

ABOUT THIS PAYMENT SUMMARY

INFORMATION FOR PAYEES


Under the pay as you go (PAYG) withholding system, your employer or payer withholds amounts from certain types of payments made to you and sends these withheld amounts to us.

Your employer or payer must also provide you with a payment summary that shows the details of the payments made to you and the amounts withheld.

If this payment summary shows that tax has been withheld, you need to lodge a tax return with us for the year shown on the payment summary. If no tax is withheld, you may still have to lodge a tax return.

When you lodge your tax return, a credit for the tax withheld, shown on this payment summary, will reduce any liability raised in your assessment.

 There is no requirement for you to attach a copy of this payment summary to your tax return.

 You must keep all payment summaries you receive for five years, or two years if you are an Australian resident and have simple tax affairs. Visit our website or contact us to see if this applies to you.

LODGING YOUR TAX RETURN

You can lodge:

- online at ato.gov.au/etax
- by phone, if you have simple tax affairs
- through a registered tax agent
- by mail.

AMENDING A PAYMENT SUMMARY

If there is an error in the original payment summary provided to you, your super fund or payer must give you an amended payment summary. If this is the case, the amended payment summary box on the top of this form will be marked with an X. the 'Amending a payment summary' box on the top of this form will be marked with an X.

If you have received an amended payment summary and have not yet lodged your tax return, use the information on the amended payment summary – not the original – to complete your return.

However, if you have already lodged your tax return and then receive an amended payment summary, you may need to lodge an amendment to that tax return.

 If you want to know more about your payment summary, lodging your tax return or lodging an amendment to your tax return, visit our website at ato.gov.au or phone **13 28 61** between 8.00am and 6.00pm, Monday to Friday.

TAXABLE COMPONENT

This is the total amount of the payment, less the tax-free component. This amount is generally assessable income.

TAX-FREE COMPONENT

This is the amount of the payment that is tax-free. It consists of any pre-July 1983 segment plus any invalidity segment of the payment.

EMPLOYMENT TERMINATION PAYMENT (ETP) CODE

There are different types of employment termination payments. The code is used to describe the type of payment and will ensure the correct rate of tax is applied.

DEATH BENEFIT

A death benefit is an employment termination payment received after another person's death. It is a payment made because of the termination of the other person's employment.

 For more information about employment termination payments, refer to the *Individual tax return instructions* (NAT 71050) available on our website at ato.gov.au

TAX FILE NUMBERS

The *Taxation Administration Act 1953* authorises your payer to ask you to provide your tax file number (TFN). While it is not compulsory to provide your TFN to your payer, they may have withheld at a higher rate if you did not. We will use your TFN to identify you in our records.

