

GUIDELINES FOR USING THE ONLINE PAYROLL TAX RETURN FORM

This document provides information about using the ACT Revenue Office online Payroll Tax Return form. The online Payroll Tax Return form is used by registered ACT payroll tax clients to lodge their monthly and annual reconciliation returns.

Where can I find more information about Payroll Tax?

Information about payroll tax in the ACT is provided on the ACT Revenue Office website www.revenue.act.gov.au. The website also provides specific Payroll Tax revenue circulars. A complete listing of current payroll tax circulars can be found via the Publications webpage.

How do I register for Payroll Tax in the ACT?

Information is provided on the ACT Revenue Office website about when an employer is required to be registered for Payroll Tax in the ACT. The registration form is located at the Payroll tax – Registrations webpage. The Online Payroll Tax Registration: Notification form is a multi-purpose form to be used for the following purposes in the ACT:

- New application for payroll tax registration
- Reactivation of a previously cancelled payroll tax registration
- Notification of change in circumstances for an existing payroll tax registration
- Cancel an existing payroll tax registration.

Once an application for new registration is received, the applicant will receive written confirmation and a registration ID number. This number is necessary for lodging online Payroll Tax Return forms.

Where do I find the online Payroll Tax Return form?

The online Payroll Tax Return form is accessed from the ACT Revenue Office website and from the ACT Canberra Connect website.

How can I be kept updated on changes to Payroll Tax in the ACT?

Whenever a change in Payroll Tax administration or legislation occurs, this is notified on the ACT Revenue Office website. Checking the news items or undertaking a new item search on our website is one way to keep updated.

Alternatively, you can use the free subscription service available from our website. The service and information about how it works can be found from the ACT Revenue Office website Home page. Subscribed users who have selected Payroll Tax as a topic, receive automatic email alerts whenever a change to ACT Payroll Tax occurs.

When is the Payroll Tax Return and payment due?

ACT monthly tax returns and payments (July – Nov, Jan - May) are due by the 7th day of the following month. The December return is due by the 14th day of the following month to allow for Christmas/New Year shutdown period. When the due date falls on a weekend or a public holiday, the lodgment and payment due date becomes the next working day.

The ACT annual reconciliation return (incorporating wages for June) must be lodged and paid by 21 July of the same year.

Navigation tips for the Payroll Tax Return form

About this form

This online Payroll Tax Return form is used for all monthly and annual reconciliation returns from 1 July 2008. If a return is required for earlier periods, use the links provided in the form to contact the Payroll Tax Section of the ACT Revenue Office for assistance.

Step 1: Select Return Type

There are two return type selection options available – monthly and annual reconciliation. Choose monthly return type for all months from July to May. At the end of the financial year, the annual reconciliation return type is used and requires the declaration of wage figures for the entire financial year. There is no separate monthly return for June.

Step 2: Enter the Taxpayer Details

This part of the form requires the entry of correct details for client identification, employer status and reporting period. These details need to be checked each month to ensure the return is allocated to the right client and right reporting period.

Validation between your client reference number and your ABN occurs during Step 2. If the client reference number entered is incorrect or does not match the corresponding ABN held in our database, an error message will appear. The correct numbers need to be re-entered before proceeding.

There are four employer status categories. Select the one that applies to the relevant reporting period. The subsequent tax calculation sections of the form are dependent on the employer status category chosen.

Three of the employer status options relate to members of a group. An employer is grouped with other employers for payroll tax - where there are common employees, common control, tracing interests in corporations or related bodies corporate. For further details, see Part 5 of the [Payroll Tax Act 2011](#).

It is a mandatory requirement to complete the separate application form to nominate a Designated Group Employer (DGE) or a Joint Return Lodger (JRL). This nomination form is available from Payroll tax – Registrations webpage. An ordinary member of a group is the only employer status category that is unable to claim the ACT payroll tax free threshold.

Special arrangements apply for an annual reconciliation if an employer has had more than one employer status for the relevant financial year. If this circumstance applies to the annual reconciliation, contact the ACT Revenue Office for advice prior to lodgment of the annual reconciliations. This is because separate annual reconciliations may be required to cover each employer status category for each relevant period.

Step 3: ACT Wages Paid or Payable

Monthly returns and Annual Reconciliation returns

Record the ACT wages based on the employer status selected for the relevant period. For example:

- An Independent employer (non-group member) would enter the total ACT wages for the selected period.
- A Designated Group Employer lodging a joint return for 3 other ACT group members would be entering the combined ACT wages for itself and the 3 other ACT group members in the selected period.
- A member of a group lodging a return for itself (but is not the nominated DGE in the ACT or covered under an approved joint return of a DGE) would enter its own ACT wages for the selected period.

Step 4: Monthly Return/Annual Reconciliation Return

Monthly and Annual adjustment of tax-free threshold

Where the ACT proportion of the tax-free threshold is claimed, then the Employer's Australia-wide wages must be recorded for the reporting period. This amount includes ACT wages.

In instances where there is more than one ACT member of a group, or the employer lodging the return is the only ACT member of the group, the total ACT group wages must also be declared for the reporting period.

Where the employer does not (or is unable to) claim the ACT proportion of the tax-free threshold, then the amount entered in Step 3 is used to calculate the tax payable using the flat tax rate.

Annual adjustment of tax-free threshold based on number of days when taxable or interstate wages are paid or payable

In the annual reconciliation return, an employer claiming the ACT proportion of the tax-free threshold is also required to record the number of days in the financial reporting year when taxable or interstate wages are paid or payable. 'Taxable' wages means wages paid or payable in the ACT and 'interstate' wages are those wages paid or payable in other Australian jurisdictions.

The number of days recorded in this step will automatically adjust the applicable tax-free threshold amount. For example:

- Independent employer paying wages entirely in the ACT for the full year would enter **365**.
- Designated Group Employer which is part of a group that only began paying wages in the ACT or interstate from 1 April would enter **91**.
- Joint Return Lodger (and DGE) of a group which paid interstate wages from 1 July to 30 Dec and then ACT wages from 1 Jan to 30 June would enter **365**.
- Independent employer paying wages interstate from 1 October and ACT wages from 1 April would enter **273**.

If a leap year occurs during a financial year reporting period, add **1** extra day.

Step 5: Declaration

It is important that you take the time to read and understand the declaration.

Where there is a change of circumstances at any time, you are required to notify us by using the Online Payroll Tax Registration: Notification form located at the Payroll Tax – Registration Forms and thresholds webpage..

Step 6: Confirm of Lodgment Details

You will be unable to submit your lodgment until you have reviewed the key particulars of your return. This means confirming the following details used in the return are correct:

Client reference number - Employer status - Reporting period - Tax-free threshold claim

You then need to activate the check box in order to proceed to the next stage.

After submission, a new screen will appear giving you the option to save a copy of the submission in either PDF or HTML format. Printing a copy of the PDF for your own records is highly recommended as it also provides details about how to make a payment via BPAY or EFT.

Where a payment is required, you need to make separate arrangements to transfer the funds via EFT or BPAY using your unique payment reference number as displayed on the final lodgment submission form.