Session 9 ~ MicrOpay STP2 Additions / Deductions

25/10/2022

QUESTIONS	ANSWERS
Can you start STP2 reporting mid-month that is after end of pay but before the end month pay run?	It is recommended not to start STP2 mid-pay processing if possible. After EOP is ideal.
We have our retail penalty rates set up as additions before tax am I correct in including these in gross and including as STP2 OTE?	https://www.ato.gov.au/Business/Single-Touch-Payroll/Expanding-Single-Touch-Payroll-(Phase-2)/Common-STP-Phase-2-reporting-questions-and-mistakes/ > Saturday > Penalty rates These are not allowances. **Option 1** If the payment is connected to the employee's ordinary hours, this should be reported as Gross. **Option 2** If the payment is connected to the employee's work outside their ordinary hours, this is should be reported as Overtime.
Hi, our system has a lot of additions and deductions that are not in use. do we need to still fill them in?	Yes. It is recommended in case these existing additions and deductions are used later this may cause issues.
Voluntary Super should be excluded on STP2 reporting?	Employee additional contributions do not need to be reported to the ATO
how to extract the report to convert on excel from the STP2 wizard?	Right click and export to excel or csv
How to code old JobKeeper additions?	

JKFIN05	Addition After Tax	JOBKEEPER-FINISH-05	Amount	Exclude from STP Reporting
JKSTART01	Addition After Tax	JOBKEEPER-START-FN01	Amount	Exclude from STP Reporting
JKTOPUP	Addition Before Tax	JOBKEEPER-TOPUP	Amount	Gross

How to code Government paid parental leave?	**Paid parental leave (paid leave type P)** All types of paid parental leave must now be reported separately. Only pre-sacrifice amounts that are not classified as OTE according to the *Superannuation Guarantee Act 1992* (SGAA) should be included as paid parental leave. Some industrial instruments may require super to be paid on these amounts. If you are making a back payment or arrears payment, it may be included as paid parental leave. The following table outlines some examples of what should and shouldn't be included in **Paid parental leave**. **Paid parental leave reporting examples** <table><tr><td>**Include**</td><td>**Don't include**</td></tr><tr><td>> government paid parental leave (GPPL) > employer paid parental leave</td><td>> bonuses that are paid as an inducement for an employee to return to work after a parental leave absence – this payment must be reported as bonuses and commissions > keep in touch days when the employee attends work – this must be reported as gross</td></tr></table> https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?page=4#PaidLeave
(not a question) Please wish me luck. I have completed the STP2 system wizard setup and plan to send first STP2 report today. (eep) I am hoping for these sessions simply confirm i set it up correctly.	I have seen your green tick come up in our reporting – well done!
I think from a previous session it was suggested to add a ** against unused addition and deduction codes that are no longer in use. That way, they still appear on historical reports but someone new to the system will know code is not in use and not reporting STP2.	Yes. This is a practical way to stop another user unwittingly using an obsolete allowance. All additions will need to be assigned an STP2 category, regardless of if they are being currently used or not.

Sorry not ** against code, ** against code description	

Is RESC OTE? I thought that salary sacrifice super became OTE beginning of 2021? I noted on recording, it was not ticked as OTE.	https://www.ato.gov.au/Business/Super-for-employers/Setting-up-super-for-your-business/Identify-reportable-employer-super-contributions/
	
	Reportable contributions
	
	Reportable employer super contributions (RESC) are not included in your employee's assessable income. They do not affect the way you calculate super contributions for your employees.
	
	The following employer super contributions are **reportable**:
	
	› additional contributions as part of an employee's individual salary package
	› additional contributions under a salary sacrifice arrangement
	› pre-tax amounts paid to an employee's super fund at the employee's direction, such as directing an annual bonus into super.
	
	You must report extra contributions if:
	
	› your employee can influence the rate or amount of super you contribute for them; and
	› the contributions are in addition to the compulsory contributions you must make under
	   – super guarantee
	   – a collectively negotiated industrial agreement
	   – the rules of a super fund
	   – federal, state or territory law.
	
