



Pay as you go (PAYG) withholding Special daily rates tax table

Incorporating Medicare levy, including Statement of formulas

SCHEDULE 10 – A

For payments made on
or after 1 JULY 2005

This document is a withholding schedule made by the Commissioner of Taxation in accordance with sections 15-25 and 15-30 of Schedule 1 to the *Taxation Administration Act 1953*. It applies to withholding payments covered by Subdivisions 12-B (except sections 12-50 and 12-55) and 12-D of Schedule 1.

Who should use this table?

Use this table if you make payments to a payee on a daily basis and the payee works for multiple payers in a week.

In other cases the PAYG withholding weekly, fortnightly or monthly tax tables should be used.

Tax file number (TFN) declarations

The amount to be withheld from payments you make to your payees is primarily determined by the answers given by the payee on a *Tax file number declaration*. A *Tax file number declaration* applies to payments made after the declaration is provided to the payer. A later declaration provided by a payee overrides an earlier declaration.

If a payee does not give you a valid *Tax file number declaration* within **14 days** of commencing a payer/payee relationship, you must fill in a *Tax file number declaration* with all available details of the payee and send it to the Tax Office.

If you have *Employment declarations* that were valid at 30 June 2000 they will continue to be valid under PAYG.

No TFN provided

If you make a payment to a payee and the payee **has not**:

- quoted their TFN
- claimed an exemption from quoting, or
- advised that they have applied for a TFN or have made an enquiry with the Tax Office

you must withhold an amount equal to 48.5% of the payment, ignoring any cents.

If a payee states at question 1 of the *Tax file number declaration* that they have lodged a *Tax file number application or enquiry* with the Tax Office, the payee has **28 days** to give you their TFN. At the end of this time, if the payee has not given you their TFN, unless the Tax Office tells you not to, you must withhold 48.5% from the total amount of all payments made to the payee, ignoring any cents.

- ❗ Do not allow any family tax benefit (FTB), tax offsets or Medicare levy adjustment. Do not add amounts for HECS, HELP or SFSS.

Foreign resident payees

Foreign resident tax rates apply where a payee has answered No to the question 'Are you an Australian resident for tax purposes?' on their *Tax file number declaration*.

For foreign resident payees (for example, overseas visitors on working holidays) an amount should be withheld at a rate of 29% where a tax file number is provided, and at a rate of 47% for those who have not provided a tax file number.

Foreign resident payees cannot claim family tax benefit (FTB) or any tax offset. If a foreign resident payee has claimed FTB or any tax offsets on the *Tax file number declaration*, do not make any adjustment to the daily amount to be withheld.

Family tax benefit (FTB) and tax offsets

Payees who choose to claim their entitlement to FTB or a tax offset (dependent spouse, zone or special) through a reduced rate of withholding must provide you with a *Withholding declaration*.

If a payee claims FTB or a tax offset, reduce the amount to be withheld from their earnings by the daily value of the FTB or tax offset. The daily value is 0.38% of the amount claimed, rounded to the nearest dollar.

Example

A payee earns \$193.62 daily and claims FTB and tax offsets of \$500. Round the earnings down to the nearest dollar. Find \$193 in column 1 of the table and read off the corresponding amount to be withheld from column 2 of \$45.00. Reduce this amount by the daily value of the FTB or tax offsets of \$2.00 (\$500 x 0.0038 rounded to the nearest dollar).

Therefore, the final withholding amount is \$43.00 (\$45.00 – \$2.00).

Formulas

The formulas comprise linear equations of the form $y = ax - b$, where y is the weekly withholding amount expressed in dollars and x is the weekly earnings expressed in whole dollars plus 99 cents.

The values of the coefficients a and b for the formulas are shown in Table A.

TABLE A

Weekly earnings (x) less than	a	b
\$111	–	–
\$305	0.1500	16.7308
\$330	0.3500	77.8923
\$415	0.1650	16.7320
\$1,211	0.3150	79.0397
\$1,826	0.4350	224.4243
\$1,826 & over	0.4850	315.7705

To work out withholding amounts using the formulas:

1. Multiply the daily earnings (ignoring any cents) by 5 to derive the weekly equivalent. Add 99 cents to the result.
2. Calculate the weekly amount by applying the above coefficients, rounding to the nearest dollar. Divide this amount by 5 to convert it to the daily equivalent. Round the daily withholding amount to the nearest dollar.

Software programs

Software programs written in accordance with this statement should be tested for accuracy against this table and used only where they produce the exact amounts shown in the table.

PAYG withholding publications

All PAYG withholding tax tables and other PAYG publications can be accessed quickly and easily from www.ato.gov.au

Copies of weekly and fortnightly tax tables are available from most newsagents. Newsagents also hold copies of the *Tax file number declaration* and the *Withholding declaration*.

