



Instructions for completing the 2009 PAYG income tax withholding variation (ITWV) short application Allowances, HELP/SFSS or director's fees only

1 July 2008 to 30 June 2009

Complete the 2009 PAYG ITWV short application if you want to vary the rate or amount of PAYG tax withheld from payments made:

- for allowances
- for director's fees, or
- where there has been an overpayment related to your Higher Education Loan Programme (HELP) or Student Financial Supplement Scheme (SFSS) repayments, or you have approval from the Tax Office to defer these repayments.

WHAT YOU NEED TO DO

- Read these instructions.
- Complete sections A to B of the application.
- Sign and date the declaration.
- Send your completed application to the address shown on the form, **by 15 May 2009**.

Most applications will be processed within 28 days as long as all of the required information is provided.

GENERAL COMMENTS

Section 15-15 in Schedule 1 to the *Taxation Administration Act 1953* provides that the Commissioner of Taxation may, to meet the special circumstances of a particular case or class of cases, vary the amount of tax an entity is required to withhold from a withholding payment.

The main purpose of varying the rate or amount of withholding is to ensure that the amounts withheld during the income year best meet your end-of-year liability. An example is where the normal rate or amount of withholding would lead to a large credit at the end of the income year because your tax deductible expenses are higher than normal.

❗ Variations are issued at the Commissioner's discretion.

❗ IMPORTANT NOTES

- We will process your application only if you:
 - do not have any outstanding tax returns
 - did not receive a debit assessment on your last tax assessment if you also had an approved ITWV for that year
 - do not have any outstanding tax debt owing to the Australian Government, and/or
 - do not have any outstanding debts under any other Acts administered by the Commissioner.
- The Commissioner may seek more information from you before or after your application is processed. If you fail to provide more information as requested, your application may not be approved.
- If you are granted a variation, this does not mean the Commissioner has accepted the tax treatment of the income and deductions on your application. Your actual tax liability will be determined after you lodge your tax return. You must keep records of your income and expenses in accordance with the requirements of the *Income Tax Assessment Act 1936*.
- We process your application based on the information you provide. It is your responsibility to make sure this information is adequate to enable us to calculate a withholding rate to meet your end-of-year tax liability.
- If your application is not approved, you can apply for a review of the decision. You must apply in writing, explain why the decision should be overturned and include information to support your claims.

STARTING DATE

If this application is approved, the varied rate or amount of withholding will start from the next available payday after your pay office receives the Tax Office notice of withholding variation.

FINISHING DATE

Your variation finishes on the expiry date shown on the Tax Office notice of withholding variation. To continue to have reduced tax withheld from payments after this date, you must lodge another ITWV application – at least six weeks before the expiry date.

PRIVACY

The Tax Office is authorised by the tax laws to ask for information on this application. We need this information for the purposes of administering those tax laws.

Where authorised by law to do so, we may give some of this information to other government agencies. For example, law enforcement agencies such as state and federal police; assistance agencies such as Centrelink and the Child Support Agency; and other agencies such as the Australian Bureau of Statistics.

WHERE TO SEND YOUR COMPLETED APPLICATION

ITWV

Australian Taxation Office
Locked Bag 1515
UPPER MT GRAVATT QLD 4122

Section A: Your details

A1 Your tax file number (TFN)

The Tax Office is authorised by law to request your TFN. You are not obliged to quote your TFN but not quoting it could increase the chance of delay or error in processing your application.

A2 Employment declaration or TFN declaration

If you are not exempt from quoting your TFN and you have not quoted your TFN to your payer, you will not be granted a variation.

You are exempt from quoting a TFN if:

- (a) you are under 18 years of age and do not earn enough to pay tax, or

- (b) you receive certain Centrelink pensions, benefits or allowances or a service pension from the Department of Veterans' Affairs. However, you must quote your TFN if you receive Newstart, sickness allowance, special benefit or partner allowance.

A6 Your phone number/s

Please provide a phone number on which we can contact you between 8.00am and 6.00pm.

A7 Tax agent's or other contact phone number and name

This item needs to be completed only if a third party (for example, a tax agent, financial adviser or spouse) is completing this application on your behalf.

❗ By completing this item you are authorising us to deal with this person as the first point of contact.

A8 Tax agent's registration number

This item needs to be completed only if a registered tax agent is completing this application on your behalf.

