

## TAX ALERT: SINGLE TOUCH PAYROLL EXTENDED TO ALL EMPLOYERS

Parliament passed *Treasury Laws Amendment (2018 Measures No. 4) Bill 2018* on 12 February 2019 to extend Single Touch Payroll (STP) to all employers from 1 July 2019.

### What is Single Touch Payroll?

STP requires employers to report to the ATO their employee's wages, tax and superannuation each time the payroll is run and employees paid. This reporting is done either directly from payroll software or through a third party such as a bookkeeper or accountant.

STP became mandatory for employers with 20 or more employees from 1 July 2018, and becomes mandatory for employers with 19 or less employees from 1 July 2019. We have previously published a fact sheet here demystifying STP implementation [here](#).

### Are there any exemptions/concessions?

The Commissioner of Taxation, Chris Jordan, [announced](#) on 13 February 2019 a number of concessions available for employers with 19 or less employees as follows:

- Micro employers (1 to 4 employees) will be offered help to transition to STP and a number of alternative options – such as allowing those who rely on a registered tax or BAS agent to report quarterly for the first two years, rather than each time payroll is run.
- Small employers can start reporting any time from the 1 July start date to 30 September 2019. Deferrals will be granted to any small employer who requests additional time to start STP reporting.
- There will be no penalties for mistakes, missed or late reports for the first year.
- Exemptions from STP reporting will be provided for employers experiencing hardship, or in areas with intermittent or no internet connection.

### What do I need to do?

If you are an employer with 19 or less employees, you should contact your payroll solution provider to see if they are STP compliant and ask them to assist with implementing STP.

If you do not use commercial payroll software, the ATO has indicated that you will not be required to purchase such software to report under STP. The ATO is working with software providers to develop low and no-cost reporting solutions. A list of current providers are [here](#)

**Hall Chadwick is also ready to support you in assisting you in transitioning to STP. Please contact your local Hall Chadwick office.**