

# The proposed Small Business expansion

**Presented by:**

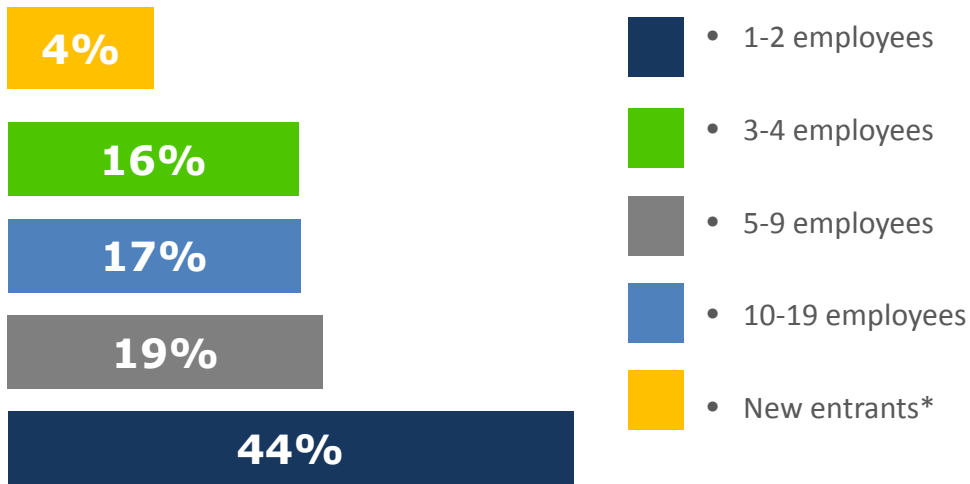
John Shepherd, Single Touch Payroll Program Lead - Australian Taxation Office

**4 May 2018**

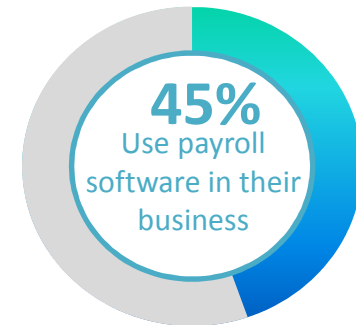
# What we know about small employers



**749,051**



Segments by no. of employees







# The Small Business Pilot




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In 2017, we ran a pilot with **134** small employers, tax professionals and Digital Service Providers.

## Key Findings

-  Modest effort and cost to implement, however some (approximately 10%) will struggle
-  The change will bring major improvements to system integrity and transparency
-  Employees will gain greater transparency of their tax and super positions
-  Intermediaries will play a large role in assisting employers

## Recommendations

-  Small businesses (with less than 20 employees) should be required to start reporting from 1 July 2019
-  Targeted, proactive help and support campaign required for small businesses focusing on:
  - Remote
  - No/low digital capability
  - < 5 employees
  - Infrequent/irregular employee arrangements
-  Low/no cost solutions be made available
-  All solutions should be certified

## Following the pilot

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29 August 2017 – Minister announced extension to smaller employers from 1 July 2019



28 March 2018 – Treasury Laws Amendment (2018 Measures No.4) was introduced to Parliament



2 May 2018 – Tailored Micro Solutions Focus Group – first meeting held to establish requirements for tailored solutions



We are committed to working with industry to explore a range of low cost/no cost and alternative solutions are available particularly for micro employers