



Personal services income tool

Use this tool to work out if your income is personal services income (PSI) and if the PSI rules apply to that income.

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Use the *Personal services income (PSI) decision tool* to work out whether you earned PSI, and if the PSI rules apply to that income.

PSI is income that is mainly a reward for your personal efforts or skills and can be earned in almost any industry, trade or profession. Special tax rules (PSI rules) may apply to this income, which affect how you report your PSI to us and the deductions you can claim.

How to use the PSI tool

You can use the tool on our website or through our online services for individuals.

Using the decision tool is free and you will remain anonymous when using it through our website. However, if you want to submit your results to us you will need to log in to our online services for individuals.

If you access the tool through our online services for individuals, you can send your result to us and it will be recorded and used for your tax return. This will save you time when completing your return.

In some cases, we will need to issue you with a PSB determination for the PSI rules not to apply to you. In this situation, you will need to send us your result.

Note: if your tax return for an income year has already been lodged, you cannot use the tool to change or add details. Instead, you may need to request an amendment to your tax return.

To answer the questions in the PSI decision tool you may need:

- details of contracts or written agreements with your clients during the income year
- invoices from work performed during the income year
- records of payments to any employees or subcontractors
- your TFN (if you wish to submit your result to us).

The tool should take 5 to 20 minutes to complete.

What this decision tool gives you

After answering a series of questions, the tool will provide you with a report that gives you:

- guidance on whether your income is PSI and if the PSI rules apply to you
- a summary of the responses you have provided
- information about what your result means for your tax obligations.

You can save or print a copy of the report for your records.

In many cases you will be able to rely on the result provided by the tool, if:

- you keep a record of your result
- your responses accurately reflect your personal circumstances.

In some cases, for you to rely on your result, you will need to apply for a personal services business (PSB) determination. A PSB determination can only be issued if you access the tool through our online services for individuals.

If the tool is unable to issue you with a PSB determination, you may request to be contacted by an ATO officer who will issue you with a notice of decision. They will review your results, seek further information if necessary, and make a decision on whether to grant a PSB determination.



The result you receive from the tool is not a decision of the Commissioner to which you can object. You can however, object to the decision of the ATO officer.

If you're able to rely on your result, we will not charge you interest and penalties that might otherwise apply if we review your circumstances in the future and find you have not met your PSI obligations.

The PSI tool can't be used for every situation. In some circumstances, you may need to request a PSB determination.

Note: complex arrangements, such as those covered in taxpayer alerts, are not within this tool's scope. If you have complex affairs, you should **apply for a private ruling** instead of relying on the tool.

Next steps:

- Use the [Personal services income tool – online services for individuals](#)  if you want to submit your result to us for use in your tax return
- Use the [Personal services income tool](#)  on our website

See also:

- Personal services income
- Apply for a PSB determination
- Online services – Individuals and sole traders
- Taxpayer alerts

QC 47696

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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