for agents – select Business then STP deferrals and exemptions.

You can also phone us on 13 28 66 if you are unable to lodge online.

When you lodge your request or phone us, we will discuss your circumstances and may offer more time to lodge your STP report each time you run your payroll. You will need to provide evidence and meet our requirements.

Other types of deferrals

Operational deferral

If you have already started reporting through STP and you won't be able to report for a period of time due to special circumstances, you or your registered agent can apply for an operational deferral.

Recurring deferral

If there are special circumstances affecting your ability to regularly report on, or before, a pay day, you can apply for a recurring deferral. This deferral allows you additional time to lodge each STP report without penalty for late lodgment.

The maximum number of additional days granted to report will be three business days.

An example would be if you regularly experience intermittent internet connectivity issues which means we might receive your report a couple of days after pay day.

You may also apply for a recurring deferral where you are advising us that you have inbound assignees.

See also:

- [Inbound assignees](#)

No requirement to report

If you have already started STP reporting and you cease to have a PAYG withholding obligation for part of the year (for example where you have no employees), you can let us know that you have no requirement to submit STP reports for that period.

Finalisation declaration deferral

At the end of the financial year, you need to finalise the STP information you've reported.

For the 2019–20 financial year:

- employers with 20 or more employees had until 14 July 2020
- employers with 19 or less employees had until 31 July 2020.

If you are unable to do this by the due date, you can apply for additional time.

See also:

- [Finalising your Single Touch Payroll data](#)

How to apply

You or your registered tax or BAS agent can apply for these deferral types using:

- the Business Portal (employers) – select Manage employees then STP deferrals or exemptions
- Online services for agents – select Business then STP deferrals and exemptions.

You can also phone us on 13 28 66 if you are unable to lodge online.

Exemptions

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Need-more-time/Exemptions/>
- Last modified: 24 Sep 2020
- QC 56187

Under Single Touch Payroll (STP) there are reporting exemptions for a particular financial year or for certain types of employers, employees and payments.

If you are exempt from STP reporting, you must continue to comply with your existing pay as you go (PAYG) withholding obligations, including:

- reporting and paying your PAYG withholding and super guarantee liabilities
- giving payment summaries to your employees
- giving a payment summary annual report to us.

On this page:

- [Exemptions for certain payments](#)
- [Exemptions for certain employers](#)
- [Exemptions for certain payees](#)
- [If you need an exemption that's not listed](#)
- [How to apply](#)
- [Previous exemptions](#)

Exemptions for certain payments

There are exemptions from reporting certain payments for the following circumstances.

Long service leave and redundancy schemes

Employers in certain industries, such as building, construction or cleaning, may make regular contributions to a long service leave or redundancy scheme for their employees. Employees who are members of the scheme may be entitled to payment of long service leave, or a termination payment, if certain conditions are met.

If you're an administrator of one of these schemes, and you don't use STP-enabled software to manage these payments to members, you are exempt from reporting these payments through STP until the end of the 2020–21 financial year. You will need to start reporting these payments through STP from 1 July 2021.

You need to report your own employees' tax and super information through STP.

If you decide to make use of this exemption, you don't need to apply to us or advise us. However, you should keep records that support your decision.

Exemptions for certain employers

Employers with a withholding payer number (WPN) are exempt from STP reporting for the 2018–19, 2019–20 and 2020–21 financial years. You will need to start reporting these payments through STP from 1 July 2021.

If you decide to make use of this exemption, you don't need to apply to us or advise us. However, you should keep records that support your decision.

Exemptions for certain payees

There are exemptions for payees for the following circumstances.

Closely held (related) payees

Small employers with 19 or fewer employees are exempt from reporting closely held

payees through STP until 1 July 2021.

Find out about:

- [Small employers – closely held \(related\) payees](#)

If you need an exemption that's not listed

We will consider granting an exemption for reporting through STP for:

- a financial year
- a particular employee or group of employees.

Small employers with 19 or fewer employees may be exempt from STP reporting if they meet any of the following criteria:

- no or low digital capability
- no or unreliable internet service
- other special circumstances.

Employers who run their business in an area with no internet service can seek an exemption for one or more financial years.

A registered tax or BAS agent can apply for an exemption on an employer's behalf.

How to apply

You or your registered agent can submit an exemption request online. If you are unable to access online services, you can phone us on 13 28 66.

To submit a request for an exemption online:

- In the Business Portal – Select Manage employees then STP deferrals and exemptions.
- In Online services for agents – Select the client then Business then STP deferrals and exemptions.

In each case, include the following information:

- the number of employees on your payroll – this will help us understand the size and complexity of your business
- the reasons why you are unable to report through STP
- any steps you have taken to attempt to get ready for STP
- any supporting evidence that may help us understand your circumstances.

