

PAYG Withholding

Due date for payers to issue the following types of PAYG withholding payment summaries to payees (includes employees and recipients of certain other payments):

- PAYG payment summary – individual non-business for employees, company directors and office holders who received salary, wages, pension payments, compensation, allowances or reportable fringe benefits.
- PAYG payment summary – foreign employment for employees, company directors and office holders who received income from foreign employment, or for work in the Joint Petroleum Development Area.
- PAYG payment summary – business and personal services income for non-employees who have made a voluntary agreement to withhold tax, or were employed under a labour hire arrangement, or received certain specified payments, or earned personal services income through a separate entity.
- PAYG payment summary – superannuation income stream for payees who received an income stream benefit (a pension or annuity) from a superannuation fund, approved deposit fund or life insurance company.

Payment summaries for various other types of payments subject to PAYG withholding must be issued within a short period after the payment is made.

- Has employees, including company directors and officeholders
- Has other workers such as contractors, and voluntarily agrees to withhold tax from payments to them
- Makes payments to other businesses, if they don't quote an Australian business number (ABN) to the entity

If you are an employer or run a business and withhold amounts from payments, you need to:

- [Register](#) for PAYG withholding
- [Register](#) as an employer of working holiday makers (417 or 462 visa's) if applicable.
- Withhold amounts from wages and other payments
- Lodge activity statements and pay the withheld amounts to the Australian Taxation Office (ATO)
- Provide payment summaries to employees and other payees
- Provide the ATO with an annual report once each income year has ended.