

# Statement of formulas for calculating HELP, SSL, TSL and SFSS components

The coefficients in this schedule should be used together with the *Statement of formulas for calculating amounts to be withheld* (NAT 1004)

## For payments made from 1 July 2018 to 30 June 2019

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* (TAA). It applies to withholding payments covered by Subdivisions 12-B (except sections 12-50 and 12-55), 12-C (except sections 12-85 and 12-90) and 12-D of Schedule 1 to the TAA.

## Using this schedule

You should use this schedule if you develop your own payroll software package. Formulas and coefficients are used for calculating weekly withholding amounts for employees who have a:

- Higher Education Loan Program (HELP) debt
- Student Start-up Loan (SSL) debt (includes ABSTUDY SSL debts)
- Trade Support Loan (TSL) debt
- Financial Supplement (FS) debt.

For a full list of tax tables, visit our website at [ato.gov.au/taxtables](http://ato.gov.au/taxtables)

Our tax withheld calculator can help you work out the correct amount of tax to withhold from payments to most employees. To access the calculator, visit our website at [ato.gov.au/taxwithheldcalculator](http://ato.gov.au/taxwithheldcalculator)

## Using a formula

The withholding amounts for employees who have a HELP/SSL/TSL or Financial Supplement debt can be expressed in a mathematical form.

If you have developed your own payroll software package, you can use the formulas and component rates outlined below.

The formulas comprise linear equations of the form  $y = ax$ , where:

- $y$  is the weekly HELP/SSL/TSL or SFSS component
- $x$  is the weekly earnings – or weekly equivalent of earnings – rounded down to whole dollars plus 99 cents
- $a$  is the value of the component rate as shown in the following tables.



## HELP/SSL/TSL components rates

### Tax-free threshold claimed or foreign resident

Weekly earnings – x \$			Component rate – a %
0	to	998.99	–
999.00	to	1,109.99	2.0
1,110.00	to	1,235.99	4.0
1,236.00	to	1,362.99	4.5
1,363.00	to	1,433.99	5.0
1,434.00	to	1,541.99	5.5
1,542.00	to	1,669.99	6.0
1,670.00	to	1,757.99	6.5
1,758.00	to	1,933.99	7.0
1,934.00	to	2,060.99	7.5
2,061.00	and	over	8.0

### No tax-free threshold claimed

Weekly earnings – x \$			Component rate – a %
0	to	648.99	–
649.00	to	759.99	2.0
760.00	to	885.99	4.0
886.00	to	1,012.99	4.5
1,013.00	to	1,083.99	5.0
1,084.00	to	1,191.99	5.5
1,192.00	to	1,319.99	6.0
1,320.00	to	1,407.99	6.5
1,408.00	to	1,583.99	7.0
1,584.00	to	1,710.99	7.5
1,711.00	and	over	8.0

## SFSS components rates

### Tax-free threshold claimed or foreign resident

Weekly earnings – x \$			Component rate – a %
0	to	998.99	–
999.00	to	1,235.99	2.0
1,236.00	to	1,757.99	3.0
1,758.00	and	over	4.0

### No tax-free threshold claimed

Weekly earnings – x \$			Component rate – a %
0	to	648.99	–
649.00	to	885.99	2.0
886.00	to	1,407.99	3.0
1,408.00	and	over	4.0

## Calculating fortnightly, monthly or quarterly withholding amounts

First calculate the weekly equivalent of fortnightly, monthly or quarterly earnings. If you pay:

- **fortnightly** – divide the sum of the fortnightly earnings and the amount of any allowances subject to withholding by two. Ignore any cents in the result and then add 99 cents
- **monthly** – obtain the sum of the monthly earnings and the amount of any allowances subject to withholding (if the result is an amount ending in 33 cents, add one cent). Multiply this amount by three and then divide by 13. Ignore any cents in the result and then add 99 cents
- **quarterly** – divide the sum of the quarterly earnings and the amount of any allowances subject to withholding by 13. Ignore any cents in the result and then add 99 cents.