If you are requesting an exemption for reporting a particular employee or group of employees, provide:

- the details of the employee
- the nature of their employment
- any supporting evidence.

We may contact you for further information about your request.

Previous exemptions

These exemptions were offered in previous financial years but are no longer available.

Insolvency practitioners – weren't required to report through STP on their employer clients' behalf in 2018–19. They are required to start reporting through STP from 1 July 2019.

Inbound assignees – this is now covered by a [concession](#).

Under the previous arrangements, you may have been exempt from reporting payments to inbound assignees for the 2018–19 financial year if all of the following applied:

- the employee was employed by an offshore entity – for example, an entity that is non-resident for Australian taxation purposes
- the employee was seconded to Australia
- all or part of the employee's base salary and other remuneration was paid by an offshore entity
- you maintained a shadow payroll arrangement for the employee – for example, a notional payroll for the purposes of tax and social security obligations and internal tax equalisation and protection policies.

Any employee that did not meet all the criteria had to be reported through STP.

See also:

- [Deferrals](#)
- [News, events and resources](#)

When STP reporting can cease

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/When-STP-reporting-can-cease/>
- Last modified: 26 Feb 2021
- QC 64497

You may no longer be required to lodge Single Touch Payroll (STP) reports for a number of reasons.

These are if your business:

- [no longer has employees](#)
- [has ceased trading](#)
- [has changed structure](#)

- [is not paying employees for the rest of the year](#)
- [is paused due to COVID-19](#).

Depending on your situation, what you need to do will be different.

No longer employing staff

If you cease employing staff and continue trading without employees, you must submit a finalisation declaration for all your employees as part of your STP reporting.

Once you do this we will pre-fill the employees' income tax returns and display the information as 'tax ready' in [myGov](#)^{ca} at the end of the financial year.

You can make a finalisation declaration at any time during the financial year when you have ceased employing.

When you have finalised your STP obligations, you can cancel your pay as you go (PAYG) withholding registration to let us know that you are no longer employing staff.

Note: If you are a sole trader, the requirements will be different.

See also:

- [Sole trader](#)
- [Finalising your STP data](#)
- [PAYG withholding](#)

Closing a business

If you are ceasing trade, before you close your business and cancel your Australian business number (ABN) you must bring all your lodgment obligations up to date, including STP reporting.

As part of your STP reporting, you will need to make an STP finalisation declaration for all of your employees.

Once you do this we will pre-fill the employees' income tax returns and display the information as 'tax ready' in [myGov](#)^{ca} at the end of the financial year.

You can make a finalisation declaration at any time during the financial year.

When you have finalised your STP obligations, you can cancel your PAYG withholding registration to let us know that you are no longer employing staff. Once this is done, you should cancel your goods and services tax (GST) and ABN registrations so we know you have ceased trading.

It is important that you finalise all outstanding STP reporting before you cancel your ABN and your software subscription, in order to meet your STP obligations.

If you're a company but no longer carry on a business, you can choose to keep your

ABN registration. However, you must cancel your GST and PAYG withholding registration and lodge an STP finalisation declaration.

See also:

- [Updating or cancelling your ABN](#)²⁷
- [STP for insolvency practitioners](#)

Changes to your business structure

If your business structure changes, the ABN and branch under which you have been generating your STP reporting may change. If this occurs, you must:

- finalise your STP reporting under the ABN and branch you have been using for your STP reporting
- start your STP reporting under the new ABN and branch using zero year-to-date employee amounts.

Note: It is important to finalise your STP reporting under the ABN and branch before you lose access to it, or it is cancelled or deregistered.

See also:

- [Finalising your STP data](#)
- [Transitioning to STP](#)
- [The rules of reporting through STP](#)

No payments to employees for the rest of the year

If you won't be paying any employees for the rest of the financial year, or for a period greater than your reporting obligations, you should lodge a 'No requirement to report' notification.

To lodge using the Business Portal select:

- Manage employees > STP deferrals and exemptions
- No requirement to report.

See also:

- [Single Touch Payroll - exemption and deferral requests](#)

Pausing your business due to COVID-19

If your business has been paused due to COVID-19 and, currently, you are not employing and not receiving JobKeeper payments, you should lodge a 'No requirement to report' notification.

To lodge using the Business Portal select:

- Manage employees > STP deferrals and exemptions
- No requirement to report.

See also:

- [COVID-19](#)
- [Dealing with disasters](#)
- [Single Touch Payroll - exemption and deferral requests](#)

Single Touch Payroll for intermediaries

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Single-Touch-Payroll-for-intermediaries/>
- Last modified: 01 Oct 2019
- QC 60141

If you are a registered agent providing a payroll service, you will need to use Single Touch Payroll (STP)-enabled software to report for your clients.

