



## **Taxation Administration Act 1953**

### **Pay as you go withholding**

### **Occasional payroll donations to deductible gift recipients – Legislative Instrument**

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I, Erin Kathleen Holland, Deputy Commissioner of Taxation, vary the amount required to be withheld as described below from withholding payments that are:

- covered by subdivision 12-B (Payments for work and services) of Schedule 1 to the *Taxation Administration Act 1953*; and
- within the class of cases described below.

I make this variation of the amount required to be withheld under the power contained in section 15-15 of Schedule 1 to the *Taxation Administration Act 1953* to meet the special circumstances of that class of cases.

#### **Class of cases**

Payments covered by subdivision 12-B of Schedule 1 to the *Taxation Administration Act 1953*, where:

- all or part of the payment is paid, or is to be paid, by a payer at the direction of the payee, as a donation to a **deductible gift recipient** (as defined in section 30-227 of the *Income Tax Assessment Act 1997*);
- the donation is made under an occasional giving arrangement and
- the payee has not advised the payer that they do not want a variation to the amount withheld.

## Amount required to be withheld

In working out how much a payer is required to withhold under the withholding schedules (known as the Pay as you go withholding tax tables), a payer should:

- A. Calculate the amount of withholding required from the payees' gross earnings for the relevant pay period (prior to deducting the donation) by using the applicable tax table; and
- B. Subtract from the withholding figure calculated at (A), the amount of the donation multiplied by the rate applicable to the payee's earnings for the period as prescribed in the last column of the table below.

Earnings for period			Applicable Rate
Weekly \$	Fortnightly \$	Monthly \$	
188 - 390	376 - 781	815 - 1693	0.15
391 - 652	782 - 1305	1694 - 2829	0.165
653 - 1537	1306 - 3075	2830 - 6664	0.315
1538 - 3460	3076 - 6921	6665 - 14997	0.415
3461 and above	6922 and above	14998 and above	0.465
The applicable rate is based on the payee providing to this payer a Tax File Number declaration and being an Australian resident who has claimed the tax free threshold.			

If the resulting withholding amount is zero or negative, there is no amount to withhold.

## Commencement

This instrument commences on the day after registration on the Federal Register of Legislative Instruments.

Signed on Wednesday 18<sup>th</sup> March 2009.



Erin Holland  
Deputy Commissioner of Taxation

