



# Instructions for completing the PAYG withholding variation short application 2010 Allowances, HELP/SFSS or director's fees only 1 July 2009 to 30 June 2010

Complete the *PAYG withholding variation short application 2010* if you want to vary the rate or amount of PAYG tax withheld from payments made:

- for allowances
- for director's fees, or
- where there has been an overpayment related to your Higher Education Loan Programme (HELP) or Student Financial Supplement Scheme (SFSS) repayments, or you have approval from us to defer these repayments.

## WHAT YOU NEED TO DO

- Read these instructions.
- Complete sections A to B of the application.
- Sign and date the declaration.
- Send your completed application to the address shown on the form, **by 15 May 2010**.

You can lodge your application on a paper form or electronically over the internet. Applications lodged electronically may be processed faster than paper forms.

## GENERAL COMMENTS

Section 15-15 in Schedule 1 to the *Taxation Administration Act 1953* provides that the Commissioner of Taxation may, to meet the special circumstances of a particular case or class of cases, vary the amount of tax an entity is required to withhold from a withholding payment.

The main purpose of varying the rate or amount of withholding is to ensure that the amounts withheld during the income year best meet your end-of-year liability. An example is where the normal rate or amount of withholding would lead to a large credit at the end of the income year because your tax deductible expenses are higher than normal.

! Variations are issued at our discretion.

## STARTING DATE

If this application is approved, the varied rate or amount of withholding will start from the next available payday after your pay office receives the notice of withholding variation from us.

## ! IMPORTANT NOTES

- We will process your application only if you:
  - do not have any outstanding tax returns
  - did not receive a debit assessment on your last tax assessment if you also had an approved withholding variation for that year
  - do not have any outstanding tax debt owing to the Australian Government
  - do not have any outstanding debts under any other Acts administered by us.
- We may seek more information from you before or after your application is processed. If you fail to provide more information as requested, your application may not be approved.

## FINISHING DATE

Your variation finishes on the expiry date shown on the notice of withholding variation from us. To continue to have reduced tax withheld from payments after this date, you must lodge another *PAYG withholding variation application* – at least six weeks before the expiry date.

## ➤ MORE INFORMATION

- visit [www.ato.gov.au](http://www.ato.gov.au)
- phone **1300 360 221**
- email [ITWvariation@ato.gov.au](mailto:ITWvariation@ato.gov.au)
- if you are a tax agent, phone **13 72 86 FKC 1 2 3**.

Our phone services are available from 8.00am to 6.00pm, Monday to Friday.

## PRIVACY

We are authorised by the tax laws to ask for information on this application. We need this information for the purposes of administering those tax laws.

Where authorised by law to do so, we may give some of this information to other government agencies, including Commonwealth, state, territory and local government agencies authorised by law to receive it.

## WHERE TO SEND YOUR COMPLETED APPLICATION

Australian Taxation Office  
Locked Bag 1515  
UPPER MT GRAVATT QLD 4122

- If you are granted a variation, this does not mean we have accepted the tax treatment of the income and deductions on your application. Your actual tax liability will be determined after you lodge your tax return. You must keep records of your income and expenses in accordance with the requirements of the *Income Tax Assessment Act 1936*.
- We process your application based on the information you provide. It is your responsibility to make sure this information is adequate to enable us to calculate a withholding rate to meet your end-of-year tax liability.
- If your application is not approved, you can apply for a review of the decision. You must apply in writing, explain why the decision should be overturned and include information to support your claims.

## Section A: Your details

### A1 Your tax file number (TFN)

We are authorised by the *Taxation Administration Act 1953* to collect your TFN. You are not required by law to provide your TFN. However, quoting your TFN reduces the risk of administration errors that could delay the processing of your application.

### A2 Employment declaration or TFN declaration

If you are not exempt from quoting your TFN and you have not quoted your TFN to your payer, you will not be granted a variation.

You are exempt from quoting your TFN if you are:

- under 18 years of age and do not earn enough to pay tax, or
- a recipient of certain pensions, benefits or allowances from Centrelink, Department of Veterans' Affairs, Military Rehabilitation and Compensation Commission. However, you will need to quote your TFN if you receive Austudy, Newstart, sickness or parenting allowance allowance.

### A6 Your phone numbers

Provide a phone number on which we can contact you between 8.00am and 6.00pm.