	The extra contributions are **reportable** super contributions for employees, unless you show that:
	
	› the extra contributions are made for administrative simplicity
	› a documented policy is in place that does not allow an employee to influence the contributions you make on their behalf.

Any difference procedure for STP 1 and STP 2?	Not in terms of running the STP2 reporting. There is a difference in the current version in term of payroll process. From step 10 onwards has changed. Please download the latest payroll processing checklist for this information
I have process one pay -run yesterday with new upload STP2 but I can't see any different, I am not sure I am in the right one or not	In STP reporting /submission screen, the column on the far right will display the reporting format that has been sent to the ATO.
I pay car allowance and kms after tax and I will not be excluding them,they have to be reported. Car allowance after tax	

is due to a tax variation	 **Payment type / STP Phase 2** Allowance – car – flat rate / Other allowances (allowance type OD) with the description V1 (Private vehicle) Allowance – cents per km - for a car in excess of the ATO rate for business related travel. / Cents per km allowance (allowance type CD) Allowance – cents per km – for a car up to the ATO rate for business related travel / Cents per km allowance (allowance type CD) Allowance – cents per km – for private travel such as travel between home and work. / Other allowances (allowance type OD) with the description ND (non-deductible) Allowance – cents per km – for vehicles other than a car such as a motorbike or van. / Other allowances (allowance type OD) with the description V1 (Private vehicle)
You cannot choose exclude from STP2 for an addition set up for TOIL banked hours. Would it be paid leave or gross?	Banked hours do not need to be reported. TOIL hours need to be reported when they are paid out.
Are pretax salary sacrifice (not Super) in gross reporting group or deduction or salary sacrifice??	https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?page=4#PaidLeave **Salary sacrifice other employee benefits (salary sacrifice type O)** You must include salary sacrifice of all benefits from an effective salary arrangement. This includes where the sacrifice relates to benefits that are exempt from FBT, such as living-away-from-home allowance and laptops used primarily for business purposes. The following table outlines what should and shouldn't be included in **Other employee benefits salary sacrifice** (Salary sacrifice type O). **Salary sacrifice other employee benefits reporting examples** **Include** › benefits from an effective salary sacrifice agreement including: – novated leases – airline lounge memberships – portable electronic devices **Don't include** › non-effective salary sacrifice arrangements – this should be reported as gross › employee benefits given to an employee that have not been sacrificed such as entertainment fringe benefits
If the TOIL bank is not reported when it occur, how to do record it	Accrued or banked leave does not need to be reported. It does however need to be reported when it is being paid out.

in Micropay for it to be used/paid out in the future?	
I have a Manager on Salary but has a specified Travel allowance and I am wondering what allowance detail I should select for this in STP 2 please	**Travel allowances (allowance type RD)** This applies to deductible expense allowances that are paid for domestic or overseas meals and incidentals and domestic accommodation, undertaken for business purposes, which is intended to compensate employees who are required to sleep away from home. It is not a reimbursement of actual expenses, but a reasonable estimate to cover costs including meals, accommodation and incidental expenses. The amounts you report using this allowance type are the same travel allowances which have a varied rate for PAYG withholding based on the ATO reasonable amounts for the financial year. For reporting through STP, use this allowance type to report only travel allowances that exceed the ATO reasonable amount. As travel allowances for overseas accommodation don't have a varied rate for PAYG withholding, don't report them using this allowance type. Report these as other allowances (allowance type OD) instead. Don't use this allowance type to report a living away from home allowance fringe benefit, but be careful as some industrial instruments use the name 'living away from home allowance' to mean a travel allowance that you do need to report here. The following table outlines some examples of what should and shouldn't be included in 'travel allowances'. **Travel allowances reporting examples**

	Include	Don't include
	> allowance that exceeds the ATO reasonable amount for domestic or overseas meals and incidentals and domestic accommodation, undertaken for business purposes, which is intended to compensate employees who are required to sleep away from home	> allowance that does not exceed the ATO reasonable amount for domestic or overseas meals and incidentals and domestic accommodation, undertaken for business purposes, which is intended to compensate employees who are required to sleep away from home – this is not reported at all through STP > allowance that is paid for overseas accommodation for business purposes where the employee is required to sleep away from home – this should be reported as other allowances (allowance type OD) with the description G1 (general) > part-day travel allowances – this should be reported as other allowances (allowance type OD) with the description ND (non-deductible) > allowances paid for travel that is for private purposes – this should be reported as other allowances (allowance type OD) with the description ND (non-deductible)

