

Disaggregation of Gross

In STP Phase 1, the gross amount you report contains different types of amounts depending on the particular income type. This approach has changed in STP Phase 2 and all payment types are now reported consistently for each income type. This is largely in part of the information being shared with the Department of Human Services and requiring a different breakdown than provided in Phase 1.

The following table shows the pay item type you can report through STP on the relevant Pay Item Categories.

Term	Category	Definition	Pay Item Category
Gross Payments		Reportable payments made that are not itemised separately.	Payment
Overtime		Payment made to an employee for extra time worked. It can include work done beyond their ordinary hours of work, outside the agreed number of hours or outside the spread of ordinary hours.	Payment
Allowances	Award Transport (AD)	Deductible expense allowance for the total rate specified in an industrial instrument to cover the cost of transport (excluding travel or cents per kilometre reported as other separately itemised allowances) for business purposes.	Payment
	Cents per Kilometre (CD)	Deductible expense allowances that define a set rate for each kilometre travelled for business purposes.	Payment
	Laundry (LD)	Deductible expense allowances for washing, drying and/or ironing uniforms required for business purposes.	Payment
	Other (OD)	Any expense allowances that are not otherwise separately itemised. The description of the Pay Item is sent to the ATO	Payment
	Overtime Meal (MD)	Deductible expense allowances defined in an industrial instrument that are in excess of the ATO reasonable amount which is paid to compensate the payee for meals consumed during meal breaks connected with overtime worked.	Payment
	Qualification (QN)	Deductible expense allowances that are paid for maintaining a qualification that is evidenced by a certificate, licence or similar.	Payment
	Task (KN)	Service allowances paid to a payee to compensate for specific tasks or activities performed that involve additional responsibilities, inconvenience, or efforts above the base rate of pay.	Payment
	Tool (TD)	Deductible expense allowances to compensate a payee who is required to provide their own tools or equipment to perform work or services for the payer.	Payment
	Travel and Accommodation (RD)	Deductible expense allowances that are in excess of the ATO reasonable allowances amount (for domestic or overseas travel), undertaken for business purposes, which are intended to compensate employees who are required to sleep away from home.	Payment

Term	Category	Definition	Pay Item Category
Paid Leave	Ancillary and Defence (A)	Paid leave for absences such as for Australian Defence Force, Emergency Leave, eligible Community Service and Jury Service.	Payment Leave
	Cash Out (C)	Leave entitlements that have been paid out in lieu of the payee taking the absence from work.	Payment
	Other Paid (O)	All other paid absences, regardless of rate of pay (full, half, reduced rate) must be reported as this payment type.	Payment Leave
	Paid Parental (P)	Employer Paid and Government Paid Parental Leave (GPPL).	Payment Leave
	Unused Leave on Termination (U)	Any leave balances paid out on termination that are otherwise not deemed an ETP or lump sum payment.	Termination Leave
	Workers Compensation (W)	Any workers' compensation payments received by an injured employee for the hours not worked, or not attending work as required, or if the employment has been terminated.	Payment Leave
Bonuses and Commissions		Bonuses and commissions are typically paid as lump-sum payments rather than at each regular pay period. Bonuses are usually paid to an employee in recognition of performance or services and may not be related to a particular period of work performed. Commissions are usually paid to an employee in recognition of performance or services and may be calculated as a portion of the proceeds or volume of sales. If a bonus or commission is paid in respect of overtime, this should be classified as "Overtime".	Payment
Directors Fees		Directors' fees are payments to the director of a company, or to a person who performs the duties of a director of the company.	Payment
Lump Sum	Lump Sum E (E)	Represents the amount for back payment of remuneration that accrued, or was payable, more than 12 months before the date of payment and is greater than the lump sum E threshold amount.	Payment
	Lump Sum W (W)	A return-to-work amount is paid to induce a person to resume work, for example, to end industrial action or to leave another employer. It does not matter how the payments are described or paid, or by whom they are paid.	Payment
Exempt Foreign Income		Earnings paid to an Australian resident, for tax purposes, who work in another country for 91 days or more for a continuous period and the income is subject to tax in that country.	Payment Leave Termination
Not Reported		Pay Items not reportable to the ATO.	Payment Post Tax Deduction Pre Tax Deduction Leave Taxation Super Employer Pre Tax Super Employee Post Tax Super Employee

