



## Q&A Sessions

### Single Touch Payroll Business Implementation Guide: Business Rules and Scenarios

Please note:

Where a question or answer relates to a section of the Single Touch Payroll: Payroll reporting, Business Implementation Guide (STP BIG), the reference has been included. If the reference is blank there is no direct correlation to the STP BIG.

Questions have been broken up into the following headings:

- Session 1: 12 September 2017
- Session 2 : 20 September 2017
- Additional Questions

#### Session 1: 12 September 2017

Questions	Answers	STP BIG Reference
Does each payroll event need to report all employees, regardless of whether they've been paid in the current period?	<p>The payroll event does not need to report all employees regardless of whether they've been paid. The payroll event must include at least the employees paid on the pay day being reported.</p> <p>Employees not paid are able to be reported in any payroll event. This could be used to report employees who are no longer being paid and who have had an adjustment made which does not result in an additional payment in a payroll event.</p>	3.1.1.3 Regular pay cycle
Need to report deductions - does this include AFTER tax deductions? This could be a privacy issue. Will we need to get employees to sign a form allowing us to give their info to the ATO?	<p>After tax deductions are not reported under STP.</p> <p>The MST defines the deductions as per the current PSAR: STP does not change what we currently report.</p>	3.1.1.4 Regular pay cycle

Questions	Answers	STP BIG Reference
<p>What happens if an employer has just hired a new employee the day before a pay run and the employer hasn't received all the information back (e.g. super fund) before the pay run needs to occur?</p>	<p>If you pay the employee as a result of the pay run then that must be included in the payroll event. The superannuation calculation must be included in the payslip (as per Fair Work) so all information will be available to report through STP.</p> <p>3.1.1 - Regular pay cycle In order for you to run payroll, you must have some basic information, otherwise you would not be able to calculate tax and super as required. The pay event requires you to report the super AMOUNT you are calculating, not which fund. You must calculate super as per the STP BIG, section 3.1.1.</p> <p>Section 3.1.1.6 6. When the employer calculates their superannuation liability in accordance with their obligations, then they should report the YTD amount for each employee in that payroll event. If the employer pays above the minimum SG liability, then the employer may report this higher amount. Compliance Note: Where an employer reports an amount higher than the minimum SG liability, the ATO will assume that this is the employers SG liability for initial matching purposes, with actual superannuation liability payments reported.</p> <ul style="list-style-type: none"> <li>a) Until an amount is required to be calculated, then zero should be reported.</li> <li>b) If the YTD amount is zero then this is the amount reported. Where the employee is a member of a defined benefit fund and the employer provides a superannuation contribution for the employee, then this amount is reported; otherwise they report zero as the SG amount [PAYEVNTEE84]. This would usually correspond to the amount shown on the employee's payslip.</li> <li>c) Where the employer cannot report superannuation liability they must report YTD OTE amount.</li> <li>d) An employer can choose to report both OTE and SG amounts, if their solution stores both.</li> </ul>	<p>3.1.1.6 Regular pay cycle</p>