Do we tick the OTE for super salary sacrifice as super is paid on these amounts?	If the salary sacrifice is for salary packaging tick the OTE box. If the salary sacrifice is for superannuation, then leave it unticked. https://www.ato.gov.au/law/view/document?DocID=GDN/GDN20201/NAT/ATO/00001&PiT=
we have deductions after tax for example when employees use the company credit card for personal purchases. I'm not sure what to select in STP2 reporting group. Would it be exclude from STP reporting?	This does not need to be included in STP2 reporting
In leaves, do we need to create "leave on termination" category? Ex: untaken annual	Any unpaid annual leave paid upon termination has already has the correct pay component created and STP2 set up as default.

leave. How do I identify if there is an existing? Or how is it feed in the termination pmts?	

Table in image:

Payment type	STP Phase 2
Leave – paid on termination – annual leave or leave loading accrued after 17 August 1993 paid on a normal termination	Unused leave on termination (paid leave type U)
Leave – paid on termination – long service leave accrued after 17 August 1993 paid on a normal termination	Unused leave on termination (paid leave type U)
Leave – paid on termination – annual leave or leave loading accrued after 17 August 1993, termination for genuine redundancy, invalidity or early retirement scheme reasons	Lump sum A, type code R
Leave – paid on termination – unused annual leave or leave loading paid on termination that accrued before 17 August 1993	Lump sum A, type code T
Leave – paid on termination – long service leave that accrued between 16 August 1978 and 17 August 1993.	Lump sum A, type code T
Leave – paid on termination – long service leave that accrued before 16 August 1978	Lump sum B

are all the unpaid leaves to be classified as exclude from STP reporting group	Unpaid leave can be excluded from STP2 reporting
in novated leases, the after-tax deduction, should this go to exclude from STP?	We asked this one on the ATO community: Are you asking about the employee contribution to reduce the employer's FBT liability payable on a salary sacrifice - other component, such as for a Novated Lease? Yes, employee contributions on FBT are post-tax only. If it is for a vehicle, then the FBT - employer guide Chapter 7 Car Fringe Benefits S7.4 Statutory Formula Method, subheading "Determining the employee contribution" states: *an amount paid directly to you by the employee for use of the car - the employee contribution must be made from the employee's after-tax income and is included in your assessable income* The employee post-tax deductions to reduce their employers FBT liability is NOT one of the 4 only reportable post-tax deductions: 1. Fees 2. Workplace Giving 3. Child Support Deductions (optional) 4. Child Support Garnishees (optional) So, NO, not reportable.
We pay an allowance for private health is this other	The employee post-tax deductions to reduce their employers FBT liability is NOT one of the 4 only reportable post-tax deductions: 1. Fees

allowance nondeductible?	2. Workplace Giving 3. Child Support Deductions (optional) 4. Child Support Garnishees (optional)
Where is the STP2 checklist?	Do you mean the payroll checklist? If so, you will find a link to it in the release notes.
We roll some allowances up into our hourly rate (Leave loading, dirty work and boots) do these need to be separated out? Also annualised salaries that have OT included does this need to be separated?	Yes. The allowances need to be reported separately as part of the disaggregation of gross . Yes, annualised salaries need to have the overtime separated out and reported separately.
All deductions after tax should be excluded from STP reporting I would have thought.	There are 2 exceptions to this,
The Termination of Leave is within the Pay Components!	There are a stack of system defined components, under the Pay Components node in MicrOpay, including a raft of termination components for things like ETPs, unused annual and sick leave, etc. Because they are system components, the field values, including STP Reporting Group and STP Reporting Sub Group are assigned by MicrOpay and cannot be changed. The only exception is the OTE checkbox, it was automatically ticked or unticked on upgrade to 9.