Then calculate fortnightly, monthly or quarterly withholding amounts as follows:

- **fortnightly** – determine the rounded weekly withholding amount applicable to the weekly equivalent of earnings before any adjustment for tax offsets. Multiply this amount by two
- **monthly** – determine the rounded weekly withholding amount applicable to the weekly equivalent of earnings before any adjustment for tax offsets. Multiply this amount by 13, divide the product by three and round the result to the nearest dollar
- **quarterly** – determine the rounded weekly withholding amount applicable to the weekly equivalent of earnings before any adjustment for tax offsets. Multiply this amount by 13.

## When to work out the HELP/SSL/TSL component

You will need to calculate the HELP/SSL/TSL component when your employee has given you a *Tax file number declaration* (NAT 3092) or *Withholding declaration* (NAT 3093) and has:

- answered **yes** to the question ‘Do you have a Higher Education Loan Program (HELP), Student Start-up Loan (SSL) or Trade Support Loan (TSL) debt?’
- not completed a *Medicare levy variation declaration* (NAT 0929) claiming a reduction or exemption in the Medicare levy for having a spouse or dependants and low family income

- claimed the tax-free threshold or is a foreign resident with earnings of one of the following
  - \$999 or more if paid weekly
  - \$1,998 or more if paid fortnightly
  - \$4,329 or more if paid monthly
  - \$12,987 or more if paid quarterly.

If your employee has not claimed the tax-free threshold, the HELP/SSL/TSL component is calculated on earnings of:

- \$649 or more if paid weekly
- \$1,298 or more if paid fortnightly
- \$2,812.33 or more if paid monthly
- \$8,437 or more if paid quarterly.

You must withhold the HELP/SSL/TSL component from all your employee's earnings, including taxable allowances, bonuses and commissions.

### Examples

- 1 Employee has claimed the tax-free threshold and has weekly earnings of \$1,095.84.  
HELP/SSL/TSL component =  $\$1,095.99 \times 2\% = \$22.00$  rounded to the nearest dollar.
- 2 Employee has claimed the tax-free threshold and has fortnightly earnings of \$2,355.78.  
Weekly equivalent of  $\$2,355.78 = \$1,177.99$  ( $\$2,355.78$  divided by two, ignoring cents and adding 99 cents).  
Weekly HELP/SSL/TSL component =  $\$1,177.99 \times 4\% = \$47.00$  rounded to the nearest dollar.  
Fortnightly HELP/SSL/TSL component =  $\$94.00$  ( $\$47.00 \times 2$ ).
- 3 Employee has claimed the tax-free threshold and has monthly earnings of \$5,488.45.  
Weekly equivalent of  $\$5,488.45 = \$1,266.99$  ( $\$5,488.45 \times 3/13$ , ignoring cents and adding 99 cents).  
Weekly HELP/SSL/TSL component =  $\$1,266.99 \times 4.5\% = \$57.00$  rounded to the nearest dollar.  
Monthly HELP/SSL/TSL component =  $\$247.00$  ( $\$57.00 \times 13/3$ , rounded to the nearest dollar).

## When to work out the SFSS component

You will need to calculate the SFSS component when your employee has given you a *Tax file number declaration* or *Withholding declaration* and has:

- answered **yes** to the question 'Do you have a Financial Supplement debt?'
- not completed a *Medicare levy variation declaration* (NAT 0929) claiming a reduction or exemption in the Medicare levy for having a spouse or dependants and low family income
- claimed the tax-free threshold or is a foreign resident with earnings of one of the following
  - \$999 or more if paid weekly
  - \$1,998 or more if paid fortnightly
  - \$4,329 or more if paid monthly
  - \$12,987 or more if paid quarterly.

If your employee has not claimed the tax-free threshold, the SFSS component is calculated on earnings of:

- \$649 or more if paid weekly
- \$1,298 or more if paid fortnightly
- \$2,812.33 or more if paid monthly
- \$8,437 or more if paid quarterly.

You must withhold the SFSS component from all your employee's earnings, including taxable allowances, bonuses and commissions.

