



# Changes to your PAYG withholding cycle

Your pay as you go (PAYG) withholding cycle may change from 1 July.

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Each year, we review pay as you go (PAYG) withholding cycles to check if they need to be changed based on your business's annual withholding amount.

During April, we'll be writing to you if your PAYG withholding cycle is going to change. If affected, your reporting and payment obligations will change from 1 July, 2025.

We'll change your withholding, reporting and payment cycle if your annual withholding payments in all branches have increased.

Where your annual withholding amount is:

- between \$25,000 and \$1 million (medium withholder status), you're required to report on your activity statement and pay monthly.
- more than \$1 million (large withholder status) you're required to pay electronically within 6–8 days from the day you withheld the amount, such as when you pay staff. You'll get a new Payment Reference Number (PRN) ending in 70 to quote when you pay on the set payment days. You need to check that the withholding amounts you're paying using your new PRN match the amounts you've reported via Single Touch Payroll. You don't need to report PAYG withholding on your activity statements if you report through Single Touch Payroll.

## Changing your withholding, reporting and payment cycle

If your withholding status is changing, it's important that you make the changes to your payroll software before 1 July, 2025 to align your

withholding reporting and payments with the new due dates.

You can ask to stay on your existing cycle if you estimate your 2025–26 PAYG withholding amount will be less than the relevant threshold.

To do this, send us a Request to remain on a lower withholding cycle form within 21 days from the issue date of our letter. Provide the reason for your request, outlining your change in circumstances and the estimated amount of withholding in 2025–26.

For more information, visit [ATO annual review of PAYG withholding cycles](#).

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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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