


CR 2013/97A1 - Addendum - Income tax: Essential Energy's Network Business Mix and Match Program

 This cover sheet is provided for information only. It does not form part of *CR 2013/97A1 - Addendum - Income tax: Essential Energy's Network Business Mix and Match Program*

 View the [consolidated version](#) for this notice.



Addendum

Class Ruling

Income tax: Essential Energy's Network Business Mix and Match Program

This Addendum is a public ruling for the purposes of the *Taxation Administration Act 1953*. It amends Class Ruling CR 2013/97 to reflect a change in payments to be made to eligible employees who express an interest to retire under the early retirement scheme.

CR 2013/97 is amended as follows:

1. Paragraph 24

Omit the paragraph; Substitute:

24. All eligible employees within the class will receive a voluntary separation payment (VSP) under the Scheme as follows:

Essential Energy Enterprise Agreement 2011:

The separation payment * will be:

- (a) four weeks' notice payment (five for those over 45 years of age) plus
- (b) an early acceptance payment, if accepted within two weeks of written offer:
 - (i) less than one year's service - two weeks' payment
 - (ii) one year and less than two years' service – four weeks' payment
 - (iii) two years and less than three years' service- six weeks' payment
 - (iv) three years or more – eight weeks' payment
- (c) two weeks for each completed year of service.

*The total separation payment is capped at a maximum of 52 weeks.

Essential Energy Far West Electricity Enterprise Agreement 2013:

The separation payment will be:

(a) Service between 1 year and 13 years:

- (i) Four (4) weeks' notice or payment in lieu, plus an additional one (1) week's notice or pay in lieu for employees aged 45 years and over with five (5) or more years of completed service.
- (ii) Severance pay for each completed year of service at the rate of three (3) weeks per year of continuous service up to a maximum of thirty nine (39) weeks, with pro-rata payments for incomplete years of service to be on a quarterly basis.
- (iii) an additional acceptance payment, if a severance offer is accepted within two (2) weeks of written offer:
 - Less than one (1) year service – 2 weeks' payment
 - One (1) year and less than two (2) years – 4 weeks' payment
 - Two (2) years and less than three (3) years – 6 weeks' payment
 - Three (3) years or more – 8 weeks' payment

(b) Service between 14 years and 17 years

- (i) Fifty two (52) weeks with pro-rata payments for incomplete years of service to be on a quarterly basis.

(c) Service of 18 years plus

- (i) Three (3) weeks per year of continuous service, with pro-rata payments for incomplete years of service to be on a quarterly basis.

Calculation of payments for part-time employees:

Part-time employees will receive a pro-rated voluntary separation payment based on the above formula.

Employees on individual agreements/contracts of employment:

The calculation of a VSP for an employee on an individual employment agreement/contract will be in accordance with the amount as set out in that agreement/contract. Apart from any accrued entitlements and the VSP, no further 'additional payments' will be made.

This Addendum applies on and from 11 December 2013.

Commissioner of Taxation
15 January 2014

ATO references

NO:	1-57TQWJ5
ISSN:	1445-2014
ATOlaw topic:	Income Tax ~~ Assessable income ~~ employment termination payments - early retirement scheme

**© 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).