We give some of our employees a Phone allowance (towards mobile phone calls). It is not a reimbursement – just an allowance. I have set up the after tax allowance under "Allowance Item", subgroup "Other Allowance". Is the code then "other" or "non deductible" Not sure where to allocate this	Reading the ATO documentation, if they need the phone for work, then it may be considered as per the below
	
	Employees needing to supply something to do their work
	There are many different types of allowance which are paid for the purpose of compensating an employee for the costs of supplying and maintaining tools and equipment required for their work. When working out how to report in STP about these allowances, consider these questions:
	
	1. Is the amount you are paying a reimbursement for the cost of the tools or equipment?
	  › Yes – you do not need to report this reimbursement through STP.
	  › No – continue to the next question.
	
	2. Are the tools or equipment used for business purposes?
	  › Yes – report as tool allowances (allowance type TD).
	  › No – go to expenses that are not incurred for business purposes.

I asked the question on the phone allowance. Our employees are not on an award. Its just a allowance for some of out HR Recruiters to help with mobile calls. I dont think its a task allowance as such. Thank you :)	Please see the above response.
Hi, we have paid employees a certain amount of phone allowance before tax, can we please report for STP2 as Other Allowance and G1? Thanks	It will depend on the requirement to have a phone. Is this part of your award? Do you consider it a tool of the trade – please see the above response.
Should LSL and AL payouts be classified as Paid Leave? No sorry I mean cashouts on AL and LSL	https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?page=4#CashoutofleaveinservicePaidleavetypeC

	Cash out of leave in service (paid leave type C) When you pay out leave entitlements in lieu of your employee taking the absence from work, you must now report this separately. The cash out of leave can only occur when it is allowed by Fair Work rules or other legislative sources. Only pre-sacrifice amounts that are classified as OTE should be included as cash out leave in service. If you are making a back payment or arrears payment, it may be included as cash out leave in service. The following table outlines some examples of what should and shouldn't be included **Cash out of leave in service**. Cash out of leave in service reporting examples 	Include	Don't include
› cashed out annual leave and leave loading › cashed out long service leave › cashed out personal leave › cashed out rostered days off	› cash out of TOIL – this is reported as overtime › cash out of annual leave loading that is clearly linked to a loss of overtime – this is reported as overtime	
We will be coding Job Keeper for completion's sake. What should we code that as?	 | JKFIN05	Addition After Tax	JOBKEEPER-FINISH-05	Amount	Exclude from STP Reporting
JKSTART01	Addition After Tax	JOBKEEPER-START-FN01	Amount	Exclude from STP Reporting
JKTOPUP	Addition Before Tax	JOBKEEPER-TOPUP	Amount	Gross	
If we have an after tax housing or transport allowance, how would we code them? These are often paid to employees who have relocated from overseas.	https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?page=4#Employeesneedingtosupplysomethingtodothe This page of the ATO documentation runs you through lots of scenarios around travel and transport etc. If they are reimbursements, they do not need to be reported
Deduction - Child Support and Garnishee - I have already set up as Deduction Items in STP2 Reporting	STP2 reporting does have the option of reporting to the child support agencies directly. At this stage Micropay has opted not to include this in STP2 until some of the finer details in the file transmission protocols are resolved. We may do additional work to cover off this aspect of STP2 in the future.

Group Column in Wizard before New MicroPay Version. Why now they are excludes from STP Reporting in new MicroPay Version now?	
Employee Personal Super Contribution set up as Deduction after Tax. if it should be "Exlucde from STP Reporting"?	Yes.
Employee wants to pay more PAYG tax with each pay so we have a Extra Tax item. How to report it in STP2? if it is still PAYGW in STP2 Reporting Group?	I have not been able to find a specific reference to additional tax being paid voluntarily. So yes, I would categorise it as PAYGW
How do we correct 'Transactions with invalid leave reasons' in Status of STP2 setup	You will need to contact the help desk for assistance with this one.
Hi, I have Purchased Leave deduction, what STP2 group it would be?	It will depend on whether the leave is purchased under an annualised salary arrangement, salary sacrifice arrangement or is an after-tax deduction., e.g. if an after tax deduction it is unlikely that you will need to report it via STP2, while amounts associated with salary sacrifice arrangements do need to be reported. Please contact the ATO for guidance regarding your circumstances.
Hi, I have a question on what STP2 group would the Time In Lieu bank go to? I have the TOIL bank set up as Additions Before Tax in Micropay. thanks. Will you be able to confirm if I've got it right. Does this means	Only report when Time in Lieu is taken or paid Time in Lieu - hours taken = Other paid leave (leave type O) Time in Lieu - hours cashed out in service = Overtime,https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?anchor=STPPhase2reportingQuickreferenceguide#STPPhase2reportingQuickreferenceguide