### Examples

- 1 Employee has claimed the tax-free threshold and has weekly earnings of \$1,238.24.  
SFSS component =  $\$1,238.99 \times 3\% = \$37.00$  rounded to the nearest dollar.
- 2 Employee has claimed the tax-free threshold and has fortnightly earnings of \$2,311.59.  
Weekly equivalent of  $\$2,311.59 = \$1,155.99$  ( $\$2,311.59$  divided by two, ignoring cents and adding 99 cents).  
Weekly SFSS component =  $\$1,155.99 \times 2\% = \$23.00$  rounded to the nearest dollar.  
Fortnightly SFSS component =  $\$46.00$  ( $\$23.00 \times 2$ ).
- 3 Employee has claimed the tax-free threshold and has monthly earnings of \$5,689.21.  
Weekly equivalent of  $\$5,689.21 = \$1,312.99$  ( $\$5,689.21 \times 3/13$ , ignoring cents and adding 99 cents).  
Weekly SFSS component =  $\$1,312.99 \times 3\% = \$39.00$  rounded to the nearest dollar.  
Monthly SFSS component =  $\$169.00$  ( $\$39.00 \times 13/3$ , rounded to the nearest dollar).

Do not withhold any amount for HELP/SSL/TSL or Financial Supplement debts from lump sum termination payments.

## Rounding of withholding amounts

Withholding amounts calculated as a result of applying the above formulas are rounded to the nearest dollar. Values ending in 50 cents are rounded to the next higher dollar. Do this rounding directly – that is, do not make a preliminary rounding to the nearest cent.

## Accounting software

Software written in accordance with the formulas in this schedule should be tested for accuracy against the sample data provided on our website at [ato.gov.au/taxtables](http://ato.gov.au/taxtables). The results obtained when using the coefficients in this schedule may differ slightly from the amounts shown in the PAYG tax tables. The differences result from the rounding of components.

# Coefficients to work out the weekly amounts to withhold including the HELP/SSL/TSL component

Your employee's total withholding, including the HELP/SSL/TSL component, can be calculated using the formula and coefficients stated below.

## Using a formula

The formulas comprise linear equations of the form  $y = ax - b$ , where:

- **y** is the weekly withholding amount expressed in dollars
- **x** is the number of whole dollars in the weekly earnings plus 99 cents
- **a** and **b** are the values of the coefficients for each set of formulas for each range of weekly earnings (or, in the case of fortnightly, monthly or quarterly earnings, the weekly equivalent of these amounts).

If two employees are taxed using a particular scale (for example, scale 2) but only one of them has a HELP/SSL/TSL debt, you will need to set up two separate scales in your payroll system. One scale will need to incorporate the HELP/SSL/TSL component and one will not – for example, name one 'scale 2' and the other 'scale 22'.

The HELP/SSL/TSL component **does not** apply if the employee has not provided a tax file number (TFN).

For scales without the HELP/SSL/TSL component, refer to *Statement of formulas for calculating amounts to be withheld* (NAT 1004).

Where tax-free threshold NOT claimed in Tax file number declaration Scale 1		
WITH HELP/SSL/TSL Debt		
Weekly earnings (x) less than	a	b
\$		
72	0.1900	0.1900
361	0.2342	3.2130
649	0.3477	44.2476
760	0.3677	44.2476
886	0.3877	44.2476
932	0.3927	44.2476
1013	0.3900	41.7311
1084	0.3950	41.7311
1192	0.4000	41.7311
1320	0.4050	41.7311
1380	0.4100	41.7311
1408	0.4550	103.8657
1584	0.4600	103.8657
1711	0.4650	103.8657
3111	0.4700	103.8657
3111 & over	0.5500	352.7888