If you are an insolvency practitioner for an 'incapacitated entity' under administration, you will need to work out how the entity's STP obligations can be met.

Find out about:

- [Registered agents providing a payroll service](#)
- [STP for insolvency practitioners](#)

Registered agents providing a payroll service

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Single-Touch-Payroll-for-intermediaries/Registered-agents-providing-a-payroll-service/>
- Last modified: 06 Apr 2021
- QC 56185

If you provide a payroll service, you will need to use Single Touch Payroll (STP)-enabled software to report for your clients.

A payroll service may include:

- processing payroll on behalf of an employer
- performing payroll-related functions, such as
 - interpreting legislation
 - helping employers calculate pay as you go (PAYG) withholding and super

guarantee liabilities.

You need to take the following steps before you can report through STP on behalf of your clients:

- [Be a registered agent](#)
- [Be linked to your client](#)
- [Notify us of your unique software ID.](#)

1. Be a registered agent

You must be a registered agent. To register, complete an online application and provide supporting documentation to the [Tax Practitioners Board](#)^{EQ}.

See also:

- [TPB 31/2016 Payroll service providers](#)^{EQ}

2. Be linked to your client

To lodge an STP report on your client's behalf, you need to be linked to them in our system. We will not accept STP reports you lodge on behalf of an employer unless the right link is in place.

Most registered agents will already have an existing link on the entity's record at the client, account or role level.

There can only be one registered agent per Australian business number (ABN) at each level (client, account or role level). However, the registered agent at each level may be different.

If you're already linked to your client, you can lodge STP reports on their behalf. If you're providing a payroll service only for your clients, you will need to 'Add payroll only client'. You can do this through [Online service for agents](#).

3. Notify us of your unique software ID

If you're using online or cloud-based software to report STP for you or your clients, you need to notify us of the unique software ID.

To make sure we receive the STP report, you will need to provide the correct software ID:

- Use your own unique software ID – if you will be lodging STP reports for your clients. Your software ID will be connected to your registered agent number (RAN) and ABN.
- Use your client's unique software ID – if they will be lodging their own STP reports and you are only assisting them to get ready or you are lodging on their behalf as a user. Your client's software ID will be connected to their business ABN.

How to notify us

You can complete a one-off notification using [Access Manager](#). Log in to Access Manager and follow the steps to Add, Modify or Notify us of your hosted SBR software services using [My hosted SBR software services](#).

You can also:

- phone us on 1300 85 22 32
- complete a [bulk notification request](#) to notify us of multiple software IDs.

Authorisations to act

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Single-Touch-Payroll-for-intermediaries/Registered-agents-providing-a-payroll-service/Authorisations-to-act/>
- Last modified: 19 Sep 2019
- QC 56773

The STP pay event is an approved form submitted to the Commissioner of Taxation. Each time it is lodged it requires a declaration that the:

- information contained in the approved form is 'true and correct'
- declarer is authorised to lodge the approved form.

We have streamlined the process for clients to authorise their registered agent to act on their behalf. By drafting and signing a written agreement called an 'STP engagement authority', eligible employers can provide this authority to the registered agent once a year instead of at each pay event.

On this page:

- [STP engagement authority](#)
- [Eligibility for the authority](#)
- [What to include in the authority](#)
- [Exclusions](#)

STP engagement authority

The STP engagement authority is a written agreement providing evidence that a registered agent is:

- authorised to prepare STP pay events on behalf of an employer
- allowed to make the relevant declaration to the Commissioner when each STP pay event is lodged.

The STP engagement authority is:

- subject to [eligibility criteria](#)

- must only be used for lodging an STP pay event.

The authority must be reviewed and re-signed by an employer and their registered agent either:

- every 12 months
- any time there has been a significant change in the industrial relations, taxation or payroll process.

Eligibility for the authority

To be eligible to provide a registered agent with an STP engagement authority, the employer must not:

- have any overdue activity statement lodgments
- have any outstanding debts, unless they are covered by a payment arrangement or subject to review
- currently be, or have been within the last two years, the subject of ATO compliance activity for PAYG withholding
- have a company director who has been issued with a Director Penalty Notice (DPN) in relation to this company or any other company where they are or have been a director.

What to include in the authority

The STP engagement authority should:

- outline the responsibilities of both parties
- include:
 - the agreed terms of the employer's collation of payroll related inputs
 - their process for calculating and paying their employees
 - their taxation and superannuation obligations.