the TOIL bank which is just to add the hours earned to be used later, will be not reported for STP?	
After Tax - Union Fess	Union and professional association fees (deduction type F) You should only report union fees and professional association fees deducted from payroll as Deduction type F. No other post-tax deductions can be reported as Deduction type F.
We have completed the allocations for STP2 for all of our existing adds and deds. But we have an STP2 Webinars checklist that says Create new Additions and Deductions. How do we know if we need particular new codes?	Once STP2 is activated, any new adds/deds you add in the future, you will add the appropriate STP2 category to them, at the time of adding the add/ded.
I am ready for STP2, Do I just click the "unable STP2"	Yes, press ENABLE STP2
Any new additions/deductions after you have unable stp2, I can just add it normally and I don't need to go to the wizard	Yes that's correct: in each maintenance screen there's an STP Reporting tab that contains the options which need to be selected for STP 2 Reporting. Remember to set this up as part of setting up any new additions / deductions
Morning All. We have expat staff who are AU resident for tax purposes. We run a shadow payroll in MicrOpay to calculate (and pay over) their PAYG to the ATO. Do we need to break their shadow payroll into the components of	https://www.ato.gov.au/individuals/income-and-deductions/income-you-must-declare/foreign-and-worldwide-income/

their respective offshore/shadow portion (bonus, family allowance etc)	
Where do we find all the recorded sessions?	https://www.theaccessgroup.com/en-au/payroll/resources/micropay-single-touch-payroll-phase-2-changes/. Go right to the bottom on the page. Third box on the right.
Once STP 2 is enabled, shouldn't report on STP 1. Is that right?	Once your STP2 is enabled, your next STP report will be in the STP2 format.
if the item is addition before tax, and currently we don't use it, may I choose "Exclude from STP Reporting"?	I don't believe that you can exclude an addition before tax from STP2 reporting. We recommend mapping all additions before tax, even those no longer being used. This protects you, if they get used in the future accidently.
Hello, I have a question - what would be the stp2 reporting group and sub group for Jury duty payment? Hello, just to clarify - the jury duty payment is a deduction in our list (it's the payment that is received from the govt), which group would it be in stp 2?	https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?anchor=STPPhase2reportingQuickreferenceguide#STPPhase2reportingQuickreferenceguide
Hi, the micropay consultant that we had to assist us with the STP2 setup, we placed phone allowance under Allowance Items - KN(Task Allowance). thank you.	It will depend what specifically the phone allowance is for and if it is mentioned in your award. For example, it might be considered a tool of the trade or a tool required for a task. Or it might be a reimbursement. I am sure they will have asked you questions as to why it is paid to come to that conclusion.
Company gives out service award - I	I would question if this was considered a bonus type payment?

have set up an addition after tax which does not attract super but it's taxed. Thank you	**Bonuses and commissions** You may pay some employees bonus and commission payments to reward their performance, service or for meeting a specific goal. These are typically paid as a lump sum. Only pre-sacrifice amounts that are classified as OTE should be included as bonuses and commissions. If you are making a back payment or arrears payment, it may be included as bonuses and commissions. The following table outlines some examples of what should and shouldn't be included in **Bonuses and commissions**. **Bonuses and commissions reporting examples** | Include	Don't include
› Christmas bonus › retention bonus › sign-on bonus for new employees › performance bonus › referral bonus › bonus labelled as ex-gratia but in respect of ordinary hours work › return-to-work bonus after parental leave › commission payment	› bonuses and commissions that relate entirely to work performed outside normal hours – these are reported as overtime	
Hi We have foreign staff where we h ave OS-Salaries and Wages, OS-Annual leave loading they do not pay PAYG as they are non residents do we have to select STP2 non reportable	https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?anchor=Reportingbasedonyourcurrentbusinessstruc#Reportin