A10 HELP and SFSS overpayment amounts

Include at this item excess amounts withheld for your HELP and/or SFSS debt.

❗ Please attach a payslip or letter from your payer confirming the overpayment amount.

Complete this item if the following apply to you.

- You have made a voluntary or compulsory repayment during the financial year which has reduced your accumulated HELP and/or SFSS debt to nil, but your payer has continued to withhold amounts for these debts. Use application reason code 02A0 for HELP and 03C0 for SFSS when completing item A13. You will also need to complete a new *Withholding declaration* (NAT 3093) and lodge it with your payer to stop them withholding amounts for HELP and/or SFSS.

- Your payer has continued to withhold amounts for HELP and/or SFSS after enough has been withheld to meet your anticipated compulsory HELP and/or SFSS repayment for the year. Use application reason code 02A1 for HELP and 03C1 for SFSS when completing item A13.
- You have received approval from the Tax Office to defer your compulsory HELP and/or SFSS repayment for this financial year and you require a refund of the HELP and/or SFSS amounts withheld so far this financial year. Use application reason code 02B1 for HELP and 03D1 for SFSS when completing item A13.

❗ If the reason for your application begins in the range 01 to 03, you need to complete only section A and items B1 to B5, and **sign the declaration on page 2 of the application.**

A11 Australian resident for tax purposes

See *TaxPack* for more information. If you are unsure of your residency status or need a copy of *TaxPack*, visit our website at www.ato.gov.au or phone 13 28 61.

A13 Reason codes

It is important to use the correct reason code. You can use multiple reason codes only if your application relates to HELP and SFSS overpayments and deferrals.

Main category	Reason code	Sub-category
Allowances	00A0	Motor vehicle and phone
	00B0	Motor vehicle
	00C0	Travel
	00E0	Phone
	00F0	Computer
	00G0	Parking
	00H0	Motor vehicle and travel
	00I0	Travel and phone
Director's fees	01A0	General
	01A1	Sitting fees
		❗ Use this form if your appointment as a director is not as an employee of the paying company. Refer to Taxation Ruling IT 2319 and/or paragraph 5 of Taxation Determination TD97/2.
HELP	02A0	Overpayment – debt repaid – overpayment refund required
	02A1	Overpayment – enough withholding amounts deducted already to cover repayment
	02B0	Deferral – no overpayment
	02B1	Deferral – overpayment refund required
SFSS	03C0	Overpayment – debt repaid – overpayment refund required
	03C1	Overpayment – enough withholding amounts deducted already to cover repayment
	03D0	Deferral – no overpayment
	03D1	Deferral – overpayment refund required

Section B: Your payer's details

❗ If your reason code begins with 00, you must provide all the details requested in section B. If your reason code begins in the range 01 to 03, you need to complete only section A and items B1 to B5.

B1–3 Payer's Australian business number (ABN), business name and pay office postal address

The varied rate or amount of withholding will start from the next available payday after your pay office receives the Tax Office notice of withholding variation.

❗ The letter we send to you is not the official notice. Your pay officer cannot implement a variation using your letter.

The implementation of your variation may be delayed if you do not provide a correct ABN and direct pay office postal address (for example, if you give us your work location rather than the pay office postal address).

B6 Allowances

If you receive an allowance for a tax deductible purpose (for example, travel or motor vehicle expenses) you can apply to vary the amounts withheld from your allowance. To do this, complete items B1 to B7.

You need to state the type of allowance and the total annual allowance.

B6(c) To calculate the annual percentage expended, use this formula:

Work related expenses total of items B7(a) to B7(c) **divided by** total annual allowance item B6(b) **multiplied by** 100.

For example, if your work related expenses total \$8,000 and your annual allowance is \$10,000, you would calculate the annual percentage expended as follows:

$$\frac{\$8,000}{\$10,000} \times 100 = 80\%$$



2009 PAYG income tax withholding variation (ITWV) short application

1 July 2008 to 30 June 2009

Office use only

Complete this short application if you want to reduce the rate or amount of PAYG tax withheld from payments made:
 for allowances
 for director's fees, or
 where there has been an overpayment related to your Higher Education Loan Programme (HELP), or Student Financial Supplement Scheme (SFSS) repayments, or you have approval from the Tax Office to defer these repayments.

Read the instructions for this application before you fill it in.
Please print in BLOCK LETTERS in ink.