Questions	Answers	STP BIG Reference
<p><i>A payroll event can only include one record per employee, per payee payroll ID.</i></p> <p>Can I check my understanding is correct that it is a combination of both TFN and Payroll ID? and if so, can I please suggest the BIG and technical documentation wording is updated to provide more clarity.</p>	<p>This is correct; the wording is per employee, per payroll ID. The TFN is a representation of an employee. An employee will not always have a TFN and using TFN in the rule would cause confusion for those circumstances. We will look at how we can be representing the information better.</p>	<p>3.1.1.9 Regular Pay Cycle</p>
<p>Please clarify if there are any restrictions or rules when an employer's monthly and weekly pay runs align on the same day?</p> <p>Can an employer send:</p> <p>a) a single Payroll Event submission including both the “monthly” and “weekly” in a single file (with the Payer Total PAYGW Amount &amp; Payer Total Gross Payments being the accumulated amounts for both the monthly and weekly employees)?</p> <p>b) Two Payroll Event submissions one for the “monthly” employees and one for the “weekly” employees in separate files (with different Payer Total PAYGW Amounts &amp; Payer Total Gross Payments – one appropriate for the “monthly” employees and the other appropriately for the “weekly” employees).</p> <p>c) Will the ATO’s system do the YTD aggregation for each employee for the various pay runs received on the day in sequential order of the time stamp supplied with the pay event?</p>	<p>The employer may lodge multiple payroll event files for the same day. Where there is more than one report for the same ABN/BMS ID the time stamp is used to identify the latest record for each employee to ensure the employee’s myGov display recognises the latest record</p> <p>Where the pay day is the same you can include various pay runs in the same file. The employer can send separate pay runs as separate files. They should not do both for the same pay runs as this will be duplicate information.</p> <p>The ATO will not aggregate. The BMS will need to ensure all payments are included in the YTD amount. The latest event is identified by the timestamp and will be used as the latest YTD amount.</p>	<p>3.1.1.11 Regular pay cycle</p>
<p>Can you please clarify that myGov will always only display the latest current STP data (based on timestamp), and will not display any history?</p>	<p>Once an employee submits their income tax return based on finalised STP information then a history will be shown of subsequent update events received.</p>	<p>3.1.1.11 Regular Pay Cycle</p>
<p>BMS ID is now mandatory and should be globally unique – what use is the BMS ID going to be put to in the context of the changes made?</p>	<p>The use of the BMS ID will remain the same the change to mandatory guide doesn’t change that.</p>	<p>3.1.2 ABN / Branch / BMS ID Payee payroll ID</p>

Questions	Answers	STP BIG Reference
<p>Please provide guidance on the options for Section 3.1.7 + Scenario 6.1.7.2 ETP Death Benefits. Are there any rules or restrictions on which PAYEE ID should be provided?</p> <p>i.e. Must the Payee ID be the same as the employee who died, or must the Payee ID be different to the employee who died, or does it not matter?</p>	<p>The payroll ID for a beneficiary can be either the same or different from the payroll ID of an employee who died.</p>	<p>3.1.7 ETP Death Benefits Scenario 6.1.7.2</p>
<p>Could you provide some extra clarity on how expatriate arrangements may work?</p> <p>i.e. reciprocal tax arrangements, circumstances where HYPO tax is recorded in payroll then 'trued-up' at year end and adjustments made, both when AU employees are overseas and vice versa?</p>	<p>The payments made to the employee throughout the year must be reported via STP with recognition they are complex and may change throughout the year. The employer can use one or a combination of 3 methods to report foreign payments, Estimate, Actual or Reconciliation.</p> <p>The payments may be reported as either foreign income or the normal INB type throughout the year and updated when the status changes or updated through an end of year reconciliation process.</p>	<p>3.1.9 Foreign employment income</p>
<p>Wording of 3.2.2 is not 100% clear, as the initial statement uses the word “must”, but the second statement implies to offer an alternative option.</p> <p>Current wording: The rules for reporting a fix are:</p> <ul style="list-style-type: none"> <li>a) An employer must report a fix within 14 days from when the issue is detected</li> <li>b) An employer may choose to report a fix in the next regular pay cycle for an employee, where this is later than 14 days from when the error is detected. Additional time will be allowed to the next regular pay cycle for the employee. For example, monthly pay cycle</li> <li>c) An employer may report a fix in an update event. An update event cannot contain the W1 and W2 totals.</li> </ul>	<p>The wording of the rules was deliberate and written as Rule then any exceptions to that rule.</p>	<p>3.2.2 When an employer needs to report a fix</p>