How to work out withholding amounts

- 1 Find the payee's daily earnings (ignoring any cents) in column 1 of the table and read off the corresponding amount to be withheld from column 2.
- 2 If the payee has claimed FTB and/or any tax offsets, determine the daily value of the FTB or tax offsets - see Family tax benefit and tax offsets on page 1. Subtract the daily value of the FTB or tax offsets from the amount to be withheld found in step 1.

Tax table

Daily earnings	Amount to be withheld	Daily earnings	Amount to be withheld	Daily earnings	Amount to be withheld	Daily earnings	Amount to be withheld	Daily earnings	Amount to be withheld	Daily earnings	Amount to be withheld		
1	2	1	2	1	2	1	2	1	2	1	2		
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
		101	16.00	181	41.00	261	69.00	341	104.00	421	141.00	501	180.00
		102	16.00	182	42.00	262	69.00	342	104.00	422	142.00	502	180.00
23	—	103	17.00	183	42.00	263	70.00	343	104.00	423	142.00	503	181.00
24	—	104	17.00	184	42.00	264	70.00	344	105.00	424	143.00	504	181.00
25	—	105	17.00	185	43.00	265	70.00	345	105.00	425	143.00	505	182.00
26	1.00	106	18.00	186	43.00	266	71.00	346	106.00	426	144.00	506	182.00
27	1.00	107	18.00	187	43.00	267	71.00	347	106.00	427	144.00	507	183.00
28	1.00	108	18.00	188	43.00	268	72.00	348	107.00	428	145.00	508	183.00
29	1.00	109	19.00	189	44.00	269	72.00	349	107.00	429	145.00	509	184.00
30	1.00	110	19.00	190	44.00	270	73.00	350	107.00	430	145.00	510	184.00
31	1.00	111	19.00	191	44.00	271	73.00	351	108.00	431	146.00	511	185.00
32	1.00	112	20.00	192	45.00	272	74.00	352	108.00	432	146.00	512	185.00
33	2.00	113	20.00	193	45.00	273	74.00	353	109.00	433	147.00	513	186.00
34	2.00	114	20.00	194	45.00	274	74.00	354	109.00	434	147.00	514	186.00
35	2.00	115	20.00	195	46.00	275	75.00	355	110.00	435	148.00	515	187.00
36	2.00	116	21.00	196	46.00	276	75.00	356	110.00	436	148.00	516	187.00
37	2.00	117	21.00	197	46.00	277	76.00	357	110.00	437	149.00	517	188.00
38	2.00	118	21.00	198	47.00	278	76.00	358	111.00	438	149.00	518	188.00
39	3.00	119	22.00	199	47.00	279	77.00	359	111.00	439	150.00	519	189.00
40	3.00	120	22.00	200	47.00	280	77.00	360	112.00	440	150.00	520	189.00
41	3.00	121	22.00	201	48.00	281	77.00	361	112.00	441	151.00	521	190.00
42	3.00	122	23.00	202	48.00	282	78.00	362	113.00	442	151.00	522	190.00
43	3.00	123	23.00	203	48.00	283	78.00	363	113.00	443	152.00	523	191.00
44	3.00	124	23.00	204	49.00	284	79.00	364	114.00	444	152.00	524	191.00
45	3.00	125	24.00	205	49.00	285	79.00	365	114.00	445	153.00	525	192.00
46	4.00	126	24.00	206	49.00	286	80.00	366	114.00	446	153.00	526	192.00
47	4.00	127	24.00	207	49.00	287	80.00	367	115.00	447	154.00	527	193.00
48	4.00	128	25.00	208	50.00	288	80.00	368	115.00	448	154.00	528	193.00
49	4.00	129	25.00	209	50.00	289	81.00	369	116.00	449	155.00	529	194.00
50	4.00	130	25.00	210	50.00	290	81.00	370	116.00	450	155.00	530	194.00
51	4.00	131	26.00	211	51.00	291	82.00	371	117.00	451	156.00	531	194.00
52	4.00	132	26.00	212	51.00	292	82.00	372	117.00	452	156.00	532	195.00
53	5.00	133	26.00	213	51.00	293	83.00	373	118.00	453	157.00	533	195.00
54	5.00	134	26.00	214	52.00	294	83.00	374	118.00	454	157.00	534	196.00
55	5.00	135	27.00	215	52.00	295	84.00	375	119.00	455	158.00	535	196.00
56	5.00	136	27.00	216	52.00	296	84.00	376	119.00	456	158.00	536	197.00