It is expected the declaration will include the following statement:

- The STP engagement authority may only apply for a period of no longer than 12 months. This is to ensure the employer and the registered agent have reviewed and agreed on the terms of the arrangement in line with industrial, taxation and business changes impacting the payroll.

Both the employer and registered agent should:

- co-sign the agreement
- keep a copy for their records.

You do not need to provide a copy to us unless asked.

Exclusions

The STP engagement authority does not apply to:

- other approved forms

- the finalisation declaration.

A registered agent must still obtain a signed declaration in writing from an employer before making the STP finalisation declaration on behalf of the employer.

Unique software ID bulk notification request

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Single-Touch-Payroll-for-intermediaries/Registered-agents-providing-a-payroll-service/Unique-software-ID-bulk-notification-request/>
- Last modified: 30 Jan 2020
- QC 56697

Complete this form if you are a registered agent providing a payroll service and you need to notify us of multiple software IDs for your practice or for your clients.

This is a bulk request form. To submit the form:

1. Download [Single Touch Payroll unique software ID bulk notification request \(XLSX, 42KB\)](#)  using a laptop or PC device.
2. Complete all the required fields and save a copy (in Excel format) to your computer.
3. In Online services for agents select the message topic General questions/problems/help.
4. Enter the message subject Single Touch Payroll Enquiries.
5. Attach and send the request and supporting documentation.

After you submit your request

It may take up to 28 days for us to process your request, particularly around peak lodgment dates.

Don't send another request for the same clients within the 28-day processing period as this could delay the processing of your original request.

We will let you know:

- when your request has been processed
- whether your request was varied or declined.

See also:

- [Concessional reporting](#)
- [Need more time?](#)
- [Single Touch Payroll for intermediaries](#)
- [Single Touch Payroll for employees](#)
- [News, events and resources](#)

Link to multiple clients at the STP role level

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Single-Touch-Payroll-for-intermediaries/Registered-agents-providing-a-payroll-service/Link-to-multiple-clients-at-the-STP-role-level/>
- Last modified: 30 Jan 2020
- QC 56698

Complete this form if you are a registered tax or BAS agent and you need to link yourself to multiple clients at the STP role level.

This is a bulk request form. To submit the form:

- Download the [Single Touch Payroll request to link multiple clients at the role level \(XLSX, 41.1KB\)](#) 
- Complete all the required fields in the form and save a copy (in Excel format) to your computer.
- In Online services for agents select the message topic General questions/problems/help.
- Enter the message subject Single Touch Payroll Enquiries.
- Attach and send the request form and supporting documentation.

After you submit your request

It may take up to 28 days to process your request, particularly around peak lodgment dates.

Don't send another request for the same clients within the 28-day processing period as it could delay the processing of your original request.

We will let you know:

- when your request has been processed
- whether your request was varied or declined.

STP for insolvency practitioners

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Single-Touch-Payroll-for-intermediaries/STP-for-insolvency-practitioners/>

- Last modified: 09 Dec 2019
- QC 60142

If you are an insolvency practitioner for an 'incapacitated entity' under administration, you will need to work out how the entity's Single Touch Payroll (STP) obligations can be met.

Payments that need to be reported include:

- all payments of salary and wages, fair entitlements guarantee (where applicable), either superannuation liability or ordinary time earnings (or both) and pay as you go (PAYG) withholding for employees of your client
- any component of a dividend in lieu of salary and wages or leave, where that component is separately identifiable
- any other payments subject to withholding that have typically been included in the employees PAYG withholding payment summary.

If your client is already reporting through STP, you should continue to report on, or before, the pay date either through the client's software or your own practice software.

The way to report STP obligations depends on the circumstances, such as who is controlling the payroll and associated reporting.

Find out about:

- [Client controls payroll and associated reporting](#)
- [You control payroll using entity's software](#)
- [You control payroll using your software](#)
- [Appointed as an insolvency practitioner](#)
- [Seeking more time or an exemption?](#)
- [Appointment or cessation as a representative](#)

See also:

- [What you need to report](#)

Client controls payroll and associated reporting

If the client continues to manage their payroll software, pay runs and associated reporting, they can submit their STP data to the ATO directly through their STP-enabled software solution.

You control payroll using entity's software

If you are using the incapacitated entity's software to run pays and generate associated reporting, you can lodge the STP reports from their STP-enabled software.

If you need to report for a pre-insolvency period using the entity's software, you don't need to change the integrated client account number.

If you're reporting for the post-insolvency period, you will need to change the integrated client account number to the administrator's/liquidator's integrated client account number.

However:

- If payments are made under the incapacitated entity's ABN, then the STP reports should reflect this ABN.
- If payments are made under a new ABN for the purposes of the administration, the reports should reflect this ABN.