Questions	Answers	STP BIG Reference
<p>An employer may report a fix in an update event. An update event cannot contain the W1 and W2 totals.</p> <p>Does this mean that it is left up to the user to make the correct adjustments to the pre-filled BAS W1 and W2 fields and there's no need to correct them through the STP reporting system?</p>	<p>That is correct, the employer will correct through the BAS. No update is required to the YTD information in the BAS.</p>	<p>3.2.2.3 When an employer needs to report a fix</p>
<p>A full file replacement provides the ability for an employer to replace the latest payroll event file that was sent to the ATO in error or contains significant corrupt data.</p> <p>For each BMS a full file replacement may only be used to replace the latest payroll event for a regular pay cycle.</p> <p>This has incorrectly identified that only a regular pay cycle may be replaced, when an out of cycle pay may also be replaced.</p>	<p>The latest payroll event can be replaced. The latest event may be an out of cycle payment.</p>	<p>3.2.8 Full file replacement</p>
<p>Finalisation after EOY: point c states: 'Where the employer has had to provide payment summaries to their employees as they have not made the final declaration by the due date, the employer can meet the obligation to provide a payment summary annual report to the ATO by finalising through the update event.'</p> <p>Can you please clarify this statement? Seems confusing and is it that if an employer has provided PS to employees, then they still need to set the Finalisation flag to TRUE and provide this to ATO via Update event?</p>	<p>The employer who must provide a payment summary to their employees because they have not met their obligation to finalise under STP must report this to the ATO. This currently occurs via a PSAR. Though the employer didn't finalise by the due date, they can meet their obligation to report this information to the ATO by finalising after the due date. The employer can choose to use the existing PSAR process and not finalise via the payroll event.</p>	<p>3.3.2 Finalisation after the end of financial year</p>
<p>'If Lump Sum Payment D is the only payment made to the payee for the financial year, no tax should be withheld nor need it be reported through STP'</p> <p>Does this mean that if there were other payments made along with Lump Sum Payment D, does it have to be reported through STP?</p>	<p>Yes, the employer does not need to provide Lump Sum D only. If there is another payment type then the employer must report both the Lump Sum D YTD amount and any other payment type.</p>	<p>3.3.5.1 Lump Sum D</p>

Questions	Answers	STP BIG Reference
<p>A number of calculations such as ETP (employment termination payment) and marginal tax use YTD values in their calculations, so therefore we will always be bringing in YTD values.</p> <p>To avoid a double up of YTD values from different BMS IDs, we need some process to ensure that previous YTD values are reset from the previous software provider. How can we ensure that previous BMS ID YTD values are being reset?</p>	<p>The employer will be responsible for ensuring they have followed the transition rules. This includes where YTD information is migrated into the new BMS.</p>	<p>3.4.2 Transition between BMS during the financial year</p>
<p>What is the process for registering payroll intermediaries as agents? Who will be carrying out the registration process, the client or the intermediary?</p> <p>If it is the intermediary, can we perform a bulk registration? If it is the client, how will we (the intermediary) know that the client has registered the intermediary?</p>	<p>This process is under development. The agent will be able to register using the existing processes to add a client to their client list.</p>	<p>5.1.4 Declarations by an employer to authorise a registered agent to prepare payroll report</p>
<p>Since the BIG is finalised and section 5 Authorisations and Declarations has the following statement: NOTE: This section is yet to be completed. Additional content relating to the following will be added to a next version of this document.</p> <p>Can the fields that need to be updated in the PAYEVNT MST be documented or discussed in Q&amp;A as it is not document for sections 5.1.4 and 5.1.5.</p> <p>Will the onus be on the software provider to prove that the person submitting the STP report on behalf of the business has been granted permission by the business owner?</p>	<p>5.1.4 Declarations by an employer to authorise a registered agent to prepare payroll report No data field are captured here by the ATO.</p> <p>5.1.5 Agent declaration for submission to the ATO The fields are provided in the following section 5.1.6</p> <p>We have not provided actual values, rather that they must be populated. The specifics with the attributes of the field can be found in the MST or Data Definitions that we reference anyway.</p> <p>This section is still under development and feedback will be incorporated in the next version</p> <p>Employers may have requirements for the software to store this information. The ATO requires an employer to be able to show that information as required.</p>	<p>5.1.4 Declarations by an employer to authorise a registered agent to prepare payroll report</p> <p>5.1.5 Agent declaration for submission to the ATO</p>