## A7 Tax agent's or other contact phone number and name

This item needs to be completed only if a third party (for example, a tax agent, financial adviser or spouse) is completing this application on your behalf.

❗ By completing this item you are authorising us to deal with this person as the first point of contact.

## A8 Tax agent's registration number

This item needs to be completed only if a registered tax agent is completing this application on your behalf.

## A10 HELP and SFSS overpayment amounts

Include at this item excess amounts withheld for your HELP and/or SFSS debt.

❗ Attach a payslip or letter from your payer confirming the overpayment amount.

Complete this item if the following apply to you.

- You have made a voluntary or compulsory repayment during the financial year which has reduced your accumulated HELP and/or SFSS debt to nil, but your payer has continued to withhold amounts for these debts. Use application reason code 02A0 for HELP and 03C0 for SFSS when completing item A13. You will also need to complete a new *Withholding declaration* (NAT 3093) and lodge it with your payer to stop them withholding amounts for HELP and/or SFSS.

- Your payer has continued to withhold amounts for HELP and/or SFSS after enough has been withheld to meet your anticipated compulsory HELP and/or SFSS repayment for the year. Use application reason code 02A1 for HELP and 03C1 for SFSS when completing item A13.
- You have received approval from us to defer your compulsory HELP and/or SFSS repayment for this financial year and you require a refund of the HELP and/or SFSS amounts withheld so far this financial year. Use application reason code 02B1 for HELP and 03D1 for SFSS when completing item A13.

❗ If the reason for your application begins in the range 01 to 03, you need to complete only section A and items B1 to B5, and **sign the declaration on page 2 of the application.**

## A11 Australian resident for tax purposes

See *TaxPack* for more information. If you are unsure of your residency status or need a copy of *TaxPack*, visit [www.ato.gov.au](http://www.ato.gov.au) or phone 13 28 61.

## A13 Reason codes

It is important to use the correct reason code. You can use multiple reason codes only if your application relates to HELP and SFSS overpayments and deferrals.

Main category	Reason code	Sub-category
Allowances	00A0	Car and phone
	00B0	Car
	00C0	Travel
	00E0	Phone
	00F0	Computer
	00G0	Parking
	00H0	Car and travel
	00I0	Car and parking
Director's fees	01A0	General
	01A1	Sitting fees
		❗ Use this form if your appointment as a director is not as an employee of the paying company. Refer to Taxation Ruling IT 2319 and paragraph 5 of Taxation Determination TD97/2.
HELP	02A0	Overpayment – debt repaid – overpayment refund required
	02A1	Overpayment – enough withholding amounts deducted already to cover repayment
	02B0	Deferral – no overpayment
	02B1	Deferral – overpayment refund required
SFSS	03C0	Overpayment – debt repaid – overpayment refund required
	03C1	Overpayment – enough withholding amounts deducted already to cover repayment
	03D0	Deferral – no overpayment
	03D1	Deferral – overpayment refund required

## Section B: Your payer's details

❗ If your reason code begins with 00, you must provide all the details requested in section B. If your reason code begins in the range 01 to 03, you need to complete only items B1 to B5.

### B1–3 Payer's Australian business number (ABN), business name and pay office postal address

The varied rate or amount of withholding will start from the next available payday after your pay office receives the notice of withholding variation from us.

❗ The letter we send to you is not the official notice. Your pay officer cannot implement a variation using your letter.

The implementation of your variation may be delayed if you do not provide a correct ABN and direct pay office postal address (for example, if you give us your work location rather than the pay office postal address).

### B6 Allowances

If you receive an allowance for a tax deductible purpose (for example, travel or car expenses) you can apply to vary the amounts withheld from your allowance. To do this, complete items B1 to B7.

**B6(a)** You need to state the type of allowance and the total annual allowance.

**B6(c)** To calculate the annual percentage expended, use this formula:

Work related expenses total of items B7(a) to B7(c) **divided by** total annual allowance item B6(b) **multiplied by** 100.

For example, if your work related expenses total \$8,000 and your annual allowance is \$10,000, you would calculate the annual percentage expended as follows:

$$\frac{\$8,000}{\$10,000} \times 100 = 80\%$$



# PAYG withholding variation short application 2010

1 July 2009 to 30 June 2010

**Office use only**

Complete this short application if you want to reduce the rate or amount of PAYG tax withheld from payments made:  
 for allowances  
 for director's fees, or  
 where there has been an overpayment related to your Higher Education Loan Programme (HELP), or Student Financial Supplement Scheme (SFSS) repayments, or you have approval from us to defer these repayments.