Where payee has claimed the tax free threshold in Tax file number declaration with or without leave loading Scale 2		
WITH HELP/SSL/TSL Debt		
Weekly earnings (x) less than	a	b
\$		
355	—	—
422	0.1900	67.4635
528	0.2900	109.7327
711	0.2100	67.4635
999	0.3477	165.4423
1110	0.3677	165.4423
1236	0.3877	165.4423
1282	0.3927	165.4423
1363	0.3900	161.9808
1434	0.3950	161.9808
1542	0.4000	161.9808
1670	0.4050	161.9808
1730	0.4100	161.9808
1758	0.4550	239.8654
1934	0.4600	239.8654
2061	0.4650	239.8654
3461	0.4700	239.8654
3461 & over	0.5500	516.7885

Foreign residents Scale 3		
WITH HELP/SSL/TSL Debt		
Weekly earnings (x) less than	a	b
\$		
999	0.3250	0.3250
1110	0.3450	0.3250
1236	0.3650	0.3250
1363	0.3700	0.3250
1434	0.3750	0.3250
1542	0.3800	0.3250
1670	0.3850	0.3250
1730	0.3900	0.3250
1758	0.4350	77.8846
1934	0.4400	77.8846
2061	0.4450	77.8846
3461	0.4500	77.8846
3461 & over	0.5300	354.8077

Where payee claimed FULL exemption from Medicare levy in Medicare levy variation declaration Scale 5		
WITH HELP/SSL/TSL Debt		
Weekly earnings (x) less than	a	b
\$		
355	0.0000	0.0000
711	0.1900	67.4635
999	0.3277	165.4423
1110	0.3477	165.4423
1236	0.3677	165.4423
1282	0.3727	165.4423
1363	0.3700	161.9808
1434	0.3750	161.9808
1542	0.3800	161.9808
1670	0.3850	161.9808
1730	0.3900	161.9808
1758	0.4350	239.8654
1934	0.4400	239.8654
2061	0.4450	239.8654
3461	0.4500	239.8654
3461 & over	0.5300	516.7885

Where payee claimed HALF exemption from Medicare levy in Medicare levy variation declaration Scale 6		
WITH HELP/SSL/TSL Debt		
Weekly earnings (x) less than	a	b
\$		
355	0.0000	0.0000
711	0.1900	67.4635
713	0.3277	165.4423
891	0.3777	201.1048
999	0.3377	165.4425
1110	0.3577	165.4425
1236	0.3777	165.4425
1282	0.3827	165.4425
1363	0.3800	161.9810
1434	0.3850	161.9810
1542	0.3900	161.9810
1670	0.3950	161.9810
1730	0.4000	161.9810
1758	0.4450	239.8656
1934	0.4500	239.8656
2061	0.4550	239.8656
3461	0.4600	239.8656
3461 & over	0.5400	516.7887

Withholding amounts including the HELP/SSL/TSL component worked out by using the coefficients may differ slightly from the sums of the amounts shown in the PAYG and HELP/SSL/TSL tax tables. The differences result from the rounding of components.

For sample data, visit our website at [ato.gov.au/taxtables](http://ato.gov.au/taxtables)

# Coefficients to work out the weekly amounts to withhold including the SFSS component

Your employee's total withholding, including the SFSS component, can be calculated using the formula and coefficients stated below.

## Using a formula

The formulas comprise linear equations of the form  $y = ax - b$ , where:

- **y** is the weekly withholding amount expressed in dollars
- **x** is the number of whole dollars in the weekly earnings plus 99 cents
- **a** and **b** are the values of the coefficients for each set of formulas for each range of weekly earnings (or, in the case of fortnightly, monthly or quarterly earnings, the weekly equivalent of these amounts).

If two employees are taxed using a particular scale (for example, scale 2) but only one of them has a Financial Supplement debt, you will need to set up two separate scales in your payroll system. One scale will need to incorporate the SFSS component and one will not – for example, name one 'scale 2' and the other 'scale 22'.

The SFSS component **does not** apply if the employee has not provided a tax file number (TFN).

For scales without the SFSS component, refer to *Statement of formulas for calculating amounts to be withheld* (NAT 1004).