You control payroll using your software

Most insolvency practice software has now been updated to become STP-enabled.

This means you will be able to generate and lodge the STP reports for an incapacitated entity's payroll from your practice software.

Appointed as an insolvency practitioner

Where you have been appointed as an insolvency practitioner and are waiting for the ATO to issue a branch number, you are not required to report under STP on behalf of the incapacitated entity during this period.

Once the branch number has been issued, you must ensure that STP reporting commences from the very next pay day. The STP report should capture the year-to-date amounts paid to employees of the incapacitated entity from the date you were appointed.

Any amounts the employer has reported through STP prior to the date of appointment should be reviewed. Where possible, the employer should finalise STP reports under their ABN and branch number.

Where the employer cannot finalise previously reported STP amounts, you or the employer should advise us. This is to ensure the correct information is displayed in the employee's income statement and pre-filled in myTax.

Seeking more time or an exemption

If your client has entered into administration and you need more time to move them onto STP reporting, or you're seeking an exemption from STP reporting, you can apply online. To apply for a deferral of exemption on behalf of your client:

- log in to the Business Portal
- select Manage employees then STP deferrals and exemptions.

Appointment or cessation as a representative

If you're appointed as, or cease being, a representative of an incapacitated entity, you must notify us using the existing form and process.

See also:

- [Appointment or cessation of a representative of an incapacitated entity](#)

Single Touch Payroll for employees

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Single-Touch-Payroll-for-employees/>
- Last modified: 10 Jun 2020
- QC 54706

If your employer reports through Single Touch Payroll (STP), they will send us your tax and super information each time they pay you. You'll still be paid the same way – however, there will be some changes for you.

New employees may now have the option to complete some of their employee commencement forms online.

We have produced the following summary factsheet as a handy resource:

- [Single Touch Payroll for employees factsheet \(PDF, 226KB\)](#) 
- [Single Touch Payroll for employees factsheet \(html version\)](#)

Find out about:

- [What STP means for employees](#)
- [Setting up your myGov account](#)
- [Accessing your income statement online](#)
- [Employee pre-fill information](#)
- [New employees](#)

What STP means for employees

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Single-Touch-Payroll-for-employees/What-STP-means-for-employees/>
- Last modified: 19 Sep 2019
- QC 56168

If your employer reports to us through STP, you'll notice some changes.

On this page:

- [Find your tax and super information in ATO online services](#)
- [Tax and super information updated each time you're paid](#)
- [Your payment summary](#)
- [Check if your super has been paid](#)
- [Your registered tax agent can access your income statement](#)

Find your tax and super information in ATO online services

You can see your year-to-date tax and super information in your ATO online services (accessed via myGov).

We've created a video that shows you how to [set up a myGov account and link to the ATO](#).

It's not compulsory to have a myGov account. However, you won't be able to see your tax and super information online without one.

Tax and super information updated each time you're paid

Your ATO online services account shows the year-to-date tax and super payments made by your employer since the start of the financial year.

This information is updated each time your employer pays you. It may take a few days for the information to show in ATO online services.

Your payment summary

The income statement is the new name for your payment summary (which some people call a group certificate).

Your income statement will be [available in ATO online services](#) after the end of the financial year.

Your employer does not have to give you a paper or digital payment summary for the information they report through STP.

When your income statement is 'Tax-ready', we'll send a notification to your myGov Inbox.

If you don't have a myGov account linked to the ATO you can phone us on 13 26 61 to get a copy of your income statement.

You can continue to lodge your tax return the same way as you do now. This may be through a registered tax agent or myTax.

Check if your super has been paid

Each time they report to us, your employer will tell us how much super they are required to pay to your fund.

Your super fund will let us know when they have received the payment.

Remember, employers pay super contributions at different times, and that's OK. However, they must pay at least quarterly.

Your registered tax agent can access your income statement

Your tax agent will know if your employer reports through STP.

Your income statement will be available for your agent so they can prepare your tax return.

See also:

- [Setting up your myGov account](#)
- [Accessing your income statement online](#)
- [Employees pre-fill information](#)
- [New employees](#)

Setting up your myGov account

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Single-Touch-Payroll-for-employees/Setting-up-your-myGov-account/>
- Last modified: 19 Sep 2019
- QC 56169

If your employer reports through STP, you can see your year-to-date tax and super information and annual income statement in ATO online services.

The income statement is a new name for your payment summary (which some people call a group certificate).

It is easy to set up a myGov account. Go to myGov, select Create an account at the bottom of the screen and follow the instructions.

You will need an email address to create your account. You can then use your email address or mobile phone number to sign in.

Once your myGov account is set up, you can link it to ATO online services.