Questions	Answers	STP BIG Reference
<p>STP has created a number of inconsistencies with PSAR and TFN declaration rules. Given that we will have a mixture of clients on the PSAR and STP systems, we need clarification as to how this will be addressed in both systems for the interim.</p> <p>E.g. list of States. PSAR and TFN Dec allow for OTH, whereas STP doesn't. Likewise STP allows for AAT, but PSAR and TFN declarations do not.</p>	<p>Standard SBR labels used for address fields aligns with SBR version of the TFN dec. The misalignment between the Payroll event withholding information and V4 of the TFN declaration has been identified, changes will be included in the roadmap for change which the TWG will release shortly.</p>	<p>Refer to MST documentation</p>
<p>The term 'relevant period' is being used in the MST for both PAYEVNT's header and employee figures. However, according to your explanation, the one in the header refers to pay period, but the one in the employee figures refers to YTD period.</p> <p>a) Are the Period Start Date and Period End Date sections for the pay period?</p> <p>b) Since each employee level data will have its own Payroll Run section, does that mean that we can include employee figures from different periods in one PAYEVNT file? If that's not the case, shouldn't the Period start and end date sections be in the header instead?</p>	<p>As per the data definition the Period start date is the start of the pay period and period end date is the end of the pay period.</p> <p>Yes employees from different pay periods can be included where the employees are paid on the same day.</p> <p>The report guidance will be updated in the MST and this feedback will be incorporated.</p>	<p>Refer to MST Documentation</p>
<p>Clarity is required on the parent totals for gross. Generic references are insufficient – we need to see which gross FIELDS (by fieldname and code) are to be included in the parent gross total.</p> <p>Otherwise, there is confusion between INB and ETP and FEI – like exempt FE, tax-free ETP gross etc.</p>	<p>The MST will be updated with reporting guidance and this feedback will be incorporated.</p> <p>The guidance is to include what is included in W1 on the BAS, See ATO website PAYG Withholding labels on your activity statement.</p>	
<p>Submission ID - does the ATO display in myGov or use the Submission ID for any business process / support reason? I.e. Would the ATO ever need to speak to an employer and reference the Submission ID or is the Submission ID solely for technical integration?</p>	<p>The submission ID is not currently displayed on myGov, screen design is still under consultation. The pay day and lodgment day of the payroll event will be used to locate the payroll event. Where the employer has the submission ID to reference, it may also be used to assist in identifying the payroll event</p>	

Questions	Answers	STP BIG Reference
<p>Need clarity of the materiality threshold by which BAS liabilities can be deferred to the next BAS due date.</p> <p>Most clients DO NOT make manual adjustments to their BAS PAYGW figures, or amend previous BAS submissions when they use a clearing house for PAYGW obligations. This is why they outsource this responsibility.</p> <p>NOTE: W2 figures are currently pre-filled when PAYGW obligations are advised via the EM form. As an intermediary we need some way of electronically amending previous BAS submissions to address underpayments.</p> <p>Additionally, we would like to see some consistency between underpayments and overpayment rules. Reading the BIG, underpayments require an amendment if they fall over the materiality threshold whereas overpayments can be deferred to the next BAS due date. Inconsistencies cause confusion and will lead to non-compliance.</p>	<p>The ATO is continuing to consult on the materiality thresholds. An underpayment will generally lead to an additional payment to the employee. The withholding event is when the additional payment is made and is paid in that withholding period. Reporting under STP will follow the regular payment or out of cycle payment rules.</p> <p>An overpayment, after following the industrial relations requirements, is an adjustment to a prior payment made to the employee. This means the employer must adjust the prior withholding period. The materiality threshold enables an employer to adjust the withholding in the next period without needing to amend a previous BAS.</p> <p>The employee details of the adjustment can be reported in an update or the next payroll event.</p>	
<p>If a batch user is used to run these reports due to the size of output compared to other DSPs what user ID should be used? What guidance do we have here?</p>	<p>At a point in the payroll process a user will approve the payroll process. This user should be identified in the message.</p>	
<p>How do the compliance activities impact the rules and scenarios to enable DSPs to mitigate non-compliant outcomes?</p>	<p>This process is under development and co-design will occur through the Design Working Group (focus/micro). The Business rules and scenarios are written to ensure an employer is compliant.</p>	

