

Seasonal worker program

Taxation of seasonal workers who have changed from a subclass 403 visa to a different temporary visa (for example, a subclass 408 visa) and obligations of their approved employers

This fact sheet is for workers and approved employers in the Seasonal Worker Program (SWP).

It applies if seasonal workers:

- have been participating in the SWP, and continue to do so
- were previously on a Temporary Work (International Relations) subclass 403 visa (subclass 403 visa)
- are now on a different temporary visa, for example
 - a bridging visa E, or
 - a Temporary Activity (subclass 408) AGEE - COVID-19 Pandemic event visa (subclass 408 visa).

The law has been modified to ensure seasonal workers continue to be taxed at 15% when they change to a different temporary visa. This is done by an employer withholding a final tax of 15%. This applies from 24 March 2020 to ensure the arrangements under the subclass 403 visa continue to apply.

This fact sheet provides seasonal workers (you) and approved seasonal worker employers with guidance on what to do.

This fact sheet supersedes the previous fact sheet on this matter that was issued in October 2020.

Do I need to lodge a tax return in Australia?

You **do not** need to lodge a tax return if:

- you are a foreign resident
- the only income you earn in Australia is from the SWP (including salary, wages, commission, bonuses or allowances) or bank interest from an Australian bank, and
- your employer is approved under the SWP and has withheld 15% tax on your behalf.

The change of visa from a subclass 403 visa to a different temporary visa will not of itself change your residency status.

What if I lodged my tax return?

You are not required to lodge an income tax return but if you did, you do not need to do anything.

We will process the income tax returns that have been lodged. We will apply a rate of 15% tax to your employment income from the SWP, ensure your residency status shows that you are a non-resident and tax any other income you declared at the applicable tax rate.

If you lodged your tax return and have already received your notice of assessment from us, we may contact you to correct it.

What if my employer withheld more than 15% tax from my pay?

Speak to your employer.

If your employer withheld a higher rate of tax than 15% in the current tax year, your employer can organise a refund to you of the excess tax withheld.

If your employer withheld a higher rate of tax than 15% in a prior tax year, you will need to request a refund from us.

You can either:

- email your request for a refund of excess withholding to withholding@ato.gov.au, or
- write to us at PO Box 1032, ALBURY NSW 2640.

You will need to provide:

- your contact details
- your employer's contact details
- your visa status, and
- details of the payments you received and tax amounts withheld.

Employer withholding

Approved employers are required to withhold and remit 15% tax where a person working in the SWP is a foreign resident and holds a subclass 403 visa, 408 visa or another temporary visa.

Any employer that withheld at a higher rate prior to the modification will not be subject to penalties under taxation law. Where this has occurred, the seasonal worker is entitled to refunds of the higher amount withheld in error.

- If the higher amount was withheld in the current tax year, the employer may refund the tax to the employee. Where the employer has already paid the tax withheld to us and lodged an activity statement, they should revise their activity statement in order to receive a refund for the amounts incorrectly withheld and paid.
- If the higher amount was withheld in the 2019–20 income year, the seasonal worker must request a refund of the withholding tax from us (refer earlier in fact sheet).

More information

For more information, see:

- [Seasonal worker program](#)
- [Work out your residency status for tax purposes](#)
- [Residency and source of income – COVID-19](#)

If you wish to discuss your circumstances, call us on 13 28 61. For a call back from an ATO officer, email TaxAdvice@ato.gov.au

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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 in this publication and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we must still apply the law correctly. If that means you owe us money, we must ask you to pay it but we will not charge you a penalty. Also, if you acted reasonably and in good faith we will not charge you interest.

If you make an honest mistake trying to follow our information in this publication and you owe us money as a result, we will not charge you a penalty. However, we will ask you to pay the money, and we may also charge you interest. If correcting the mistake means we owe you money, we will pay it to you. We will also pay you any interest you are entitled to.

If you feel that this publication does not fully cover your circumstances, or you are unsure how it applies to you, you can seek further assistance from us.

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