[Log in or create a myGov account](#)

Watch:

This video shows how to create a myGov account and link to the ATO

Media: How to create a myGov account and link to the ATO

<http://tv.ato.gov.au/ato-tv/media?v=bd1bdiubfo8e4m>^{EQ} (Duration: 03:56)

Contact us if you need help

It is not compulsory to have a myGov account.

If you use a registered agent to lodge your tax return, they will have access to your income statement.

If you lodge your own tax return and you don't want to create a myGov account, you will need to phone us on 13 28 61 to get a copy of your income statement.

For the 2018–19 financial year, employers have until 31 July 2019 to finalise your STP information so we recommend waiting until after 1 August 2019 to contact us.

See also:

- [Accessing your income statement online](#)
- [Online services – Individuals and sole traders](#)
- [Employee pre-fill information](#)
- [New employees](#)

Accessing your income statement online

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Single-Touch-Payroll-for-employees/Accessing-your-income-statement-online/>
- Last modified: 19 Sep 2019
- QC 56167

If your employer reports through Single Touch Payroll (STP) you may not receive a payment summary from them.

Instead, your payment summary information will be available in ATO online services through myGov. It is now called an 'income statement'.

If you don't want to create a myGov and link to the ATO you can phone us on 13 28 61 to get a copy of your income statement.

If you use a registered tax agent, they will have access to your income statement so they can complete your tax return.

Not all employers report through STP. You will continue to get a payment summary from any employer who has not yet started STP reporting.

On this page:

- [About your income statement](#)
- [How to access your income statement](#)
- [Using your income statement for your tax return](#)

About your income statement

Your income statement is the equivalent of a payment summary (which some people still call a group certificate).

Your income statement will show:

- your year-to-date salary and wages
- the tax that has been withheld
- the super amounts your employer has to pay for you.

This is similar to the information you would normally see on your payslip.

Your income statement will be updated each time your employer pays you. It may take a few days for the information to be available online.

After the end of the financial year, when your income statement has been finalised by your employer, the status will change to 'Tax ready'. This means the information is ready for you to use in your tax return.

How to access your income statement

Once you have a [myGov account set up and linked to ATO online services](#) you should:

1. Log in to myGov.
2. Select Australian Taxation Office.
3. Select (from the top of the screen) Employment and then Income statements.

Using your income statement for your tax return

You can view your income statement at any time throughout the financial year. However, once your income statement information is finalised by your employer it will be identified as 'Tax ready'.

After 1 July, your STP income statement information will be pre-filled into myTax, even if your employer hasn't finalised it yet. If your income statement shows as 'Not tax ready', you will see a red box with 'Required' next to your employer's name.

To complete your tax return, you should wait until the information is 'Tax ready'.

However, if you choose to use information from an un-finalised income statement to lodge your tax return, you will need to:

- review this pre-filled information and decide whether you wish to use it before you submit your tax return.
- acknowledge that
 - your employer may finalise your income statement with different amounts
 - you may need to amend your tax return and additional tax may be payable.

If you use a registered tax agent, they will have access to the information they need to complete your tax return.

If you have more than one job and your other employers have not yet started STP reporting, you should receive payment summaries from them.

Make sure you have all the information you need to prepare your tax return. This may include both an income statement and payment summaries from other employers.

See also:

- [What Single Touch Payroll means for employees](#)
- [Setting up your myGov account](#)
- [Employee pre-fill information](#)
- [New employees](#)

Employee pre-fill information

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Single-Touch-Payroll-for-employees/Employee-pre-fill-information/>
- Last modified: 19 Sep 2019
- QC 59750

If your employer reports through Single Touch Payroll (STP), there are several reasons why the information you need to complete your income tax return may not be pre-filled.

Information has not pre-filled

You or your registered agent may not be able to see your pre-filled information if:

- we have not received the information from your employer (or employers)
- we could not match information to your record
- information did not pass processing checks for example, incorrect personal details.

If you can't see your pre-filled information in myTax, you should speak to your employer to confirm if they are reporting through STP.

If your employer is reporting through STP and doesn't know why your information isn't displaying in pre-fill, phone us on 13 28 61.

Multiple income statements from one employer

There may be some situations where you have multiple income statements, such as:

- your employer is using different payroll IDs to report your information
- your employer pays you from more than one payroll system.

Each income statement will display as 'Tax ready' when your employer has finalised your information and it is ready for you to complete your income tax return. Your employer has up until 14 July to finalise your income statement.

If you have multiple income statements from your employer:

- You can complete your tax return if all the income statements are showing as 'Tax ready'.
- If some of the income statements are showing as 'Not tax ready', or you are unsure about which amounts to report, speak to your employer and confirm the information you should use in your income tax return.