## Session 2: 20 September 2017

Questions	Answers	STP BIG Reference
<p>Will there be any capacity to pay over and above 9.5% superannuation and will this show as an error when files are submitted?</p>	<p>No error will occur when you report above 9.5% superannuation.</p>	<p>3.1.1.6 Regular pay cycle</p>
<p>Confirmation that whilst super funds will report the actual contributions received, employers will need to report the super that is accrued per pay event.</p> <p>If that is the case do employers have to report the actual ordinary time earnings for each employee and do they need to differentiate between SG contributions, additional employer contributions and salary sacrifice contributions?</p> <p>If OTE must be reported, how will this be managed in terms of the maximum OTE quarterly base per employee, i.e. the employer may have already met the maximum required quarterly super so no further amount is accrued or contributed on higher amounts of OTE?</p>	<p>The rules for superannuation reporting are covered in 3.1.1.6</p> <p>OTE does not need to be reported if the superannuation liability is reported.</p> <p>The employer does not need to differentiate between SG, additional employer contributions and salary sacrifice contributions.</p> <p>The employer must report at a minimum the SG amount. If they pay above the minimum they can report the higher amount.</p> <p>Question on maximum OTE to be discussed with the payroll reporting micro group - an additional rule may be required.</p>	<p>3.1.1.6 Regular pay cycle</p>
<p>If Payroll is being run every fortnight however SGC is only calculated by the last fortnight of the month, does SGC data need to be sent every pay (fortnight)?</p>	<p>Until an amount is required to be calculated, then zero should be reported.</p> <p>When you calculate the superannuation amounts is a responsibility of industrial relations legislation.</p> <p>You must provide a YTD superannuation liability amount or YTD OTE in each payroll event.</p>	<p>3.1.1.6. a Regular pay cycle</p>

Questions	Answers	STP BIG Reference
<p>Paragraph 7(a) states: Where an employer is reporting a payment and withholding to a contractor, then the employer must provide the contractors ABN. The contractors TFN is not required.</p> <p>However, the ATO website for Labour Hire states that "All your workers need to provide you with their TFN, regardless of whether they also have an ABN".</p> <p>Our understanding is that if a contractor doesn't supply an ABN then the employer must withhold tax and withhold at the highest rate, so a contractor may not provide an ABN. Scenario 6.1.1.7.c shows the contractor with a TFN of Null, would this row be accepted if it contained both TFN and ABN? What would happen if the contractor supplies only TFN but not ABN?</p>	<p>Rules for withholding for labour hire workers remain the same – a labour hire employee is obliged to give a TFN to their employer. Where the employer has both a TFN and ABN from a labour hire worker then both can be included in a payroll event.</p> <p>An employer can report both a TFN and an ABN for the same employee. To withhold under a voluntary agreement the contractor must provide an ABN.</p> <p>Payments where recipient does not quote an ABN are not in scope for STP. See section 1.7 scope.</p>	<p>3.1.1.7.a Regular Pay Cycle  Scenario 6.1.1.7.c</p>
<p>Employment termination payments (ETP) / Lump sum E:</p> <p>For cross Financial Year adjustment of ETP payments, we have to report ETP code S &amp; P instead of R&amp;O. However, our software default generates ETP code R&amp;O; we have to use Payment Summary Override functionality to correct the ETP code to S &amp; P.</p> <p>Please explain: How are these types of adjustments sent to the ATO? Currently, our software has logics to calculate the Lump Sum E in the Payment Summary program only (End of Financial Year process). No Lump Sum E amount in fortnightly payroll results</p>	<p>ETP payments will continue to be reported with the same ETP type codes as currently reported. This aligns with the existing payment summary process Lump sum E.</p> <p>The employer is obligated to report Lump Sum E payments on or before the date of payment.</p>	<p>3.1.6 Employment termination payments  3.3.4 Lump sum E</p>

