

STP and EOFY Webinar

With Chris Howard and John Shepherd

John Shepherd

Assistant Commissioner for Single Touch Payroll at the ATO.



Past Year of Single Touch Payroll

*As of 23/5/19

104K+



Employers now reporting

51K+

substantial employers

53K+

small employers

6.7M+



Employee Commencement

services now deployed



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Employers who haven't on-boarded – Follow up



Contacting all substantial employers who have not started STP reporting and are not covered by a deferral, the ATO are issuing emails and letters encouraging them to on-board.



Issuing warning letters after 31 days if employers still haven't on boarded and penalties may be applied



Employers will be contacted by phone and fall into our treatment paths for non-compliance.



How will EOFY be different?

- Employers will be exempt from providing payment summaries where information has been reported and finalised through Single Touch Payroll
- This year they have up until **31 July** due date to finalise or deferred due date
- We are encouraging employers to finalise as soon as it's ready
- The finalisation declaration due date will revert back to **14 July** in 2020



Amendments - an employer identifies the need to amend details after making a finalisation they can submit an update event within 14 days



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Un-finalised STP data

- A major change for this Tax Time is the display of **finalised** and **un-finalised** data reported through STP in myTax, the practitioner lodgment service (PLS) and tax agent (TAPS) reports
- Around **5 million** employees are already having their data provided through STP
- Up to **nine million** employees by EOFY, many of whom won't receive a payment summary for the first time



- Individuals can lodge their tax return from 1 July with un-finalised data **ie not 'tax ready'**
- An employer needs to finalise this information for it to become **'Tax Ready'**
- Encouraging employers to finalise as soon as their employee's information is ready
- Employees are encouraged to wait until their information is **'tax ready'**



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Employee views - ATO Online

2018-19

Employer	Income	Tax
AUSTRALIAN PLASTIC PROFILES PTY LTD Year to date	\$41,450.23	\$8,461.00

Year to date
These amounts have been reported for the period stated.

Employer ABN/Branch
77 001 414 759 / 001

BMS ID
DF1EF25F-7EE8-4B93-A65C-B2D54C205EB4

Employee number
00552

Period
01/07/2018 - 26/02/2019

Reported date
27/02/2019

Income

Gross payments - individual
\$41,450.23

Tax withheld or foreign tax paid

PAYG withholding - individual
\$8,461.00

Employer reported super

Employer superannuation contribution liability
\$3,871.82

Ordinary time earnings
\$40,756.33

Where there is an entitlement to super contributions, employers must pay super into nominated funds at least quarterly. Check the fund for payment.

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Total

\$41,450.23



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STP and EOFY 1

What are we seeing in the data?

- Some late or missed reporting of payroll events
- Some missing information
- Some employers are using multiple BMS (software) IDs
- Issues submitting reports through the gateway
- Potential software set up issues
- Multiple STP file submissions



How are we analysing STP and super contributions data?

STP and super contribution data is cross checked against a number of data sources to determine it's validity and potential for Client Engagement.

Health Checks

- Each STP report is analysed for data integrity through the Health check model which is run per event using established Business Rules

Diagnostic models

- Periodic (ie monthly, quarterly and yearly) analysis of STP data ,comparing what we are receiving in STP reports against various other sources of data within the ATO including:
 - BAS
 - CAC
 - Phoenix
 - SG & EO Audit cases

STP vs MATs

- Comparison of MATs and STP data to identify where employers may be underpaying superannuation obligations.



Supporting Small Employer Transition

We consulted with a tax practitioner and industry representative group to explore practical solutions for helping small and micro employers transition to STP - especially those with little or no digital capability.

The group targeted **four needs** associated with micro employers (1-4 employees) with low digital capability:



Low/no cost reporting solutions
(\$10 or less per month)



Simplified reporting requirements
(limited set of fields)



Transitional relief by way of **deferrals**
and/or **exemptions**



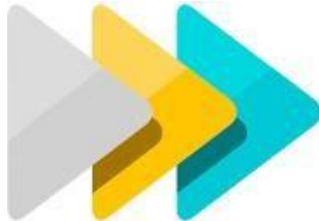
Transitional relief by way of **quarterly reporting** until 30 June 2021



What next for STP?

It was announced as part of the 2019-20 budget measure that STP would be expanded to enable more data shared with government agencies.

- We consulted with industry expanded data set has been agreed on
- Co design has will now recommence now care taker period is over
- Voluntary adoption 2020
- Mandatory adoption in 2021



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Q&A Discussion

STP and EOFY Webinar - 23 May 2019



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Thank You for Watching Our Webinar

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