Where tax-free threshold NOT claimed in Tax file number declaration Scale 1		
WITH FS Debt		
Weekly earnings (x) less than \$	a	b
72	0.1900	0.1900
361	0.2342	3.2130
649	0.3477	44.2476
886	0.3677	44.2476
932	0.3777	44.2476
1380	0.3750	41.7311
1408	0.4200	103.8657
3111	0.4300	103.8657
3111 & over	0.5100	352.7888

Where payee has claimed the tax free threshold in Tax file number declaration with or without leave loading Scale 2		
WITH FS Debt		
Weekly earnings (x) less than \$	a	b
355	—	—
422	0.1900	67.4635
528	0.2900	109.7327
711	0.2100	67.4635
999	0.3477	165.4423
1236	0.3677	165.4423
1282	0.3777	165.4423
1730	0.3750	161.9808
1758	0.4200	239.8654
3461	0.4300	239.8654
3461 & over	0.5100	516.7885

Foreign residents Scale 3		
WITH FS Debt		
Weekly earnings (x) less than \$	a	b
999	0.3250	0.3250
1236	0.3450	0.3250
1730	0.3550	0.3250
1758	0.4000	77.8846
3461	0.4100	77.8846
3461 & over	0.4900	354.8077

Where payee claimed FULL exemption from Medicare levy in Medicare levy variation declaration Scale 5		
WITH FS Debt		
Weekly earnings (x) less than \$	a	b
355	—	—
711	0.1900	67.4635
999	0.3277	165.4423
1236	0.3477	165.4423
1282	0.3577	165.4423
1730	0.3550	161.9808
1758	0.4000	239.8654
3461	0.4100	239.8654
3461 & over	0.4900	516.7885

Where payee claimed HALF exemption from Medicare levy in Medicare levy variation declaration Scale 6		
WITH FS Debt		
Weekly earnings (x) less than \$	a	b
355	—	—
711	0.1900	67.4635
713	0.3277	165.4423
891	0.3777	201.1048
999	0.3377	165.4425
1236	0.3577	165.4425
1282	0.3677	165.4425
1730	0.3650	161.9810
1758	0.4100	239.8656
3461	0.4200	239.8656
3461 & over	0.5000	516.7887

Withholding amounts including the SFSS component worked out by using the coefficients may differ slightly from the sums of the amounts shown in the PAYG and SFSS tax tables. The differences result from the rounding of components.

For sample data, visit our website at [ato.gov.au/taxtables](http://ato.gov.au/taxtables)



# Coefficients to work out the weekly amounts to withhold including HELP/SSL/TSL and SFSS components

Your employee's total withholding, including the HELP/SSL/TSL and SFSS components, can be calculated using the formula and coefficients stated below.

## Using a formula

The formulas comprise linear equations of the form  $y = ax - b$ , where:

- **y** is the weekly withholding amount expressed in dollars
- **x** is the number of whole dollars in the weekly earnings plus 99 cents
- **a** and **b** are the values of the coefficients for each set of formulas for each range of weekly earnings (or, in the case of fortnightly, monthly or quarterly earnings, the weekly equivalent of these amounts).

If two employees are taxed using a particular scale (for example, scale 2) but only one of them has a HELP/SSL/TSL and Financial Supplement debt, you will need to set up two separate scales in your payroll system. One scale will need to incorporate the HELP/SSL/TSL and SFSS components and one will not – for example, name one 'scale 2' and the other 'scale 22'.

The HELP/SSL/TSL and SFSS components **do not** apply if the employee has not provided a tax file number.

For scales without HELP/SSL/TSL and SFSS components, refer to *Statement of formulas for calculating amounts to be withheld* (NAT 1004).

