

Tax table for actors, variety artists and other entertainers

! FOR PAYMENTS MADE ON OR AFTER 1 JULY 2012

From 1 July 2012, the temporary flood and cyclone reconstruction levy (flood levy) will no longer apply.

WHO SHOULD USE THIS TABLE?

You should use this table if you make payments to payees who are actors, variety artists and other entertainers who receive payments for their performances.

Do not use this table if you make payments to payees, or other individuals engaged under a contract, to perform in a promotional activity that is any one of the following:

- conducted in the presence of an audience
- intended to be communicated to an audience by print or electronic media
- for a film or tape
- for a television or radio broadcast.

For these types of payments the Commissioner has varied the rate of withholding to 20% of the payment.

➤ For more information, refer to *PAYG withholding – performing artists and promotional activities* (NAT 6519).

For all other relevant payees, use the relevant PAYG withholding weekly or fortnightly tax table.

Do not use this table for payments made to foreign residents engaged as contractors. These payments are subject to foreign resident withholding (FRW).

➤ For more information, refer to *Withholding from payments to foreign residents for entertainment or sports activities* (NAT 10399).

For a full list of tax tables, visit our website at www.ato.gov.au/taxtables

! This document is a withholding schedule made by the Commissioner of Taxation in accordance with sections 15–25 and 15–30 of schedule 1 to the *Taxation Administration Act 1953*. It applies to withholding payments covered by section 12–35 of schedule 1.



Can you use a formula?

The withholding amounts shown in this table can be expressed in a mathematical form.

If you have developed your own payroll software package, you can use the formulas and the coefficients outlined below.

This section should be read with *Statement of formulas for calculating amounts to be withheld* (NAT 1004) available on our website at www.ato.gov.au/taxtables

The formulas comprise linear equations of the form $y = ax - b$ where:

- **y** is the weekly withholding amount expressed in dollars
- **x** is the weekly earnings rounded down to whole dollars plus 99 cents, and
- **a** and **b** are the values of the coefficient for the formulas as shown in tables A and B.

TABLE A: Payee has claimed the tax-free threshold

Weekly earnings (x) less than	a	b
\$443	—	—
\$493	0.1520	67.4635
\$580	0.2320	106.9673
\$889	0.1640	67.4636
\$1,602	0.2742	165.4424
\$1,923	0.2720	161.9809
\$4,326	0.3080	231.2116
\$4,326 and over	0.3720	508.1347

TABLE B: Payee has not claimed the tax-free threshold

Weekly earnings (x) less than	a	b
\$56	0.1520	0.1520
\$451	0.1773	1.4232
\$1,165	0.2742	45.2055
\$1,485	0.2720	42.6890
\$3,889	0.3080	96.1698
\$3,889 and over	0.3720	345.0928

To work out withholding amounts using the formulas, you must:

- 1 Ignore any cents, multiply the per performance earnings by the number of performances for the week to derive the weekly equivalent. Add 99 cents to the result.
- 2 Calculate the weekly amount by applying the relevant coefficients from table A or B above, rounding to the nearest dollar.
- 3 Divide this amount by the number of performances for the week to work out the per performance withholding amount. Multiply this amount by the number of performances per day to convert it to the daily earnings equivalent. Round the daily withholding amount to the nearest dollar.

❗ If you pay your employees daily rather than per performance, the amount to withhold (including reductions for tax offsets) should be worked out on a daily basis.

EXAMPLE

Sandra has two performances for the week, one on Thursday and one on Saturday. Sandra earns \$500.35 for each performance. She has claimed the tax-free threshold.

- 1 $\$500 \times 2 = \$1,000$. Add 99 cents to the result = \$1,000.99.
 - 2 $\$1,000.99 \times 0.2742 - 165.4424 = \109.0291 .
Round to the nearest dollar = \$109.
 - 3 $\$109 \div 2 = \54.50 . Round to the nearest dollar = \$55.
- Therefore, the amount to withhold from each performance is \$55. As there is only one performance per day, the daily withholding amount is the same as the per performance withholding amount.

