Client eBrief

SOMERVILLE
B O O K K E E P I N G

Setting up myGov to Manage an ABN

Step 1 – Log in to myGov using the personal user name and password.
If the myGov account is not already set up, then click on 'Create an account' and follow the prompts.

Step 2 – Link either the ATO, Centrelink, or Medicare to use Manage ABN Connections. This can be done by selecting 'Link your first service' from the home screen, and following the prompts.

Alternatively, there will be prompts to set this up before connecting an ABN.

To link the ABN, select 'Account Settings' located at the top of the myGov screen.

Step 3 – Under the 'General Settings', select 'Manage ABN Connections'.

Step 4 – There will be a prompt to link the myGov account to the ATO, Centrelink, or Medicare, and also the choice to get a code sent to the mobile when signing in.

Step 5 – Once these have been linked to one of the required member services and the mobile security codes are turned on, select 'Connect an ABN'.

Step 6 – There will be a redirection to the 'Connect an ABN' page.
Here selection can be made 'using your personal details' option and click on 'start connection process'.

To use the personal details, the person must be identified as an eligible associate for the ABN on the Australian Business Register, or authorised to act on behalf of a business. For more information on eligible associates visit abr.gov.au.

Step 7 – Enter the ABN of the business and/or the person acting on behalf of with the Tax File Number to continue.

Read the declaration carefully and then select: 'Declare and Submit'.

The ABN is now connected and the myGov credential can be used to access the business portal.

ATO Lodgement Dates

These dates are from the ATO website and do not take into account possible extensions.

You remain responsible for ensuring that the necessary information is with us in time.

BAS/IAS Monthly Lodgements
Final dates for lodgements and payments:

February Activity Statement:
21 March, 2018

March Activity Statement:
21 April, 2018

BAS Quarterly Lodgements
Final dates for lodgements and payments:

2nd Quarter 2018 Financial Year:
December Quarter 2017 (incl. PAYGI)
28 February, 2018

3rd Quarter 2018 Financial Year:
March Quarter 2018 (incl. PAYGI)
28 April, 2018

When a due date falls on a Saturday, Sunday or Public Holiday*, you can lodge or pay on the next business day.

*A day that is a public holiday for the whole of any state or territory in Australia.

Due date for super guarantee contributions:

2nd Quarter 2018 Financial Year:
October to December 2017 – contributions must be **in the fund** by 28 January, 2018

3rd Quarter 2018 Financial Year:
January to March 2018 – contributions must be **in the fund** by 28 April, 2018

The super guarantee charge is not a tax deduction if not paid by these dates.

Refer to the ATO for details regarding any SGC charges applicable if not paid by due date.

Implementing Single Touch Payroll as at March 2018

How Do I Start?

- It is all payroll software based
- There is no (current) portal lodgement ability
- There is no "registration" process, just start lodging via accounting software

When Do I Start?

- It depends
  - Over 20 employees need to know what they are doing before 1 July 2018
  - Others by 1 July 2019
- But
  - Your software may advise you that they have been granted a deferral
  - You need their "deferral" information to provide it to the ATO if the ATO ask, then you don't need to do anything until the software is ready
  - If you need a longer deferral you will need to lodge your own deferral application – Not available today
- Exemptions exist for very limited cases

Can I Do Anything Before the Software is Ready?

- Ensure all the employee details in the software are complete
  - Full names and addresses
  - Date of birth
  - TFN
- Review how payroll is set up to ensure your system captures for each employee for each payrun
  - Gross Salary & Wages
  - Allowances (STP allows reporting of each type of allowance)
  - Deductions (STP allows the reporting of each type of deduction)
  - PAYG Tax withheld
  - The amount of Superannuation accrued
    - Could be just the SG component, or
    - Could be all the Super accrued as a result of the payrun

What Do I Do When I Start?

- You must follow any transition steps that your software requires in order for you to ensure your existing payroll system will provide the right data in the right fields when the information is being submitted to the ATO.
    - Mapping of payroll fields into STP fields
    - User authority – setup the system so that only the authorised persons are able to make the lodgment.
    - Agents are to be identified in the system
- You will need internet connection at the time of submission
- Note you may start at anytime during the year
    - You may start earlier than required, subject to your software
    - Recommend that you do an "Update" for all employees that have been paid within the financial year so far, so that the ATO has information for everybody.Note: a "payevent" or an "update" provides employee YTD figures

Each Payday

- Run your normal business process for the pay
- Your software should
    - Send the STP information as part of the pay process, or
    - create the STP file to be sent, or
    - allow you to obtain a report from the system for alternate lodgement
- Ensure the information is being sent (we expect you should simply send each time you do a payrun) your software should provide a submission date and time stamp as well as recording a receipt number from the ATO

BAS Time

Eventually the ATO may be providing W1 and W2 as prefill into the BAS both monthly and quarterly.
We are not there yet.

Payment Summary Time

- Same end of year check and reconcile process, as if you were doing payment summaries
- When correct
    - Using your software you will send a "Final" set of data to the ATO for each employee.
      (This replaces lodging the PSAR/empdupe file and Payment summaries)
- Check that every employee paid during the year has been set to "Final" and that message sent to the ATO.
- "Final" indicator to be provided by 14th August, 2018 where applicable for the 17/18 year (then 31st July, 2019 for the 18/19 year and 14th July, 2020 for the 19/20 year)If the employer is in STP, then each employee that has been reported to the ATO via STP is not entitled to a payment summary from the employer. They must look on my.gov or speak to their accountant. If the employee cannot access mygov etc., the law allows them to be directed to the ATO to request a payment summary be issued by the ATO. Reality says employers will make this easy and provide a pay report for the end of the year during the transition.

Correcting a Pay

- The employers' payroll system is the source of truth
- Ensure you meet your Fairwork requirements for payslips and employee obligations
- Correct the pay in the pay system then either
    - Send an "update" event to the ATO that will update the ATO data for that employee, or
    - Wait until next payrun for that employee (as it will then provide the ATO with the corrected YTD values)

Correcting a Payment Summary / End of Year "Final" Information

- Fix the information in the employers' source of truth (payroll system)
- Send an "Update" to the ATO with the "Final" indicator. The ATO will use the latest set of data with the "Final" indicator

Any changes the ATO instigates will be advised as soon as we become aware