



Single Touch Payroll

Solution provider resource pack

April 2017

Version 1.0

In this guide you will find:

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Single Touch Payroll is a government initiative to streamline business reporting obligations. When an employer pays their employees, the payroll information will be sent to the ATO from their payroll solution.

Single Touch Payroll is coming

- › Employers with 20 or more employees will need to start reporting through Single Touch Payroll from 1 July 2018.
- › Employers will be able to report salary or wages, pay as you go (PAYG) withholding and super guarantee information directly to the ATO from their payroll solution, at the same time they pay their employees.
- › The ATO is working with solution providers to implement Single Touch Payroll through Standard Business Reporting (SBR) software using the SBR2 channel.

You will need to register

- › If you wish to develop a Single Touch Payroll solution, you will need to register. If you are using a third party, the third party will need to register.
- › To do so, complete the online registration form at sbr.gov.au
- › When you register, the ATO will provide you with an account manager who will work with you through each stage of software development and product deployment.
- › If you are using a third party, an Account Manager can still help you to understand the data requirements and provide advice and assistance.
- › Software development for Single Touch Payroll will be conducted over a number of stages:
 - Payroll event
 - Update service
 - Employee commencement(optional)
 - Super reporting.

How we're working with solution providers

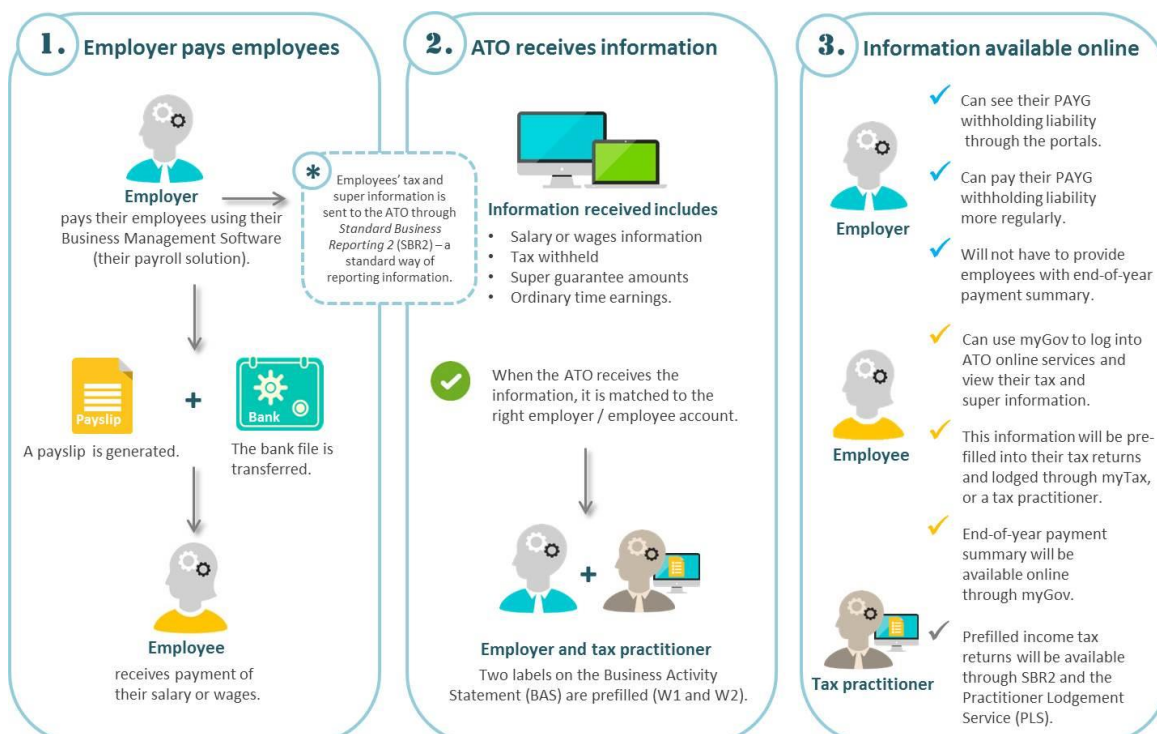
We are working with solution providers through a number of working groups to take a collaborative approach from design to deployment.

We are working closely with industry representatives to provide accurate, timely and consistent information.

We are also taking part in regular industry forums and events.

We have conducted a pilot with small businesses (19 or less employees), solution providers and tax practitioners, to better understand the impacts and benefits of Single Touch Payroll.

How Single Touch Payroll will work





2. Information to help you communicate with employers

We understand you may need to talk to your clients about Single Touch Payroll. Here is some information to help you with these conversations or to include in your own communications.