gbasedonyourcurrentbusinessstruc

Reporting available by income types

Income type	SAW	CHP	IAA	WHM	SWP	FEI	VOL	LAB	OSP
PAYGW	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Foreign tax	No	No	No	No	No	Yes	No	No	No
Exempt foreign income	Yes	No	No	No	No	No	No	No	No
Gross	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Paid leave payment	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No
Allowances	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No
Overtime	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No
Bonuses and commissions	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No
Directors' fees	Yes	Yes	Yes	No	No	Yes	No	No	No
Salary sacrifice	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No
Lump sum payment	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No
Employment termination payment	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No

Rules for reporting foreign employment income

We have Salary super sacrifice where staff contribute1% then employer contribute another 1% how do we report this	https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?anchor=SalarysacrificeotheremployeebenefitsSala#SalarysacrificeotheremployeebenefitsSala This article steps through the various aspects of super reporting and salary sacrifices
Salary Sacrifice deductions how do we report this	What is this salary sacrifice for?

Salary sacrifice other employee benefits (salary sacrifice type O)

You must include salary sacrifice of all benefits from an effective salary arrangement. This includes where the sacrifice relates to benefits that are exempt from FBT, such as living-away-from-home allowance and laptops used primarily for business purposes.

The following table outlines what should and shouldn't be included in **Other employee benefits salary sacrifice** (Salary sacrifice type O).

Salary sacrifice other employee benefits reporting examples

Include	Don't include

> benefits from an effective salary sacrifice agreement including:
 	
   – novated leases
   – airline lounge memberships
   – portable electronic devices
	> non-effective salary sacrifice arrangements – this should be reported as gross
	
	> employee benefits given to an employee that have not been sacrificed such as entertainment fringe benefits

In the Status column I have an incomplete item (Transactions with invalid Leave Reasons-see IQ LVERSNTRN) which I have run and the leave reason is showing a green tick under the Leave Reason tab.	You will need to contact our support team for them to take a look at this issue specific to your data.
Our company adds 1% if your salary sacrifice minimum 5%. Is this exempt?	https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?anchor=SalarysacrificeotheremployeebenefitsSala#SalarysacrificeotheremployeebenefitsSala This article steps through the various aspects of super reporting and salary sacrifices
Union fees?	Deduction type F Union and professional association fees (deduction type F) You should only report union fees and professional association fees deducted from payroll as Deduction type F. No other post-tax deductions can be reported as Deduction type F.
We have a Centrelink Deduction Before Tax, but it is not child Support. How should we manage this one?	There is not much information available from the ATO on this scenario, you may need to contact them directly for guidance. In MicrOpay, deductions can be classified as Workplace Giving, Fees or Gross. You may need advice from the ATO as to whether or not this deduction should be included in the employee's Gross.

we also have the works compensation make up pay to make sure our staff are paid the same their normal rate even when they are in jury duty leave, how do I allocate this makeup payment?	From the ATO STP2 Reporting guidelines
	
	The following table outlines some examples of what should and shouldn't be included in **Workers' compensation**.
	
	Workers' compensation reporting examples
	
	<table><tr><td>**Include**</td><td>**Don't include**</td></tr><tr><td>› payments for any approved (or anticipated approval of) workers' compensation absence paid by the employer to the employee
	› top-up payments made by the employer
	› workers' compensation payments made after termination
	  – workers' compensation payments may be required to continue to be paid, even after the employee is terminated, in accordance with insurer requirements
	  – although no longer technically an employee absence, these payments should be reported as workers' compensation (paid leave type W)</td><td>› payments to employees on workers' compensation who are at work performing duties – this payment must be reported as gross
	› payments to employees under an income protection or salary continuance insurance policy - this is reported as other paid leave (paid leave type O)
	›</td></tr></table>
	
	In MicrOpay, workers compensation payments are set up as **STP Reporting Group** *Paid Leave* and **Reporting Subgroup** *W (Workers' Compensation)*

How do we categorise "repayment" in the STP2 reporting?	By repayment, are you referring to 'reimbursement'? The ATO has this to say about reimbursements in the STP2 Employer reporting guidelines
	
	Identify whether the amount is a reportable allowance
	
	Generally, allowances are reportable through STP. There are some things which you may know as allowances which don't need to be reported through STP because:
	
	› they are not allowances, or
	› there are special rules about reporting them.
	