Questions	Answers	STP BIG Reference
<p>Employment termination payments (ETP):</p> <p>Unlike all other payments, each of multiple ETPs should be reported separately and not added together as YTD figures. This applies to payroll event messages but what about update messages?</p> <p>Should YTD figures for ETPs be used in update messages (e.g. when submitting finalisation) or should they be excluded entirely, or something else?</p>	<p>Each ETP payment should be reported in subsequent payroll or update events. A payroll event should contain amounts for all payments made to the employee; gross payments as YTD, ETP per type per pay date.</p> <p>Allowances and deductions are reported based on type. ETP reporting through STP aligns with the information the employee requires to complete their income tax return.</p>	<p>Section 3.1.6.3 Employment termination payments</p>
<p>We would like to understand on Update Event:</p> <p>a) How this will be submitted b) What is the frequency c) Can you provide further detail on – an employer would be able to use this for any changes to payroll event payee</p>	<p>The update service provides updates to employee YTD values It is used ad-hoc as required.</p> <p>Allows the employee to make changes to employee information when the employee is not being paid. For example, fixes and adjustments, transition into STP and after the end of the financial year.</p>	<p>3.2 Fix</p>
<p>Transition between BMS during financial year</p> <p>Can the ATO make it easier and more user friendly when switching software within the tax year? With what is proposed, there is a whole lot of end dating and steps to go through in order to comply.</p>	<p>The process ensures the information the ATO holds is up to date. The rules were developed through consultation; STP will support different models that may occur. This enables flexibility for the employer.</p>	<p>3.4 Transition between BMS during financial year</p>

Questions	Answers	STP BIG Reference
<p>Declarations by an employer to authorise a registered agent to prepare payroll report.</p> <p>There is suggested text for a declaration to be made by the employer to authorise a registered agent at the time of providing information to the agent. It refers to "this document" but the document in question wouldn't exist yet at the time that the payroll information is being submitted to a payroll bureau.</p> <p>The document (e.g. the payroll event message) wouldn't exist until after the pay run was processed based on the information supplied by the employer to the agent, which by definition can't exist until after the information has been supplied to the agent and acted upon.</p> <p>Is it ok to use text that reflects this reality? For example, instead of the phrase "this document", could we substitute "the STP report(s) corresponding to this information"</p>	<p>Example provided in STP BIG is "suggested" wording only.</p> <p>The intent is not for the employer to sign off on the payroll event data each period. The employer can provide the authorisation that the information supplied for the payroll bureau to run payroll is true and correct.</p>	<p>5.1.4 Declarations by an employer to authorise a registered agent to prepare payroll report</p>
<p>Declarations by an employer to authorise a registered agent to prepare payroll report</p> <p>Is such a declaration by the employer authorising the agent to submit STP reports strictly necessary when submitting information for every single pay run? The text says "should" not "shall" or "must".</p> <p>I can foresee some difficulty in convincing all of our clients to re-state such a declaration over and over again (and, if the employer forgets, I can foresee difficulty in convincing payroll staff of the need to insist on such a declaration from the employer when they are extremely busy trying to get people paid).</p> <p>Is it acceptable to have a declaration that applies for the duration of the relationship between the employer and the agent? Or a declaration that applies for some period of time?</p>	<p>The authorisations process is being refined in a focus group, updates will appear in the next iteration of the BIG.</p> <p>A scenario for a declaration in advance will be developed where an employer authorises an agent to prepare payroll and the information provided does not change.</p>	<p>5.1.4 Declarations by an employer to authorise a registered agent to prepare payroll report</p>