TAX FILE NUMBER (TFN) DECLARATIONS

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

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

What if a TFN has not been provided?

You must withhold 46.5% from any payment you make to a resident payee and 45% from a foreign resident payee (ignoring any cents) if one of the following applies:

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

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

If a payee has not given you their TFN within **28 days**, you must withhold 46.5% from any payment you make to a resident payee and 45% from a foreign resident payee (ignoring any cents) unless we tell you not to.

- ❗ Do not allow for any tax offsets or Medicare levy adjustment. Do not withhold any amount for:
- Higher Education Loan Program (HELP) debts
 - Financial Supplement (FS) debts.

What if your payee is under 18?

There is no requirement for payees who are under 18 years of age to provide you with their TFN, provided that the payment you make to them does not exceed:

- \$350 per week (if you pay weekly)
- \$700 per fortnight (if you pay fortnightly)
- \$1,517 per month (if you pay monthly).

How do changes to the tax-free threshold affect your payees?

From 1 July 2012:

- payees who claim the tax-free threshold will have less tax withheld from their pay
- payees who do not claim the tax-free threshold will have more tax withheld from their pay.

A payee can claim the tax-free threshold only from one payer at a time, generally from the payee's main source of income.

❗ If your payee believes that for their circumstances the amount you withhold will be too much, they may apply to us for a variation to reduce the amount of withholding.

For more information, refer to *PAYG withholding – varying your PAYG withholding* (NAT 70791) available on our website at www.ato.gov.au

What if your payee is a foreign resident?

If your payee has answered **no** to the question 'Are you an Australian resident for tax purposes?' on their *Tax file number declaration*, you will need to use the foreign resident tax rates.

There are two ways you can withhold from a foreign resident's earnings:

- If they have not given you a valid TFN, you need to withhold 45% for each \$1 of earnings (ignoring any cents).
- If they have given you a valid TFN, you need to withhold the amount calculated in the foreign resident tax rates below, rounding any cents to the nearest dollar.

Foreign resident tax rates

Weekly earnings \$	Weekly rate
0 to 1,538	32.5 cents for each dollar of earnings
1,539 to 3,462	\$500 plus 37 cents for each \$1 of earnings over \$1,538
3,463 and over	\$1,212 plus 45 cents for each \$1 of earnings over \$3,462

Generally, foreign resident payees cannot claim tax offsets. In limited circumstances, they may be entitled to claim a zone or overseas forces offset. If your foreign resident payee has claimed a tax offset on the *Tax file number declaration*, you don't need to make any adjustments to the amount you withhold.

WITHHOLDING DECLARATIONS

A payee may use a *Withholding declaration* (NAT 3093) to advise you of a tax offset they choose to claim through reduced withholding from you. For more information, see 'Claiming tax offsets' on this page.

Payees can also use a *Withholding declaration* to advise you of any changes to their situation that may affect the amount you need to withhold from their payments.

Changes that may affect the amount you need to withhold include:

- becoming or ceasing to be an Australian resident for tax purposes
- claiming or discontinuing a claim for the tax-free threshold
- advising of a HELP or FS debt, or changes to them
- upward variation to increase the rate or amount to be withheld.

When your payee provides you with a *Withholding declaration* it will take effect from the next payment you make. If you receive an updated declaration from a payee, it will override the previous one.

❗ A valid *Tax file number declaration* must be in place before your payee can provide you with a *Withholding declaration*.

CLAIMING TAX OFFSETS

If your payee chooses to claim their entitlement to a tax offset through reduced withholding, they must provide you with a *Withholding declaration*.

If your payee claims a tax offset, reduce the amount to be withheld from their earnings per performance by the value of the tax offset. The per performance value is the tax offset amount claimed divided by 52, divided by the number of performances per week. Round to the nearest dollar.

❗ Do not allow for any tax offsets for foreign resident if any of the following apply:

- when no TFN has been provided
- the payee has not claimed the tax-free threshold (using table B).