	To work out whether you need to report allowances you've paid, consider these questions:
	
	› Are you paying an amount to your employee?
	  – STP is reporting about payments that you make. If you are not paying an amount, there's nothing to report through STP.
	  – However, if you are providing a fringe benefit, you may need to consider your fringe benefits tax (FBT) obligations and you may need to include reportable fringe benefits in your STP reporting.
	› Is the amount you're paying your employee, reimbursing an expense that can be verified by receipts?
	  – There's a difference between allowances and reimbursements. Reimbursements typically compensate an employee exactly for an expense they have incurred on your behalf and the recipient generally needs to verify that they did incur that expense.
	  – Reimbursements should not be reported through STP.

We have car parking fee deducted after tax. Is it as deduction items>Fee in STP group?	**Deductions** The reporting of deductions does not change under STP Phase 2. There are 2 deduction types you can report: > union and professional association fees (deduction type F) > workplace giving (deduction type W). **Union and professional association fees (deduction type F)** You should only report union fees and professional association fees deducted from payroll as Deduction type F. No other post-tax deductions can be reported as Deduction type F. **Workplace giving (deduction type W)** When an employee has asked you to collect money from their pay to donate, you may have set it up as a: > salary sacrifice arrangement > workplace giving deduction. You should only report workplace giving deductions as deduction type W. Don't include salary sacrifice contributions to a charity. These are reported as Salary Sacrifice Type O (other employee benefits). https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?page=5#Deductions
We have salary packaging via a third party with deduction code before tax. Is this counted as Salary Sacrifice > Other Employee Benefit?	I have found this ATO example: Example: salary sacrifice with a third-party provider Each fortnightly payday, one of Kim's employees sacrifices $150 from their salary. Kim uses a third-party provider to manage salary sacrifice for her employees, and each fortnight she sends $150 to her chosen provider to be applied in accordance with the instructions provided by the employee. When Kim sends the sacrificed amount to the third-party provider, she does not know how her employee has instructed them to apply the amount. Kim chooses to use the ATO's concessional approach, so she includes the sacrificed $150 as Salary sacrifice type O in her STP reporting. At the end of each quarter, the third-party provider sends Kim a report showing how the amounts sacrificed by her employee have been applied. Kim uses this report to identify that from each of the 6 fortnightly pays during the quarter, her employee sacrificed $50 to super and $100 to other benefits. Kim lodges an update event to correct her STP reporting by increasing the YTD amount reported at salary sacrifice type S by $300 and reducing the YTD amount reported at Salary sacrifice type O by $300 so that it shows the correct amounts.

	Kim also reviews her super guarantee records to ensure she has paid enough for this employee for the quarter.
	At the end of the financial year, Kim uses the reports her third-party provider has sent her to make sure that she has reported correct amounts as Salary sacrifice type S and Salary sacrifice type O before she finalises.
Also, we have salary package deduction after tax. Is it "exclude from STP reporting"?	Depends on what the deduction is for. If it is for Workplace Giving or Fees [for example an association membership/ union] then yes it should be reported.
Should Employee repayment "exclude from STP reporting" ?	Without knowing what the repayment is for – assuming it is not payroll related – as a deduction after tax, it could be excluded from STP2 reporting
hi, I have a question about an addition after tax, it is a reimbursement to phone allowance, shall I code it as exclusive from gross? Many thanks	https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?anchor=Reportingtheamountsyouhavepaid#Allowances Other allowances reporting examples **Include** G1 (general) > laundry allowances for the cost of laundering deductible conventional clothing H1 (home office) **Don't include** > direct reimbursement of business expenses – this is not reported > living away from home allowance – this falls under the FBT legislation and is not reported here
where are you providing these links?	https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/