

# Client Engagement Strategy



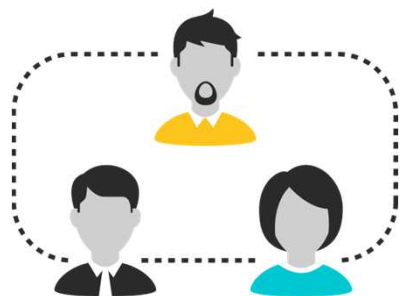
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# Developing our client engagement strategy

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Client Engagement Strategy



Expectations of the ATO



Value of the Focus Groups

## What does the ATO expect from employers?

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Begin reporting when required



Regular and consistent STP reporting



Regular and consistent payment of PAYGW and SG



Engage with the ATO when the ATO contacts them

## What does Single Touch Payroll mean for reporting?

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### Employers report on their payroll event

Payroll cycles are weekly, fortnightly, monthly, ad-hoc or a combination of all of these.

Payroll Events	
Payroll Cycle	No. of Employers
Weekly	251,556
Fortnightly	503,112
Monthly	83,852
<b>Total</b>	<b>838,520</b>

## Increased data volumes

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### Increased data volumes

We expect the number of reporting events to jump to over 25 million per year - not just 'more data', but more client interactions.

Entity	4-weekly	Annual
Employers	2.1(m)	25.2 (m)
Employees	41.9(m)	502.9 (m)

## How will the ATO provide a tailored experience?

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*We will tailor our engagement to employer behaviours over time and help support employers and intermediaries to get it right*

### **Green Lane** High Trust

We will encourage and support you in maintaining a good client experience with the lightest touch possible.

### **Amber Lane** Help and Assist

We will provide tailored support and assistance to help you meet your obligations.

### **Red Lane** Poor Compliers

We will apply the law firmly and fairly to your non-compliance behaviours.



## Engagement Strategy Phases

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	2017-18	2018-19	2019-20
<b>REPORT DATA</b>	Opt-in voluntarily	Substantial employer mandate	Small employer mandate
<b>COMPLIANCE RULES</b>	Trial and test rules - listen & learn mode	Activate rules progressively, iterate with learnings	Further iterate with learnings
<b>TREATMENTS</b>	Trial basic range of treatments	Activate basic treatments, iterate with learnings	Further iterate with learnings
<b>PENALTIES</b>	No penalties applied	Limited FTL penalties apply during first 12 months	Limited FTL penalties for small employers during first 12 months

# What do the health checks look like?

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*We have developed a series of basic checks which are being trialled against live data*

## Lodgment

### Reporting

#### Missed Reporting

Was a lodgment expected and not received?

#### Late Reporting

Was lodgment received on or before the reporting pay event (due date)?

## Data Integrity

### Pay As You Go Withholding

#### No PAYGW Accrual

No PAYGW is reported for employees earning over the tax free threshold

#### PAYGW Over Accrual

An employer is reporting more PAYGW than anticipated

### Super Guarantee

#### SG Under Accrual - Employer

The total Super liability reported by an employer is less than anticipated

#### SG Under Accrual - Employee

The Super liability reported for an employee is less than anticipated

## Payment

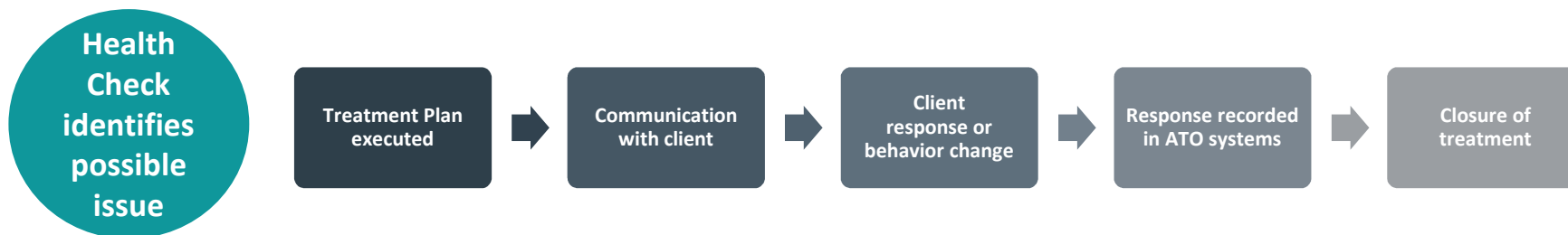
Have the PAYGW and SG amounts reported been paid?



# How will the ATO engage?

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## Treatment plan pathway



*We will focus on getting the communication content, target contact and channel right to ensure the best outcome.*

## Myth busting

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- ✘ The ATO will act on every anomaly identified through STP
- ✘ I don't need to prepare for STP yet because there are no penalties
- ✘ STP will create extra reporting processes



- ✓ We will not engage on every possible anomaly identified through STP
- ✓ You do need to take action during the transition year to ensure you on-board to STP
- ✓ STP is designed to align with natural payroll and reconciliation processes.

## Summary

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Continued consultation  
through working groups



Client Engagement Webinar  
– June 2018