57	5.00	137	27.00	217	53.00	297	84.00	377	120.00	457	159.00	537	197.00
58	5.00	138	28.00	218	53.00	298	85.00	378	120.00	458	159.00	538	198.00
59	6.00	139	28.00	219	53.00	299	85.00	379	121.00	459	160.00	539	198.00
60	6.00	140	28.00	220	54.00	300	86.00	380	121.00	460	160.00	540	199.00
61	6.00	141	29.00	221	54.00	301	86.00	381	122.00	461	161.00	541	199.00
62	6.00	142	29.00	222	54.00	302	87.00	382	122.00	462	161.00	542	200.00
63	7.00	143	29.00	223	54.00	303	87.00	383	123.00	463	161.00	543	200.00
64	7.00	144	30.00	224	55.00	304	87.00	384	123.00	464	162.00	544	201.00
65	7.00	145	30.00	225	55.00	305	88.00	385	124.00	465	162.00	545	201.00
66	8.00	146	30.00	226	55.00	306	88.00	386	124.00	466	163.00	546	202.00
67	8.00	147	31.00	227	56.00	307	89.00	387	125.00	467	163.00	547	202.00
68	8.00	148	31.00	228	56.00	308	89.00	388	125.00	468	164.00	548	203.00
69	8.00	149	31.00	229	56.00	309	90.00	389	126.00	469	164.00	549	203.00
70	8.00	150	32.00	230	57.00	310	90.00	390	126.00	470	165.00	550	204.00
71	8.00	151	32.00	231	57.00	311	90.00	391	127.00	471	165.00	551	204.00
72	9.00	152	32.00	232	57.00	312	91.00	392	127.00	472	166.00	552	205.00
73	9.00	153	32.00	233	58.00	313	91.00	393	128.00	473	166.00	553	205.00
74	9.00	154	33.00	234	58.00	314	92.00	394	128.00	474	167.00	554	206.00
75	9.00	155	33.00	235	58.00	315	92.00	395	129.00	475	167.00	555	206.00
76	9.00	156	33.00	236	59.00	316	93.00	396	129.00	476	168.00	556	207.00
77	9.00	157	34.00	237	59.00	317	93.00	397	129.00	477	168.00	557	207.00
78	10.00	158	34.00	238	59.00	318	94.00	398	130.00	478	169.00	558	208.00
79	10.00	159	34.00	239	60.00	319	94.00	399	130.00	479	169.00	559	208.00
80	10.00	160	35.00	240	60.00	320	94.00	400	131.00	480	170.00	560	209.00
81	10.00	161	35.00	241	60.00	321	95.00	401	131.00	481	170.00	561	209.00
82	10.00	162	35.00	242	60.00	322	95.00	402	132.00	482	171.00	562	210.00
83	10.00	163	36.00	243	61.00	323	96.00	403	132.00	483	171.00	563	210.00
84	11.00	164	36.00	244	61.00	324	96.00	404	133.00	484	172.00	564	210.00
85	11.00	165	36.00	245	62.00	325	97.00	405	133.00	485	172.00	565	211.00
86	11.00	166	37.00	246	62.00	326	97.00	406	134.00	486	173.00	566	211.00
87	12.00	167	37.00	247	63.00	327	97.00	407	134.00	487	173.00	567	212.00
88	12.00	168	37.00	248	63.00	328	98.00	408	135.00	488	174.00	568	212.00
89	12.00	169	37.00	249	64.00	329	98.00	409	135.00	489	174.00	569	213.00
90	13.00	170	38.00	250	64.00	330	99.00	410	136.00	490	175.00	570	213.00
91	13.00	171	38.00	251	64.00	331	99.00	411	136.00	491	175.00	571	214.00
92	13.00	172	38.00	252	65.00	332	100.00	412	137.00	492	176.00	572	214.00
93	14.00	173	39.00	253	65.00	333	100.00	413	137.00	493	176.00	573	215.00
94	14.00	174	39.00	254	66.00	334	100.00	414	138.00	494	177.00	574	215.00
95	14.00	175	39.00	255	66.00	335	101.00	415	138.00	495	177.00	575	216.00
96	14.00	176	40.00	256	67.00	336	101.00	416	139.00	496	178.00	576	216.00
97	15.00	177	40.00	257	67.00	337	102.00	417	139.00	497	178.00	577	217.00
98	15.00	178	40.00	258	67.00	338	102.00	418	140.00	498	178.00	578	217.00
99	15.00	179	41.00	259	68.00	339	103.00	419	140.00	499	179.00	579	218.00
100	16.00	180	41.00	260	68.00	340	103.00	420	141.00	500	179.00	580	218.00

NOTE: Where the payee's earnings are more than \$580 the amount required to be withheld is \$218 plus 48.5 cents for each \$1 over \$580. Amounts calculated should be rounded to the nearest dollar.