

Employment termination payment worksheet

Complete a separate worksheet for each recipient.

- !** Do not use this worksheet for payments relating to:
- invalidity
 - a death benefit
 - a genuine redundancy, or
 - early retirement.

Employee's name

No.

Date employment commenced / /

Amount of the ETP (A) \$

ETP cap amount (B) \$

EMPLOYMENT PERIOD

STEP 1: Number of days before 1 July 1983

! Only use this step if employment started before 1 July 1983.

First determine the number of whole years from date employment started to 30 June 1983 (include 30 June).

years × 365 days = days

One day for each whole year which includes 29 February + days

Days in the part year period + days

Total number of days before 1 July 1983 = days

STEP 2: Number of days after 30 June 1983

Date of employment termination / /

Complete this step for each payment.

First determine the number of whole years from 1 July 1983 to date of termination of employment (include the termination date).

years × 365 days = days

One day for each whole year which includes 29 February + days

Days in the part year period + days

Total number of days after 30 June 1983 = days

STEP 3: Total days in the employment period

Step 1 days (if any) + Step 2 days = days

TAX-FREE COMPONENT

STEP 4: Pre-July 1983 segment

! Only use this step if employment started before 1 July 1983.

ETP amount (A) × (Step 1 days ÷ Step 3 days) = \$

TAXABLE COMPONENT

STEP 5: Balance of ETP subject to withholding

ETP amount (A) - Pre-July 1983 segment (step 4) = \$

STEP 6: Amount up to the ETP cap amount

Amount at step 5 up to the ETP cap amount (B) \$

STEP 7: Amount to be withheld (under ETP cap amount)

Step 6 amount × Rate of withholding % = \$

Rate of withholding depends on preservation age of recipient, see page 6 of the guide *Employment termination payments* (NAT 71043).

STEP 8: Amount over the ETP cap amount

Step 5 amount - ETP cap amount (B) = \$

STEP 9: Amount to withhold over ETP cap amount

Step 7 amount × (Top marginal tax rate plus Medicare levy) 46.5% = \$

STEP 10: Total withholding

Step 7 amount + Step 8 amount (if any) = \$