Errors in pre-fill information

If you think your pre-filled information is incorrect, you should contact your employer (or employers) who provided the information to confirm the correct amounts. If you are unable to contact your employers, refer to your payslips to find the correct information to include in your lodgment.

Make sure you update any incorrect pre-fill information before you lodge your tax return.

New employees

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/Single-Touch-Payroll-for-employees/New-employees/>
- Last modified: 17 Mar 2020
- QC 57579

When an employee starts a new job, they may now have the option to complete some of their employee commencement forms online. This will streamline the onboarding process for employees, employers and their intermediaries.

The online forms available are:

- *Tax file number declaration*
- *Superannuation (super) standard choice*
- *Withholding declaration*
- *Medicare levy variation declaration.*

Information is pre-filled into the online forms, reducing the likelihood of:

- incorrect information being provided to an employer
- calculation errors, such as an employee having the incorrect amount of tax withheld.

It is easier for the employer as they don't need to send the form to us.

Employers can submit these online forms to their employees in several ways. They can also continue to use their current processes – such as paper forms or using employee self-service channels.

On this page:

- [when to use these forms](#)
- [Employee access directly via myGov](#)
- [Employer's software linking to forms in myGov](#)
- [Sample form](#)

When to use these forms

Employees should talk to their employer before they use these forms.

You should use the new employment forms when:

- you start a new job with a new employer
- your circumstances change and your employer may need to recalculate how much tax to withhold from payments they make to you
- you want your employer to pay your super guarantee (SG) into a new super fund.

Historical forms prior to 2017 will not be displayed in ATO online. If your current employment details are not displayed, you don't need to submit a new form unless your circumstances have changed.

Employee access directly via myGov

Employees can now access and complete pre-filled commencement forms through ATO online services via myGov.

The forms are accessed by either:

- My profile > Employment
- New employment on the home screen.

Employees should talk to their employer before they use these forms.

To complete the forms, employees need to know the:

- employer's ABN
- employment type (for example, full time, part-time, casual)
- employer's default super fund details
 - name
 - unique superannuation identifier (USI)
 - ABN.

Some of this information will be pre-filled in the form, making it quicker to complete and improving the accuracy of the information submitted.

On the ATO online services screen, an employee can:

- view pre-filled information about their tax affairs (for example, residency status and education loans)
- see information related to their superannuation, including their existing funds and the employer's default fund
- complete and submit the employee commencement forms to us.

Once the form is complete, employees also need to print it and provide it to their employer.

The employer will enter the information into their system and keep a copy of the form for their records. Employers do not need to send the printed form to us.

If an employee makes a mistake in the form, they can update it in ATO online services and provide a new version to their employer.

Employees can also make updates to previous forms if their circumstances change, for example a change in their residency or finalisation of a Higher Education Loan Program (HELP) debt.

Employer's software linking to forms in myGov

The specifications are now available for software developers to build services which link employer's software to the online commencement forms. Employers should check with their software provider to find out if this service will be offered.

With this service, employers can allow their employees to access the ATO online services form via their own payroll software or onboarding solution. These forms would only be accessible from the link provided by the employer. An employee will need a [myGov account linked to ATO online services](#).

On the ATO online services screen, an employee can:

- view pre-filled information about their tax affairs (for example, residency status and education loans)
- see information related to their superannuation, including their existing funds and the employer's default fund
- complete and submit the employee commencement forms to us.

Once the form is submitted, the employer's payroll software will request the

information from us via SBR2-enabled software. The information provided to the employer will include the employee's tax file number, residency status, tax free threshold, Medicare levy details and chosen super fund.

Sample form

This is a sample of the [Employee tax and super details form \(PDF, 166KB\)](#) .

News, events and resources

- <https://www.ato.gov.au/Business/Single-Touch-Payroll/News,-events-and-resources/>
- Last modified: 03 Mar 2021
- QC 54705

This page includes factsheets, videos and podcasts, webinars and media releases about Single Touch Payroll (STP).

On this page:

- [Factsheets](#)
- [Digital resources](#)
- [Digital events](#)
- [Media releases](#)

Factsheets

We have produced the following summary factsheets as a handy resource:

- [Single Touch Payroll – for small employers](#) – text (HTML) format
- [Single Touch Payroll – get ready checklist](#) – text (HTML) format
- [Notifying the ATO of your software service ID \(SSID\) \(PDF 371KB\)](#)  – also available in [text \(HTML\) format](#)
- [The way you get your payment summary is changing – employee factsheet \(PDF 231KB\)](#)  – also available in [text \(HTML\) format](#)
- [Single Touch Payroll – an introduction for small employers](#) – text (HTML) format

To save a webpage as a PDF, select the PDF button at the top right-hand corner of the page.