If you wish to have additional amounts withheld, complete *Withholding declaration – upwards variation* (NAT 5367).

2009 applications may be lodged during the income year. The last date for lodgment is **15 May 2009**.

Section A: Your details

The Tax Office is authorised by the *Taxation Administration Act 1953* to collect your tax file number (TFN). It is not an offence not to quote your TFN but not quoting it could increase the chance of a delay or error in processing your application.

A1 Your tax file number (TFN)

A2 Have you lodged an *Employment declaration* or *TFN declaration* with your payer that quotes your TFN? Yes No Exempt Tick one of the reason boxes Under 18 years old and earn below the tax-free threshold Pension recipient
If you are an employee, tick **Yes**.

A3 Your date of birth Day / Month / Year

A4 Your name Title: Mr Mrs Miss Ms Other

Family name Given names

A5 Your postal address

Suburb/town State/territory Postcode
 Country if other than Australia

A6 Your phone number/s (if we need to contact you about your application, it is quicker by phone).

Work Home Mobile

A7 Tax agent's or other contact phone number and name

Only if this application is not completed by you. By completing this item you are authorising us to deal with this person as the first point of contact.

Phone number Contact name

A8 Tax agent's registration number -

Only if this application is completed by your tax agent.

A9 Your occupation

A10 Overpayment amounts (if applicable) HELP \$ and/or SFSS \$

A11 Are you an Australian resident for tax purposes? Yes No

A12 Reason for your application

A13 Reason codes See the instructions for a list of the codes.

Section B: Your payer's details

2

Payer

B1 Payer's Australian business number (ABN) /

B2 Payer's business name

B3 Pay office postal address (for privacy reasons, this should preferably be a PO box, locked bag or similar address).

Suburb/town

State/territory

Postcode

B4 Your pay officer's direct phone number

B5 Your payroll ID or employee number

B6 (a) Allowance type Tick one of the boxes below.

- | | | | |
|--|--|---|-----------------------------------|
| <input type="checkbox"/> Motor vehicle | <input type="checkbox"/> Travel – for example, expenses incurred while travelling overnight for work | <input type="checkbox"/> Phone | <input type="checkbox"/> Computer |
| <input type="checkbox"/> Motor vehicle and phone | <input type="checkbox"/> Motor vehicle and travel | <input type="checkbox"/> Travel and phone | <input type="checkbox"/> Parking |

(b) Total annual allowance \$ **00**

(c) Annual percentage expended **%**
Work-related expenses divided by total annual allowance multiplied by 100

! If your reason code at item A13 begins with 00, you must complete item B7 below or your application will be returned to you for completion.

Annual deductions

The estimates you provide should be the annual amount of expenses you expect to incur for business use.

B7 Work-related expenses

- (a) Motor vehicle \$ **00** Motor vehicle expenses, for example, petrol, oil, registration, insurance, repairs and maintenance or lease payments. See *TaxPack* for more information.
- (b) Travel \$ **00** Travel expenses, for example, costs of overnight accommodation, meals not reimbursed by payer. Please specify
- (c) Other \$ **00**

Taxpayer's declaration

Read and sign the declaration after completing your application. Even though someone else may have helped you complete your application, you are responsible for the information provided and you must sign the declaration.

Is your application complete? Check that you have filled in:

- your tax file number at the top of page 1
- all your personal details in section A
- items B1 to B7 if your reason code begins with 00
- item A10 if your reason code begins with 02 or 03
- items B1 to B5 if your reason code begins with 01, 02 or 03.

I declare that:

All the information I have given on this application, including any attachments, is true and correct.

SIGNATURE (Applicant's original signature only)

Day Month Year
 / /

! The tax law imposes heavy penalties for giving false or misleading information.

! Privacy

The Tax Office is authorised by taxation laws to collect the information requested on this form. For further information see **Privacy** in the attached instructions.

➤ MORE INFORMATION

- visit our website at www.ato.gov.au
 - phone **1300 360 221**
 - if you are a tax agent, phone **13 72 86 FKC 1 2 3**, or
 - email ITWvariation@ato.gov.au
- Business hours for phone contact are 8.00am to 6.00pm, Monday to Friday.

➤ Send your completed application to:

ITWV
Australian Taxation Office
Locked Bag 1515
UPPER MT GRAVATT QLD 4122

IN-CONFIDENCE — when completed