



What does Single Touch Payroll mean for employees?

Changes are coming!

From July 1st 2019, all employers are now required to report your pay, tax and super information direct to the ATO each payday.

What does this mean for you?

You'll be able to find all of your income details in one place when you need it. All employers will be required to report your information, from large companies, down to small businesses with only one or two employees.

Your employer will not be required to issue you with a payment summary at the end of financial year as they have normally done. Instead, the ATO will send you an end-of-year income statement through myGov. This information will be called an 'income statement'

Why is this important?

Your myGov account will be your single point of contact for accessing government services with one login and one password.

It also provides information to help you become 'tax ready' before you, or your registered tax agent, lodges your tax return. Most employers will have until July 14th to finalise your income statement for the year.

After July 1st, the ATO will send a message to your myGov inbox when your income statement is tax ready so you or your registered tax agent can then lodge your tax return. Your tax agent will also have access to your income statement through their own software that is linked to the ATO in case you don't have a myGov account.

What information will my myGov account contain?

You will be able to see your year-to-date pay and super information throughout the year. You will also be able to see information from your health funds, banks, government agencies and more.

myGov will also give you access to other government entities:

- Medicare
- Australian Taxation Office
- Centrelink
- Child Support
- Department of Veterans' Affairs
- My Health Record
- My Aged Care
- National Disability Insurance Scheme
- Australian JobSearch
- National Redress Scheme
- HousingVic Online Services

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You will have the ability to link this information after you have opened your account. Click here to view how you link accounts: <https://www.humanservices.gov.au/individuals/online-help/mygov>

Your registered tax agent will also be able to see your information to help make sure you are on track come tax time. They will also receive a report with most of your information required for your income tax return.

What happens if I need to make a change on my tax return?

If you or your registered tax agent lodges your return and it is not tax ready, or your employer makes changes to your income statement, you may need to lodge an amendment. In some cases, additional tax and interest may be payable.

If you're worried, your registered tax agent will be able to see your income statement or payment summary information and can advise you on what you should do before you lodge your return.

What about my super?

When you link your myGov account to the ATO, you will be able to access a range of superannuation-related information, including being able to find lost or government held super! If you do find lost super, you can then roll it into the super account of your choice.

You will be able to view details of all of your super accounts, including balances and related insurance super policies, and be able to combine accounts by transferring super into your preferred super account. It is well worth the effort combining your super account into a fund that offers the best results for you.

How do I create a myGov account?

It's not as hard as you might think. For more information or to create your myGov account visit my.gov.au

- To create a new myGov account, go to my.gov.au and select 'Create a myGov account'.
- You can open and read the myGov terms of use by selecting the terms of use text.
- To use myGov, you will need to agree the myGov

terms of use by selecting 'I agree'.

- Enter your email address in the area provided.
- You may need to use a different email address if you share an email address and it has already been used for a myGov account. This is because myGov assigns only one username to each email address.
- A code will be sent to your email address. Enter the code in the area provided, then select 'Next'.
- If you don't have access to a mobile phone or mobile coverage then select 'Skip this step'.
- Enter your password
- Your password must be at least seven characters long with at least one number and one letter, then select 'Next'.
- You will be asked to choose three secret questions or create your own questions and record your answers, then select 'Next'.
- You have created your myGov account, and are ready to start linking your services.
- Select 'Continue to myGov' to start linking a service.
- For your privacy and security, ensure you select 'sign out' in the top right hand corner of the screen once you have finished using your myGov account.

How do I link all of my accounts into my myGov account?

- Now you have signed into your myGov account, select 'Link your first service' or select 'Services' from the menu at the top of the screen.
- Select the service you would like to link.
- If you are linking with Medicare, Centrelink or the Australian Taxation Office you will be asked to agree to myGov storing your personal information. Select 'I agree' to continue.
- There are options available to link your service. Select this option', then select 'Next'.
- You will be provided with a linking code directly from the service you are linking.
- Enter the information requested and the linking code, then select 'Next'. For example, if you are linking Medicare, you enter your Medicare card number including your individual reference number.
- Your service is now linked to your myGov account. You can continue to link more services or continue with your business.

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Where can I learn more about STP?

We suggest the ATO's Single Touch Payroll for employees. (But if you would like that personal touch of interpreting the impact of STP on your business then visit your local ITP office.

ITP The Income Tax Professionals are more than tax agents. They have been helping Australian individuals and businesses with their business accounting and advice for 50 years and offer a wealth of knowledge. Speak to a Professional today and see how your business can be more profitable.



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