Pay as You Go (PAYG) withholding

Information to support your employees

An Easy Read fact sheet

How to use this fact sheet

WA's Individualised Services (WAiS) wrote this fact sheet. When you see the words 'we' or 'us', it means WAiS.

We wrote this fact sheet in an easy to read way.

We use pictures to explain some ideas.

Bold

Not bold

We wrote some important words in **bold**.

This means the letters are thicker and darker.

We explain what these bold words mean.

This Easy Read fact sheet is a summary of another fact sheet.

This means it only has the most important ideas.

You can find the fact sheet on our website.

https://waindividualisedservices.org.au

You can ask for help to read this fact sheet.
A friend, family member or support person may be able to help you.

What is this fact sheet about?

Your **income** is the money you earn from working.

You might pay some of your income to the Australian Taxation Office (ATO).

We call this **taxation**.

And when your employee earns an income, you might pay some of it to the ATO.

We call this **income tax**.

You must pay their income tax to the ATO.

Pay as You Go (PAYG) withholding is when you:

- keep some of your employee's pay

  then

- pay the ATO.

To pay tax for your employees using PAYG, you need to have:

- a Withholding Payer Number (WPN)

or

- an Australian Business Number (ABN).

We explain these numbers on the following pages.

How to get a Withholding Payer Number (WPN)

A WPN is a number that tells the ATO:

- who you are
- that you are an employer.

If you don't have a WPN, you can download a form on the ATO website to apply for one.

www.ato.gov.au/forms/application-to-register-a-payg-withholding-account

You must fill out the form and send it to the ATO.

You can upload it to the ATO website.

Or you can send it by mail.

Australian Taxation Office
PO Box 3373
Penrith NSW 2740

You can also send the form from your **myGov** account.

myGov is a website where you can get your:

- tax information
- medical information
- other government services.

You can also call the ATO to apply for a WPN.

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What to do if you already have an Australian Business Number (ABN)

An ABN is a number you need to have when you run a business or company in Australia.

You can't get a WPN if you have an ABN.

The ATO does not let someone have both.

If you have an ABN for another business, you can apply for a branch just for PAYG.

This keeps the PAYG tax separate from your other business.

To apply for a PAYG branch, you can visit the ATO website.

www.ato.gov.au/forms/register-gst-or-payg-withholding-branch

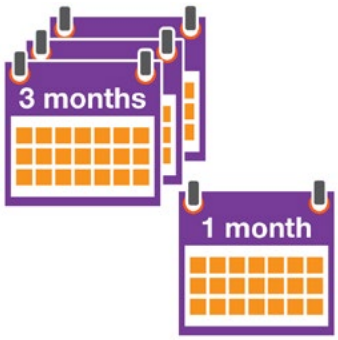
Activity statements and paying employees' tax

An activity statement is a form the ATO sends you.

You need to fill out this form when you have an ABN or a WPN.

This form asks you for information about how much:

- money you paid your employees
- tax you keep from what you paid them.



You will get activity statements:

- every 3 months

  or

- once a month.

When you finish, you send your activity statements to the ATO.

You can send activity statements through your myGov account.

You might also get activity statements in the mail.

If this happens, you need to fill them out and mail them to the ATO.

Australian Taxation Office
PO Box 3373
Penrith NSW 2740

The way you send activity statements might change if you use **Single Touch Payroll (STP)**.

STP is a type of program you can use to share information about your employees with the ATO.

From 1 July 2023, anyone who has a WPN must use STP.

If you have an ABN, you might already use STP.

Contact us

If you have any questions, please contact us.

You can call us.

9481 0101

You can send us an email.

admin@waindividualisedservices.org.au

You can visit our website.

www.waindividualisedservices.org.au

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