



Schedule 4 – Tax table for return to work payments

This schedule applied to payments made from 1 July 2021 to 30 June 2024.

Last updated 21 June 2021

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This withholding schedule is 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 section 12-50 of Schedule 1 to the TAA.

Using this schedule

This schedule applies to payments made from 1 July 2021.

You should use this schedule if you pay an individual to resume working for, or providing services to, you or any other entity.

If you employ individuals under a working holiday makers visa you must use the **Tax table for working holiday makers** for all payments made to them, including return to work payments.

We have a calculator to help you work out the correct amount of tax to withhold from payments to most employees. To access the calculator,

refer to [Tax withheld calculator](#).

Working out the withholding amount

To work out the amount you need to withhold, multiply the amount of the return to work payment by 34.5%. This rate applies to residents and non-residents.

Example

George previously worked for IT Services Pty Ltd. Due to a shortage in IT personnel, IT Services Pty Ltd offered George a position if he would return to work for it.

He was paid \$18,000 to start work, in addition to his salary.

The total amount IT Services Pty Ltd must withhold from the return to work payment is $34.5\% \times \$18,000 = \$6,210$.

Rounding of withholding amounts

Withholding amounts calculated should be rounded to the nearest dollar. Results ending in 50 cents are rounded to the next higher dollar.

Tax file number declarations

The answers your employees provide on their **Tax file number declaration** (NAT 3092) determine the amount you need to withhold from their payments. A *Tax file number declaration* applies to payments made after you receive the declaration. If you receive an updated declaration from an employee, it will override the previous one.

If an employee does not give you a valid *Tax file number declaration* within **14 days** of starting an employer/employee relationship, you must complete a *Tax file number declaration* with all available details and send it to us.

When a TFN has not been provided

You must withhold 47% from any payment you make to a resident employee and 45% from a foreign resident employee (ignoring any

cents) if **all** of the following apply:

- they have not quoted their tax file number (TFN)
- they have not claimed an exemption from quoting their TFN
- they have not advised you that they have applied for a TFN or made an enquiry with us.

If an employee states at question 1 of the *Tax file number declaration* they have lodged a Tax file number – application or enquiry for individuals (NAT 1432), they have **28 days** to give you their TFN.

If the employee has not given you their TFN within **28 days**, you must withhold 47% from any payment made to a resident employee and 45% from any payment made to a foreign resident employee (ignoring any cents) unless we tell you not to.

PAYG withholding publications

You can access all PAYG withholding tax tables and other PAYG withholding publications at:

- Tax tables
- PAYG withholding.

QC 65801

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