Questions	Answers	STP BIG Reference
<p>Authorised agent</p> <p>The declaration statement uses the term 'this return' which sounds like it's referring to a tax return, not an STP report. Is this a mistake or is the term "return" here meant to be understood to also mean 'report'?</p> <p>If so, can the term 'report' or 'STP report' be used instead to avoid confusion? Or is it important that the term "return" be used here?</p>	<p>The wording of the declaration was taken from the common MIG. This feedback will be considered for the next iteration of the STP BIG.</p>	<p>5.1.6 Authorised agent direct</p> <p>5.1.7 Authorised agent through Cloud Software</p>
<p>The Pay Event allows up to 30 allowance types.</p> <p>There does not appear to be any pre-determined values for these allowance types.</p> <p>Does this mean that the employer can record whatever codes they use?</p>	<p>There are predefined values for allowance types in the MST (see business guidance column) – Valid values are: Car = Car expense allowance. Transport = Award transport payments up to reasonable amounts. Laundry = Laundry allowances. Meals = Award overtime meal allowance. Travel = Domestic or overseas travel allowance above the reasonable limit and all overseas accommodation allowances. Other = All other allowances for expected deductible expenses.</p> <p>Where you select other you must complete the Other Allowance Type which is a description of the allowance.</p>	<p>Refer to MST documentation</p>
<p>Transition into Single Touch Payroll</p> <p>Transitioning-in for employers with 20+ employees as at 1 April 2018, can they start their transition any time in the 2018/19 financial year or must those employers begin their transition with the first pay paid on/after 1 July 2018?</p> <p>Is it still expected that employers can "voluntarily" transition any time in the 2017/18 financial year, or given the head-count date, can they now only do this from 1 April 2018?</p>	<p>Employers must report from 1 July 2018 unless a deferral is granted Deferral information will be published shortly. Where a company owns 100% of any other company they would form a wholly owned group and if the headcount across all entities of the wholly owned group was 20 or more then all entities in the wholly owned group would be substantial employers.</p> <p>Employers can begin reporting voluntarily once they are ready.</p>	

Questions	Answers	STP BIG Reference
<p>Whilst I am sure the ATO has come up with all the scenarios that make sense and cover a vast array of situation, how can we suggest or submit other scenarios? How will the response be such that they be included or not in time for us to release our software?</p>	<p>All feedback on the guide will be considered including additional scenarios. Please send through to SingleTouchPayroll@ato.gov.au.</p>	
<p>How are the ATO planning to manage the legislated requirement for employers to submit every Pay Event on or prior to Paid Date?</p>	<p>The employer is obligated to report on or before pay day. The deferral framework will cover how the ATO will manage where an employer cannot report by the legislated due date. There will be relief from penalties in the first year of STP which begins once an employer begins reporting under STP. A penalty may apply after the commissioner issues a warning to the employer.</p>	

## Additional Questions

Questions	Answers	STP BIG Reference
<p>Need clarification on the employee amounts – are they all YTD amounts? If not which ones are pay period amounts?</p>	<p>An employer is required to report the YTD values of gross salary or wages, allowances, deductions and PAYG withholding for each employee included in that payroll event.</p>	<p>3.1.1.4 Regular pay cycle</p>
<p>The ATO specification only allows 25 Employee ETP Date and Types events within a year, what happens if more than this arise for an employee?</p>	<p>This is the current amount of ETP payment types an employee can report on their income tax return. Analysis of existing ETP payment summary data shows this is more than enough as multiple ETP payments are rare.</p>	<p>3.1.6 Employment termination payments</p>

Questions	Answers	STP BIG Reference
<p>Can I suggest the ATO reviews if a Date field is actually required,</p> <p>a) If not, then align the ETP to the other Employee YTD Amounts (removing the date key)</p> <p>b) If yes, please review the processes around the ETP date fields and add extra clarification and warnings in the BIG that extra consideration / rules apply to Employee Date ETP.</p>	<p>a) The date field is required to correctly calculate an employee's tax obligations as certain ETP calculations are based on the age at date of payment.</p>	<p>3.1.6 Employment termination payments</p>
<p>(When no updates have been submitted which would block usage of FFR), Is there any limitation on how many FFRs can be submitted for the latest period or can an FFR only be submitted once?</p> <p>i.e. If an employer had submitted a Pay Event in September, then submits an FFR to update the September Pay Event, can the employer submit a further second FFR to update the initial FFR?</p>	<p>A second FFR can be submitted but where the employer is making mistakes such that an FFR is warranted multiple times then the employer should contact the ATO and discuss the options to remediate the account.</p>	<p>3.2.8 Full File Replacement</p>
<p>Regarding the YTD allowances and PAYGW for the employees, it's showing gross amounts for the employees and not the gross allowance amounts. Normally you need to include the allowance amounts in certain fields.</p>	<p>The MST will be updated with reporting guidance and this feedback will be incorporated.</p>	<p>Refer to MST documentation</p>
<p>The allowances are for a type? For example 'Car expense Allowance' would be for 'all' car related allowances and don't need to be identified in a more granular way.</p> <p>Aside from; Car, Transport, Laundry, Meals, Travel..... are all other expenses expected to go against 'Other' as in a single bucket. If this is the case the total number of characters needed will be 6. Or are other allowance 'Types' meant to be reported based on user defined types?</p>	<p>Where an allowance is not catered for in the predefined allowance types, then 'Other' should be used and a short description of the allowance included in 'Other Allowance Type' (up to 40 characters allowed).</p>	<p>Refer to reference documents: Data Definitions MST documentation</p>
<p>During transition and for early adopters, will there be a testing facility available to employers to send test messages if they are not confident to submit a pay file initially in production?</p>	<p>The EVTE environment is available for solution providers to test their solution. An employer can work with their solution providers on testing their solution. There is no production environment to test.</p>	

