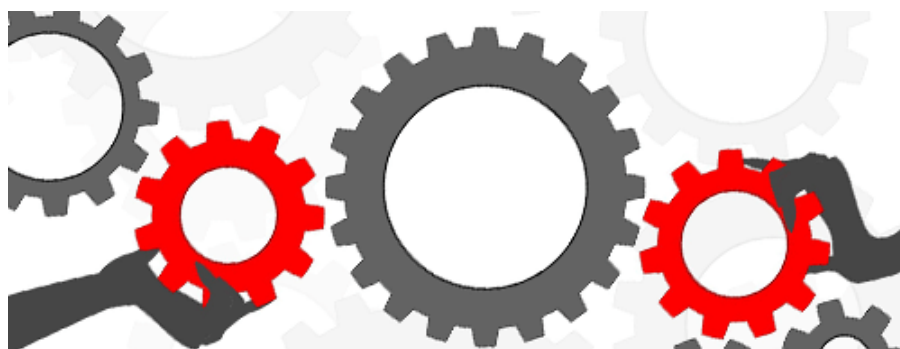


## Client eBrief



THE INSTITUTE  
OF CERTIFIED  
BOOKKEEPERS



### ATO Data Matching

Your ATO known income information is shared.

#### The Objective

- incorrect personal financial assistance payments.
- tax evasion.

ATO conduct matching exercises within ATO systems to detect cases where:

- individuals are receiving more than one payment simultaneously.
- a lesser entitlement or no entitlement exists.
- a greater entitlement exists.
- income details of assistance agency payments are understated in tax returns.

#### Centrelink - Data Matching Agency

The ATO provides income information derived from tax returns to the Data-Matching Agency (DMA) – a separate agency within Centrelink – to determine the eligibility criteria for benefits and to help detect fraud within the welfare system.

Agencies request specific data. Where the ATO have then identified the client from data provided, the following data is returned to the DMA:

- personal identity
- declared income
- date of most recent taxation assessment
- amount of the spouse tax offset
- surname and any other name details of the spouse where a spouse offset has been claimed
- surname and any other name details
- an indicator, if the TFN is compromised.

## ATO Lodgement Dates

These dates are from the ATO website and do not take into account possible extensions.

You remain responsible for ensuring that the necessary information is with us in time.

#### BAS/IAS Monthly Lodgements

Final dates for lodgements and payments:

June Activity Statement:

21 July 2018

July Activity Statement:

21 August 2018

#### BAS Quarterly Lodgements

Final dates for lodgements and payments:

#### 4th Quarter 2018 Financial Year:

#### June Quarter 2018 (incl. PAYGI)

28 July, 2018

When a due date falls on a Saturday, Sunday or Public Holiday\*, you can lodge or pay on the next business day.

\* A day that is a public holiday for the whole of any state or territory in Australia.

Due date for super guarantee contributions:

#### 4th Quarter 2018 Financial Year:

April to June 2018 – contributions must be **in the fund** by 28 July, 2018

The super guarantee charge is not a tax deduction if not paid by these dates.

Refer to the ATO for details regarding any SGC charges applicable if not paid by due date.

#### End of Year:

Payment Summaries are due to the ATO by 14 August, 2018

and must be supplied to Employees by 14 July, 2018

Payroll Tax End of Year Return is due by 21 July, 2018

\* As this date is a Saturday, the return is due by the next Monday – 23 July, 2018

## Centrelink

**Weekly** – TFN declarations are notified to Centrelink, to ensure benefits are not paid after employment has commenced. Around 12% of these are found to be Centrelink clients.

**Daily** – income details for the purpose of administering family assistance entitlements and payment reconciliation and immediate recovery of outstanding debts to the Commonwealth.

## Child Support Registrar

The Child Support Registrar has access to taxpayer income details (employment and investment income) via electronic transfer and direct access, for the purpose of assessing the amount of individuals' child support payments, and for garnishee action where appropriate.

## Department of Home Affairs

Address information for individuals who have been classified as 'illegal non-citizens' are provided to assist in locating them.



## Single Touch Payroll (STP) for Employers

### When?

From 1 July 2018 an increasing number of employers will begin reporting payroll to the ATO through Single Touch Payroll.

Some employers have been testing the system and will be in before 30 June 2018 (very few)

Some software is becoming available on or shortly after 1 July 2018 and therefore employers will be invited into their new system as their software turns on the system.

Substantial employers (more than 19 employees) are supposed to be in by 1 July 2018, however their software has probably been granted a deferral – therefore most will be in sometime over the next 12 months.

Other employers are most likely to be required to report through STP in the 2019/20 year.

### The Law Said Start by 1 July 2018

Deferrals have been granted.

Substantial Employers (20 or more employees) must know by 1 July 2018 what their transition to STP reporting plan is:

- If the software is not ready then you should know the Deferral Reference Number from the software Company.
- If the software is ready then schedule an implementation time with your Certified Bookkeeper.  
Note the software company may have arranged a deferral to apply to your software product to allow you to commence the system after 1 July 2018.
- Alternatively your Certified Bookkeeper (who needs to be a Registered Agent to perform STP advice services) may have a deferral for all clients of their business or be able to assist with your application for a Deferral that applies just to you.

## What to do

All employers need to prepare Payment Summaries for employees before 14 July 2018. The PSAR report is then provided to the ATO before 14 August 2018.

This is the time to consider implementing the process changes to implement Single Touch Payroll (STP). The data cleaning and fixes to past payroll in order to prepare your Payment Summaries is part of the process to implement STP.

## Software Requires Changes

Most software will require time to be spent to ensure your STP reports are providing the right amounts to the ATO in the right way:

- Gross Wages properly classified and Calculated
- Tax Withheld properly reported
- Super accruals working correctly
- Allowances properly classified and taxed
- Deductions properly classified
- Employee information complete and in the right fields

Your payroll software also needs to either; connect to the ATO (information is being provided by each software company about how to do this), or provide an electronic file for you to upload through a commercial STP file lodgment service.

## Each Pay Day

Your normal pay preparation changes in only one way – information is sent to the ATO.

STP does not change the time of making payments to the employees, the super funds or the payment of the BAS.

## Explaining to Employees

To prevent the unnecessary questions (and possible accusations) we believe it is wise for employers to provide introductory information to employees.

We expect that there will be a period of confusion as some employees will hear about and know about Single Touch Payroll. Some may even be accessing myGov and seeing their payroll information on the ATO Online system. However some employees will not have access to that same payroll information because STP may not have been implemented by you yet.

Speak to your Certified Bookkeeper about an information pack for employees.

## Things the STP System is Still Thinking About

- Exactly how the ATO will react to the information is still being designed. They are on a program of Help & Assist employers in relation to their compliance obligations.
- The making of a Declaration by the employer every payrun is still being discussed with the ATO legal teams.

Disclaimer: All or any advice contained in this newsletter is of a general nature only and may not apply to your individual business circumstances. For specific advice relating to your specific situation, please contact your accountant or contact me for further discussion.

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