Where tax-free threshold NOT claimed in Tax file number declaration Scale 1		
WITH HELP/SSL/TSL and FS Debt		
Weekly earnings (x) less than	a	b
\$		
72	0.1900	0.1900
361	0.2342	3.2130
649	0.3477	44.2476
760	0.3877	44.2476
886	0.4077	44.2476
932	0.4227	44.2476
1013	0.4200	41.7311
1084	0.4250	41.7311
1192	0.4300	41.7311
1320	0.4350	41.7311
1380	0.4400	41.7311
1408	0.4850	103.8657
1584	0.5000	103.8657
1711	0.5050	103.8657
3111	0.5100	103.8657
3111 & over	0.5900	352.7888

Where payee has claimed the tax free threshold in Tax file number declaration with or without leave loading Scale 2		
WITH HELP/SSL/TSL and FS Debt		
Weekly earnings (x) less than	a	b
\$		
355	—	—
422	0.1900	67.4635
528	0.2900	109.7327
711	0.2100	67.4635
999	0.3477	165.4423
1110	0.3877	165.4423
1236	0.4077	165.4423
1282	0.4227	165.4423
1363	0.4200	161.9808
1434	0.4250	161.9808
1542	0.4300	161.9808
1670	0.4350	161.9808
1730	0.4400	161.9808
1758	0.4850	239.8654
1934	0.5000	239.8654
2061	0.5050	239.8654
3461	0.5100	239.8654
3461 & over	0.5900	516.7885

Foreign residents Scale 3		
WITH HELP/SSL/TSL and FS Debt		
Weekly earnings (x) less than	a	b
\$		
999	0.3250	0.3250
1110	0.3650	0.3250
1236	0.3850	0.3250
1363	0.4000	0.3250
1434	0.4050	0.3250
1542	0.4100	0.3250
1670	0.4150	0.3250
1730	0.4200	0.3250
1758	0.4650	77.8846
1934	0.4800	77.8846
2061	0.4850	77.8846
3461	0.4900	77.8846
3461 & over	0.5700	354.8077

Where payee claimed FULL exemption from Medicare levy in Medicare levy variation declaration Scale 5		
WITH HELP/SSL/TSL and FS Debt		
Weekly earnings (x) less than	a	b
\$		
355	—	—
711	0.1900	67.4635
999	0.3277	165.4423
1110	0.3677	165.4423
1236	0.3877	165.4423
1282	0.4027	165.4423
1363	0.4000	161.9808
1434	0.4050	161.9808
1542	0.4100	161.9808
1670	0.4150	161.9808
1730	0.4200	161.9808
1758	0.4650	239.8654
1934	0.4800	239.8654
2061	0.4850	239.8654
3461	0.4900	239.8654
3461 & over	0.5700	516.7885

Where payee claimed HALF exemption from Medicare levy in Medicare levy variation declaration Scale 6		
WITH HELP/SSL/TSL and FS Debt		
Weekly earnings (x) less than	a	b
\$		
355	—	—
711	0.1900	67.4635
713	0.3277	165.4423
891	0.3777	201.1048
999	0.3377	165.4425
1110	0.3777	165.4425
1236	0.3977	165.4425
1282	0.4127	165.4425
1363	0.4100	161.9810
1434	0.4150	161.9810
1542	0.4200	161.9810
1670	0.4250	161.9810
1730	0.4300	161.9810
1758	0.4750	239.8656
1934	0.4900	239.8656
2061	0.4950	239.8656
3461	0.5000	239.8656
3461 & over	0.5800	516.7887

Withholding amounts including HELP/SSL/TSL and SFSS components worked out using the coefficients may differ slightly from the sums of the amounts shown in the PAYG, HELP/SSL/TSL and SFSS tax tables. The differences result from the rounding of components.

For sample data, visit our website at [ato.gov.au/taxtables](http://ato.gov.au/taxtables)

# PAYG withholding publications

You can access all PAYG withholding tax tables and other PAYG withholding publications quickly and easily from our website at [ato.gov.au/paygw](http://ato.gov.au/paygw)

---

## 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 in 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.

We regularly revise our publications to take account of any changes to the law, so make sure that you have the latest information. If you are unsure, you can check for more recent information on our website at [ato.gov.au](http://ato.gov.au) or contact us.

This publication was current at **July 2018**.

## © Australian Taxation Office for the Commonwealth of Australia, 2018

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).

## Published by

Australian Taxation Office  
Canberra  
July 2018

C122-00002