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<p>If there are multiple reports for a payee, does it need to be sent in the order they occurred or can they be sent in any order?</p>	<p>The payroll events can be sent out of order, the latest payroll event is determined by the Run Date/Time Stamp.</p>	
<p>The business scenarios document has many flaws in it. A lot of the examples don't reconcile, in particular with the termination area on how it's being reported. The fields being used are incorrect. E.g. pre83 and post83 fields.</p>	<p>All feedback on the scenarios will be considered. Please send through to SingleTouchPayroll@ato.gov.au.</p>	
<p>In relation to the STP specification and BIG, as a software developer we need to know dates to plan out to close the development of the software. At what point do we then consider the specifications to be finalised? We can't make last minute changes whenever there is an update on the specification especially if it's too close to the release date.</p>	<p>The information in the BIG can be relied on. The outcomes of these sessions will identify where areas of the BIG need clarification. The next iteration will include change control to enable the changes to be identified. The TWG is working on a roadmap of change which will be released shortly. This will give solution providers a timeline for future releases, what is included and when the technical documentation will be available</p>	
<p>When will the "Technical roadmap" be available and "The end to end" scenarios to be published. We need to know early so that we can do our technical and resource planning.</p>	<p>This information will be available shortly.</p>	
<p>What data is used to identify an employee on the myGov site? Asking in relation to TFN pre-defined values.</p> <p>E.g. The employee's TFN is "111 111 111 - payee is applying for TFN" in one pay period and then a real TFN in the next pay period.</p>	<p>The primary identifier for an individual in the ATO Online systems within myGov is the TFN. The ATO has multiple levels of matching using other provided data (Name, Date of Birth etc.) to identify the correct individual.</p> <p>Where an actual TFN is provided in future payroll events the ATO is able to identify this and record the information against the appropriate individual.</p>	
<p>What do DSPs need to do to start testing their Payroll event solution, considering many will engage gateway operators?</p>	<p>An EVTE environment is available for solution providers to test their solution. A DSP wanting to engage in testing should liaise with their ATO account manager to commence the process.</p>	

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<p>What is the rationale for the date level, rather than YTD?</p>	<p>This mirrors the current process for ETP payment summaries where each payment is a separate payment summary. An employee must have ETP payments broken down by date to complete their income tax return.</p>	
<p>Has the ATO reviewed the business processes / consequences of an Employee date specific amount? I.e. When a correction is required</p> <p>a) To the amount, not date - Then I assume it is necessary to send through the updated amount with the original date? Can this be done in a future Pay Event / Update with an ETP date in a past event date range?</p> <p>b) To the date, not amount - Then I assume it is necessary to send through the original amount and change the original date, or would it be necessary to send through a zero amount on the original incorrect date (to delete the original) and a new date and amount.</p>	<p>To provide an update to previously reported ETP amounts the future pay/update event should contain the latest values for each ETP payment.</p> <p>There is no requirement to zero out the original and provide only the new payment amount</p>	
<p>Can you please confirm it is only the Employee ETPs which have this special date rule and all other Payee amounts are just YTD?</p>	<p>Allowances and deductions are reported based on type. One YTD amount for each allowance or deduction type.</p>	
<p>Will a new version of the BIG be released with updates based on the Walk-through sessions and questions raised by the industry?</p>	<p>A revised BIG will be released with updates from these sessions.</p>	