HOW TO WORK OUT THE WITHHOLDING AMOUNT

❗ The tax table for actors, variety artists and other entertainers on page 4 is only applicable to those who have three performances per week and have claimed the tax-free threshold. If the number of performances per week is different, or the payee has not claimed the tax-free threshold, use the formulas on page 2 to calculate withholding amounts.

To work out the amount you need to withhold using the tax table, you must:

- 1 Ignore any cents, find the payee's daily earnings in column 1 of the table and refer to the corresponding amount to be withheld in column 2.
- 2 If the payee has claimed any tax offsets, see 'Claiming tax offsets' on this page to work out the daily value of the amount claimed. Subtract the daily value of the tax offsets from the amount found in step 1.

EXAMPLE

A payee has claimed the tax-free threshold, earns \$279.35 daily, works three performances this week and claims tax offsets of \$500. Disregarding cents, find \$279 in column 1 of the table and refer to the corresponding amount to be withheld in column 2 of \$23.00. Reduce this amount by the daily value of the tax offsets of \$3.00 ($\$500 \div 52 \div 3$ rounded to the nearest dollar).

The amount to withhold is \$20.00 ($\$23.00 - \3.00).

ACCOUNTING SOFTWARE

Software written in accordance with the formulas in this table should be tested for accuracy against the withholding amounts provided on the following pages.

PAYG WITHHOLDING PUBLICATIONS

You can access all PAYG withholding tax tables and other PAYG withholding publications quickly and easily from our website at www.ato.gov.au/paygw

Copies of weekly and fortnightly tax tables are available from most newsagents. Newsagents also hold copies of the following:

- *Tax file number declaration* (NAT 3092)
- *Withholding declaration* (NAT 3093).

