



Schedule 10 – Tax table for payments made under voluntary agreements

Work out the tax to withhold from payments made to an individual under a voluntary agreement.

Published 17 June 2024

Using this schedule

This schedule applies to payments made from 1 July 2024.

This withholding schedule is made by the Commissioner of Taxation in accordance with sections 15-25 and 15-30 of Schedule 1 to the *Taxation Administration Act 1953* (TAA). It applies to withholding payments covered by section 12-55 of Schedule 1 to the TAA.

Use this schedule if you make payments to an individual under a voluntary agreement to withhold.

How to work out the withholding amount

To work out the withholding amount, you need to assess whether the payee has informed you of their Commissioner's instalment rate (CIR) and whether the amount includes GST.

For more information, refer to **PAYG withholding – voluntary agreements** (NAT 3063).

If the payee has informed you of their CIR

If the payee has informed you of their CIR, use the following to work out how much to withhold:

- If the payee's CIR is greater than or equal to 20% – withhold the amount worked out by multiplying the amount of the payment by the CIR.
- If the payee's CIR is less than 20% – withhold the amount worked out by multiplying the amount of the payment by 20%. However, if your voluntary agreement with the payee states that their CIR will apply, you must withhold the amount worked out by multiplying the amount of the payment by the CIR.

If the payee has informed you that they don't have a CIR

You must withhold 20% of the amount of the payment.

If the payment includes an amount for GST

If the payment includes an amount for GST, you exclude this GST amount when calculating the appropriate rate to withhold.

Example: using CIR

Francesca is a marketing consultant who receives income from many sources. She has a voluntary agreement to withhold with Ashfield Accounting (her largest payer) and they have agreed to use her CIR of 16.44%.

Ashfield Accounting calculates the amount to be withheld by multiplying the amount of each payment (excluding any GST component) by 16.44%.

If Francesca and Ashfield Accounting did not have an agreement to use her CIR, the rate of withholding would be 20%.

Rounding of withholding amounts

Withholding amounts calculated by applying this schedule should be rounded to the nearest dollar. Results ending in 50 cents are rounded to the next higher dollar.

PAYG withholding publications

You can access all PAYG withholding tax tables and other PAYG withholding publications at:

- Tax tables
- PAYG withholding.

QC 102424

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.

Copyright notice

© Australian Taxation Office for the Commonwealth of Australia

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).