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Deduction	Fees (F)	Any amounts paid as union fees, subscriptions to trade, business or professional associations, bargaining agent's fees to a union for negotiations in relation to a new enterprise agreement/award on behalf of your employees.	Post Tax Deduction
	Workplace Giving (W)	Any workplace giving program donation amounts paid to charities or organisations that are entitled to receive tax deductible donations.	Post Tax Deduction
	Child Support Deduction (D)	This is a deduction made under a notice as per section 45 of the Child Support (Registration and Collection) Act 1988.	Post Tax Deduction
	Child Support Garnishee (G)	This is a deduction made under a notice as per section 72A of the Child Support (Registration and Collection) Act 1988.	Post Tax Deduction
Foreign Tax Paid		Amount of Foreign Tax paid or payable to a foreign government.	Post Tax Deduction
Salary Sacrifice	Other Employee Benefits (O)	An effective Salary Sacrifice arrangement, entered into before the work is performed, for benefits other than for superannuation, where the sacrificed salary is permanently foregone.	Salary Sacrifice
Salary Sacrifice	Superannuation (Voluntary) (S)	An effective salary sacrifice arrangement, with employee influence, entered into before the work is performed, for super contributions to a complying super fund. The arrangement was voluntarily agreed by the payee and the sacrificed salary is permanently foregone. As this arrangement is with employee influence the amount is also reportable as RESC.	Salary Sacrifice
Salary Sacrifice	Superannuation (Non-Voluntary) (S)	An effective salary sacrifice arrangement, without employee influence, entered into before the work is performed, for super contributions to a complying super fund. The arrangement was voluntarily agreed by the payee and the sacrificed salary is permanently foregone. As this arrangement is without employee influence the amount is not reportable as RESC.	Salary Sacrifice
PAYG	PAYGW payable on taxable except for tax on ETPs.	Taxation	PAYG
PAYG		PAYGW payable on taxable except for tax on ETPs.	Taxation
ETP Tax Withheld		PAYGW payable on ETPs.	Taxation
Super	Superannuation Liability (L)	Contribution payable by a payer for the benefit of a payee as mandated by super guarantee legislation.	Super Employer
	RESC (R)	Additional, optional (not legislated or mandated by industrial, legislative, or business policy instruments) employer super contributions made on behalf of the employee, that have been influenced by the employee.	Super Employer

Term	Category	Definition	Pay Item Category
Lump Sum	Lump Sum A (A)	Type R (R) all unused annual leave or annual leave loading, and that component of long service leave that accrued from 16/08/1978, that is paid out on termination only for genuine redundancy, invalidity or early retirement scheme reasons. Type is derived from a Termination Type of Redundancy or Approved Early Retirement.	Termination
		Type T (T) Unused annual leave or annual leave loading that accrued before 17/08/1993, and long service leave accrued between 16/08/1978 and 17/08/1993, that is paid out on termination for normal termination. Type is derived from a Termination Type other than Redundancy or Approved Early Retirement.	
	Lump Sum B (B)	Long service leave that accrued prior to 16/08/1978 that is paid out on termination, no matter the cessation reason. Only 5% of this reported amount is subject to withholding.	Termination
	Lump Sum D (D)	Tax-free amount of only a genuine redundancy payment or early retirement scheme payment, up to the limit, based on the payees years of service.	Termination
ETP Taxable		Redundancy (R): for reasons of genuine redundancy, invalidity, early retirement scheme or compensation for personal injury, unfair dismissal, harassment, or discrimination.	Termination
		Other Reason (O) paid for reasons other than for "R" above. Such as an ex-gratia payment, gratuity or golden handshake, non-genuine redundancy payments, payments in lieu of notice and some types of unused leave, under specific circumstances.	
		Split ETP Type R (S) multiple payments for ETP type "R" for the same termination of employment, where the later payment is paid in a subsequent financial year from the original type "R" payment.	
		Split ETP Type O (P) multiple payments for ETP type "O" for the same termination of employment, where the later payment is paid in a subsequent financial year from the original type "O" payment.	
		Dependant (D) – a death benefit payment directly to a dependant of the deceased employee. A dependant may include a spouse of the deceased, a minor child, a person who had an interdependency relationship with the deceased or a person who was a dependant of the deceased just before the latter died.	
		Non Dependant (N) – a death benefit payment directly to a non-dependant of the deceased employee. A non-dependant is a person who is not a dependant of the deceased and not a trustee of the deceased estate.	
ETP Tax Free		Split ETP Type N (B) multiple payments for a death benefit ETP type "N" for the same deceased person, where the later payment is paid in a subsequent financial year from the original type "N" payment.	
		Trustee of the Deceased Estate (T) a death benefit payment directly to a trustee of the deceased estate.	
Fringe Benefits Tax		Invalidity payments or payments for employment that took place before 1 July 1983.	Termination
		Taxable (T) Is derived from the checkbox not being checked in organisation details.	N/A
		Exempt (X) Is derived from the checkbox being checked in organisation details.	

What do I need to do?

Review the currently assigned Pay Items Type in either Structure > Pay Items or via Reporting > Company Reporting > Pay Items. Make sure all Pay Items are reviewed and not just the active ones.

Update any types where necessary.

If you are unsure as to how to categorise a Pay Item, please review the [Quick reference guide](#) from the ATO. If you have any further questions you will need to contact the ATO for advice as we are unable to provide.

Note:

- Pay Item Types are restricted down to the relevant lists based on the Pay Item Category being created in. If you are unable to see the code to assign, then please review your set up to ensure you are creating with the correct information. Ie Category/Pre-Tax/Post-Tax etc
- Information shared with the Department of Human Services is being used to pre-fill income.
- Check any Child Support deductions match with the latest letter sent. If the pay period and amounts do not align with the transmitted amounts, the agency may contact you.