Refer to the instructions to help you complete this application.

Use a black or blue pen and print clearly in **BLOCK LETTERS**.

**➤** If you wish to have additional amounts withheld, complete *Withholding declaration – upwards variation* (NAT 5367).

**ⓘ** 2010 applications may be lodged during the income year. The last date for lodgment is **15 May 2010**.

## Section A: Your details

We are authorised by the *Taxation Administration Act 1953* to collect your TFN. You are not required by law to provide your TFN. However, quoting your TFN reduces the risk of administration errors that could delay the processing of your application.

**A1 Your tax file number (TFN)**

**A2 Have you lodged an *Employment declaration* or *TFN declaration* with your payer that quotes your TFN?** Yes  No  Exempt  Tick one of the reason boxes  Under 18 years old and earn below the tax-free threshold  Pension recipient

If you are an employee, tick **Yes**.

**A3 Your date of birth** Day   / Month   / Year

**A4 Your name** Title: Mr  Mrs  Miss  Ms  Other

Family name  Given names

**A5 Your postal address**

Suburb/town  State/territory  Postcode

Country if other than Australia

**A6 Your phone numbers** (if we need to contact you about your application, it is quicker by phone).

Work           Home            Mobile

**A7 Tax agent's or other contact phone number and name**

**ⓘ** Only if this application is not completed by you. By completing this item you are authorising us to deal with this person as the first point of contact.

Phone number           Contact name

**A8 Tax agent's registration number**       -

**ⓘ** Only if this application is completed by your tax agent.

**A9 Your occupation**

**A10 Overpayment amounts** (if applicable) HELP \$  **·00** SFSS \$  **·00**

**A11 Are you an Australian resident for tax purposes?** Yes  No

**A12 Reason for your application**

**A13 Reason codes** **➤** See instructions page 2.

## Section B: Your payer's details

### Payer

**B1 Payer's Australian business number (ABN)**         /

**B2 Payer's business name**

**B3 Pay office postal address** (for privacy reasons, this should preferably be a PO box, locked bag or similar address).

  

Suburb/town

State/territory

Postcode

**B4 Your pay officer's direct phone number**

         

**B5 Your payroll ID or employee number**

**!** If your reason code at item A13 begins with 00, you must complete items B6 and B7 below or your application will be returned to you for completion.

**B6 (a) Allowance type** Tick one of the boxes below.

Car and phone

Travel – for example, expenses incurred while travelling overnight for work

Computer

Car and travel

Car

Phone

Parking

Car and parking

**(b) Total annual allowance**

\$  **00**

**(c) Annual percentage expended**

Work-related expenses divided by total annual allowance multiplied by 100.

%

## Annual deductions

The estimates you provide should be the annual amount of expenses you expect to incur for business use.

**B7 Work-related expenses**

(a) Car \$  **00** Car expenses, for example, petrol, oil, registration, insurance, repairs and maintenance or lease payments. See *TaxPack* for more information.

(b) Travel \$  **00** Travel expenses, for example, costs of overnight accommodation, meals not reimbursed by payer. See *TaxPack* for more information.

(c) Other \$  **00** Specify here

## Taxpayer's declaration

**!** We are authorised by taxation laws to collect the information requested on this form. For further information, see 'Privacy' on page 1 of the instructions.

**⊖** Penalties may be imposed for giving false or misleading information. You are responsible for the information provided and you must sign the declaration, even though someone else may have helped you complete your application.

**Is your application complete? Check that you have filled in:**

- your tax file number at the top of page 1
- all your personal details in section A
- items B1 to B7 if your reason code begins with 00
- item A10 if your reason code begins with 02 or 03
- items B1 to B5 if your reason code begins with 01, 02 or 03.

**I declare that:**

- all the information I have given on this application, including any attachments, is true and correct.

SIGNATURE (applicant's original signature only)

Date

Day Month Year

  /   /   

**➔** Send your completed application to:  
**Australian Taxation Office**  
**Locked Bag 1515**  
**UPPER MT GRAVATT QLD 4122**