



Australian Taxation Office

Taxation Administration Act 1953

Pay as you go withholding

Taxation Administration Act 1953 – Tax table for additional amounts to withhold as a result of an agreement to increase withholding – Legislative Instrument

I, Steve Vesperman, Deputy Commissioner of Taxation, make this instrument under section 15-25 of Schedule 1 to the *Taxation Administration Act 1953*.

Signed on the 2nd December 2014

Steve Vesperman
Deputy Commissioner of Taxation

Commencement

This instrument commences on 1 February 2015.

Purpose

- (1) Withholding schedules specify the formulas and procedures to be used for working out the amount to be withhold by an entity from a withholding payment covered by Subdivision 12-B, 12-C or 12-D of Schedule 1 to the *Taxation Administration Act 1953*.
- (2) The withholding schedule in this instrument is made for the purposes of collecting income tax, Medicare levy, Temporary Budget Repair levy and amounts due to the Commonwealth under the *Higher Education Support Act 2003*, the *Social Security Act 1991* and the *Student Assistance Act 1973*.
- (3) The withholding schedule in this instrument replaces the schedule which currently applies. This instrument revokes that schedule.

Withholding Schedule

The withholding schedule listed below has effect from the date of commencement of this instrument:

Schedule number	Quick code number	Title
14	34744	Tax table for additional amounts to withhold as a result of an agreement to increase withholding

Revocation of current withholding schedule

The withholding schedule listed below is withdrawn:

Schedule number	NAT number	Title
40	NAT 5441-05.2013	Tax table for additional amounts to withhold as a result of an upwards variation

Schedule 14 – Tax table for additional amounts to withhold as a result of an agreement to increase withholding

Use this table if there is an agreement in place between you and your payee to withhold an additional amount.

For payments made on or after 1 February 2015

This document is a withholding schedule made by the Commissioner of Taxation in accordance with sections 15-25 and 15-30 of Schedule 1 to the *Taxation Administration Act 1953*. It applies to withholding payments covered by Subdivision 12-B, 12-C and 12-D.

Using this table

A payee may ask you to withhold a higher amount from their income than would normally be required.

A payee's request to have additional amounts withheld should be in writing but can be in any format that suits your business. For example, an email request could be used or you may design a paper or computer-based form for this purpose.

Your agreement to the arrangement will be indicated by withholding in accordance with the payee's request. No additional record is required.

The total amount to withhold is the normal amount calculated on the payee's earnings (based on the applicable withholding schedule or regulation) plus the additional amount requested by the payee.

Find out more

For a full list of tax tables, refer to [Tax tables](#).

Alternatively, our calculator can help you work out the correct amount of tax to withhold from payments to most payees. To access the calculator, refer to [Tax withheld calculator](#).

How to work out the withholding amount

To work out the amount to withhold, you must:

1. Use the appropriate tax table to look up the normal amount of withholding for the period using instructions in that table.
2. Work out the additional amount the payee wants withheld in accordance with their written request.
3. Add the amount from step 1 to the amount from step 2.

Example

The payee's weekly earnings are \$854.00. The payee and the payer have an agreement that the payer withholds an additional \$50 a week from the payee's earnings. If the payee is claiming the tax-free threshold, the payer would use column 2 of the *Weekly tax table* (NAT 1005) to find the basic amount to withhold of \$132. The total amount to withhold from the payee's weekly earnings is $\$132 + \$50 = \$182$.

PAYG withholding publications

You can access all PAYG withholding tax tables and other PAYG withholding publications quickly and easily from our website. For more information:

- visit [PAYG withholding](#)
- refer to
 - [Tax tables](#)
 - [PAYG withholding variations for payers](#)

Copies of weekly and fortnightly tax tables are available from selected newsagents. Selected newsagents also hold copies of the following:

- [Tax file number declaration](#) (NAT 3092)
- [Withholding declaration](#) (NAT 3093)