Digital resources

[Browse atoTV](#)²⁷ to find helpful videos and podcasts about STP, including:

- [Single Touch Payroll Tax inVoice podcast episode](#)²⁷ discussing why STP was

introduced, how to comply with the reporting requirements, and what to do if you haven't started reporting – 22 November 2019

- [Get ready for STP^{EQ}](#) – 14 March 2019
- [End-of-financial-year processing through Single Touch Payroll webinar^{EQ}](#) – 21 February 2019
- [Preparing for Single Touch Payroll webinar^{EQ}](#) – 11 February 2019

[Subscribe to Tax inVoice](#), our podcast channel, for the latest tax and super information.

Digital events

We've held a number of digital events to help and support employers transitioning to STP and to start reporting.

It's important to refer to our website for the latest and most accurate information. The following recordings are helpful resources but may include dated information.

Webcasts

Completed webcasts

Webcast topic recordings	Date recorded	Description	Audience
Single Touch Payroll for Tax Professionals – supporting small employers to transition and Tax Time 2019 key messages^{EQ}	30 May 2019	A panel discussion on getting ready for STP and an in detail presentation about: <ul style="list-style-type: none"> • transition options • support for small employers • quarterly reporting • online deferrals and exemptions • the end of year finalisation process. 	Small employers and tax professionals
How to transition to Single Touch Payroll for small employers	5 March 2019	A presentation for small employers and their agents	Small employers and tax

		outlining: <ul style="list-style-type: none"> • transition options • quarterly reporting concessions • closely held concessions. 	professionals
Single Touch Payroll Tax Professionals Engagement Forum	4 May 2018	Three sessions discussing: <ul style="list-style-type: none"> • why STP is important and how it works • how industry and the ATO are working together • practical guidance for tax professionals • changes for employees • our client engagement approach • guidance on how to get ready. 	Tax professionals

Webinar recordings

Completed webinars

Webinar topic recordings	Date recorded	Description	Audience
Single Touch Payroll – Helping small employers and Tax Professionals get it right^{E7}	26 September 2019	Information about: <ul style="list-style-type: none"> • what you need to do to transition to STP • what to do if you haven't yet 	Small employers and tax professionals

		<p>transitioned to STP</p> <ul style="list-style-type: none"> • how to avoid some of the common mistakes made when transitioning to STP. 	
Single Touch Payroll – quarterly reporting ^{EQ}	16 July 2019	<p>Information on quarterly reporting concessions available for:</p> <ul style="list-style-type: none"> • micro employers • employers with seasonal and intermittent employees • employers with closely held payees. 	Small employers and tax professionals
Superannuation reporting through Single Touch Payroll ^{EQ}	12 March 2019	<p>Information on the changes to superannuation reporting including:</p> <ul style="list-style-type: none"> • What Member Account Transaction Service (MATS) data is • how MATS is being used • what employees see • defined benefits. 	Large employers and multinationals
End of financial year processing through Single Touch Payroll ^{EQ}	14 February 2019	<p>Information on how to process your end of year data correctly including:</p> <ul style="list-style-type: none"> • finalising data • amendments after finalisation • overpayments relating to 	Large employers and multinationals

		<p>previous financial years</p> <ul style="list-style-type: none"> • what to tell your employees. 	
Single Touch Payroll corrections framework [↗]	7 February 2019	<p>Information on making corrections including:</p> <ul style="list-style-type: none"> • how to correct a pay event report • how to report ad hoc or out of cycle payments and overpayments • understanding errors. 	Large employers and multinationals
Preparing for Single Touch Payroll [↗]	5 February 2019	<p>Information on how to set up your software correctly before reporting through STP including:</p> <ul style="list-style-type: none"> • authentications • authorisations • declarations • notifying us. 	Large employers and multinationals
Employee commencement – large employers [↗]	12 December 2018	Discuss solutions available to support the on-boarding of new employees.	Employers

Media releases

- 9 September 2019 – [Small employers: It's time to move to Single Touch Payroll](#)
- 11 June 2019 – [Single Touch Payroll starts 1 July – small employers are you ready?](#)
- 4 March 2019 – [Time for small employers to get ready for Single Touch Payroll](#)
- 13 February 2019 – [Statement from Commissioner Chris Jordan about transition to Single Touch Payroll for small employers](#)
- 11 October 2018 – [ATO encourages employers to update to real-time payroll reporting](#)
- 6 September 2018 – [A new era of payroll reporting has started](#)

- 6 March 2018 – [Time for employers to get ready for Single Touch Payroll](#)

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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