Direct payroll reporting

- › Single Touch Payroll will streamline business reporting obligations, and make it easy for employers and tax practitioners to report to the ATO.
- › Employers will report salary or wages, pay as you go (PAYG) withholding and super guarantee information to the ATO directly from their payroll solution, at the same time they pay their employees.

Superannuation reporting

- › Information will be sent to the ATO when an employer pays an employee's super guarantee contributions to their nominated fund(s).

Streamlined reporting obligations

- › Single Touch Payroll will align an employer's reporting with their natural business cycle process for example, when they run their payroll.
- › Salary or wage information and PAYG withholding amounts reported through Single Touch Payroll will be pre-filled into the employer's BAS. Employers or their tax practitioner will still have the ability to adjust or correct information in their BAS.

Employee end-of-year pay information

- › Employers who report an employee's details through Single Touch Payroll will not have to provide that employee with a payment summary at the end of financial year. They also won't be required to provide the ATO with a payment summary annual report for those employee's details.
- › Employers will need to notify the ATO when the end of financial year data is considered final.
- › The ATO will make payment summary information available to employees and their tax agents through myGov and as pre-fill in their tax return.
- › The ATO will provide assistance to those employees who have difficulty accessing information online.

Online forms for new employees

- › Employers will have the option to invite their employees to complete tax file number declaration and super standard choice forms online.

More information online for employees

- › Employees will be able to see their tax and super information online through myGov as their employer transitions to reporting to the ATO through Single Touch Payroll.

Social media messages

You may wish to include **Single Touch Payroll in your social media messages to employers. Contact us if you want more support.**



Single Touch Payroll is a change to the way tax and super information is reported to the ATO. Find out how it can help you in your business.

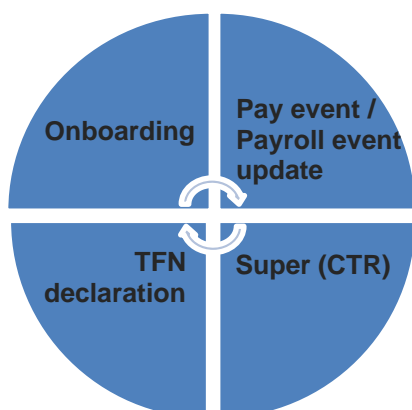
Have 20 +employees? Find out what you need to do to prepare.

#SingleTouchPayroll
ato.gov.au/singletouchpayroll

Single Touch Payroll reporting is coming on 1 July 2018. Find out if it will apply to you.



Range of STP services



- › **Onboarding**
Capture of tax/super data
Employee Commencement (optional)
- › **Payroll event**
"Enhanced" PSAR/EMPDUPE, only for employees paid in that period, not all employees
Full file replacements
EOFY declaration
- › **Update service**
Adjustments and EOFY declaration
- › **Super (CTR)**
When data/payment sent to super funds/clearing houses.
- › **TFN declaration**
Included in pay event/update but may be sent separately to accommodate some business scenarios.



3. How reporting will change for employers

Change/News	Current	Future using Single Touch Payroll
Reporting method	Separate process from payroll production via ECI, SBR	Direct from BMS as part of payroll processing via SBR2/eBMS3
Timing of PS and PSAR submission	Annually	No longer applicable if reporting via STP
Deadlines	PS by 14 July PSAR by 14 August	Pay Event: On or before payday Final declaration: Employer to provide via payroll event or update event by 14 July.
Employees reported	Any/all employees paid in financial year	Pay Event: Only employees paid in that pay period Update Event: Only employees that require adjustment to their Year to date data
Payment summaries	Employers provide all payment summaries to employees	Individual non business (INB), Employment Termination Payment (ETP), Foreign Employment Income (FEI) and Business and Personal Services Income will be displayed in myGov using Single Touch Payroll reported data.
Super Contributions Transaction Report (CTR)	Data/payment sent only to super fund/clearing house	Data to be sent to the ATO at the same time as it is sent to the Super fund.
Optional onboarding	TFN declarations sent to the ATO by the employer.	Employees can submit their TFN declaration, Super Choice, Withholding Variation, Voluntary Agreement and Withholding Declaration information to their employer via myGov.



4. Glossary

Acronyms	Definition
ABN	Australian Business Number
ATO	Australian Taxation Office
ebMS3	Message Service Handler to exchange business documents with the ATO
ECI	Electronic Commerce Interface (decommissioned)
ETP	Eligible Termination Payment
FEI	Foreign Employment Indicator
INB	Individual Non Business
PS	Payment summary
PSAR	Payment summary annual report
SBR	Standard business reporting
STP	Single Touch Payroll
SWD	Software developer



If you need more information, we can help.

Visit us
ato.gov.au/singletouchpayroll

softwaredevelopers.ato.gov.au/stp

Email us singletouchpayroll@ato.gov.au