TAX TABLE FOR ACTORS, VARIETY ARTISTS AND OTHER ENTERTAINERS

Daily earnings 1 \$	Amount to be withheld 2 \$	Daily earnings 1 \$	Amount to be withheld 2 \$	Daily earnings 1 \$	Amount to be withheld 2 \$	Daily earnings 1 \$	Amount to be withheld 2 \$	Daily earnings 1 \$	Amount to be withheld 2 \$	Daily earnings 1 \$	Amount to be withheld 2 \$
1170	283.00	1230	302.00	1290	320.00	1350	339.00	1410	357.00	1470	378.00
1171	284.00	1231	302.00	1291	321.00	1351	339.00	1411	358.00	1471	378.00
1172	284.00	1232	302.00	1292	321.00	1352	339.00	1412	358.00	1472	378.00
1173	284.00	1233	303.00	1293	321.00	1353	340.00	1413	358.00	1473	379.00
1174	285.00	1234	303.00	1294	322.00	1354	340.00	1414	359.00	1474	379.00
1175	285.00	1235	303.00	1295	322.00	1355	340.00	1415	359.00	1475	379.00
1176	285.00	1236	304.00	1296	322.00	1356	341.00	1416	359.00	1476	380.00
1177	286.00	1237	304.00	1297	323.00	1357	341.00	1417	359.00	1477	380.00
1178	286.00	1238	304.00	1298	323.00	1358	341.00	1418	360.00	1478	381.00
1179	286.00	1239	305.00	1299	323.00	1359	342.00	1419	360.00	1479	381.00
1180	286.00	1240	305.00	1300	323.00	1360	342.00	1420	360.00	1480	381.00
1181	287.00	1241	305.00	1301	324.00	1361	342.00	1421	361.00	1481	382.00
1182	287.00	1242	306.00	1302	324.00	1362	343.00	1422	361.00	1482	382.00
1183	287.00	1243	306.00	1303	324.00	1363	343.00	1423	361.00	1483	382.00
1184	288.00	1244	306.00	1304	325.00	1364	343.00	1424	362.00	1484	383.00
1185	288.00	1245	306.00	1305	325.00	1365	343.00	1425	362.00	1485	383.00
1186	288.00	1246	307.00	1306	325.00	1366	344.00	1426	362.00	1486	384.00
1187	289.00	1247	307.00	1307	326.00	1367	344.00	1427	363.00	1487	384.00
1188	289.00	1248	307.00	1308	326.00	1368	344.00	1428	363.00	1488	384.00
1189	289.00	1249	308.00	1309	326.00	1369	345.00	1429	363.00	1489	385.00
1190	290.00	1250	308.00	1310	327.00	1370	345.00	1430	363.00	1490	385.00
1191	290.00	1251	308.00	1311	327.00	1371	345.00	1431	364.00	1491	385.00
1192	290.00	1252	309.00	1312	327.00	1372	346.00	1432	364.00	1492	386.00
1193	290.00	1253	309.00	1313	327.00	1373	346.00	1433	364.00	1493	386.00
1194	291.00	1254	309.00	1314	328.00	1374	346.00	1434	365.00	1494	387.00
1195	291.00	1255	310.00	1315	328.00	1375	347.00	1435	365.00	1495	387.00
1196	291.00	1256	310.00	1316	328.00	1376	347.00	1436	365.00	1496	387.00
1197	292.00	1257	310.00	1317	329.00	1377	347.00	1437	366.00	1497	388.00
1198	292.00	1258	310.00	1318	329.00	1378	347.00	1438	366.00	1498	388.00
1199	292.00	1259	311.00	1319	329.00	1379	348.00	1439	366.00	1499	388.00
1200	293.00	1260	311.00	1320	330.00	1380	348.00	1440	367.00	1500	389.00
1201	293.00	1261	311.00	1321	330.00	1381	348.00	1441	367.00		
1202	293.00	1262	312.00	1322	330.00	1382	349.00	1442	367.00		
1203	294.00	1263	312.00	1323	331.00	1383	349.00	1443	368.00		
1204	294.00	1264	312.00	1324	331.00	1384	349.00	1444	368.00		
1205	294.00	1265	313.00	1325	331.00	1385	350.00	1445	368.00		
1206	294.00	1266	313.00	1326	331.00	1386	350.00	1446	369.00		
1207	295.00	1267	313.00	1327	332.00	1387	350.00	1447	369.00		
1208	295.00	1268	314.00	1328	332.00	1388	351.00	1448	369.00		
1209	295.00	1269	314.00	1329	332.00	1389	351.00	1449	370.00		
1210	296.00	1270	314.00	1330	333.00	1390	351.00	1450	370.00		
1211	296.00	1271	314.00	1331	333.00	1391	351.00	1451	371.00		
1212	296.00	1272	315.00	1332	333.00	1392	352.00	1452	371.00		
1213	297.00	1273	315.00	1333	334.00	1393	352.00	1453	371.00		
1214	297.00	1274	315.00	1334	334.00	1394	352.00	1454	372.00		
1215	297.00	1275	316.00	1335	334.00	1395	353.00	1455	372.00		
1216	298.00	1276	316.00	1336	335.00	1396	353.00	1456	372.00		
1217	298.00	1277	316.00	1337	335.00	1397	353.00	1457	373.00		
1218	298.00	1278	317.00	1338	335.00	1398	354.00	1458	373.00		
1219	298.00	1279	317.00	1339	335.00	1399	354.00	1459	373.00		
1220	299.00	1280	317.00	1340	336.00	1400	354.00	1460	374.00		
1221	299.00	1281	318.00	1341	336.00	1401	355.00	1461	374.00		
1222	299.00	1282	318.00	1342	336.00	1402	355.00	1462	375.00		
1223	300.00	1283	318.00	1343	337.00	1403	355.00	1463	375.00		
1224	300.00	1284	319.00	1344	337.00	1404	355.00	1464	375.00		
1225	300.00	1285	319.00	1345	337.00	1405	356.00	1465	376.00		
1226	301.00	1286	319.00	1346	338.00	1406	356.00	1466	376.00		
1227	301.00	1287	319.00	1347	338.00	1407	356.00	1467	376.00		
1228	301.00	1288	320.00	1348	338.00	1408	357.00	1468	377.00		
1229	302.00	1289	320.00	1349	339.00	1409	357.00	1469	377.00		

Where the payee's earnings are more than \$1,500, withhold \$389 plus 37.2 cents for each dollar of daily earnings over \$1,500. For all withholding amounts calculated, round the result to the nearest dollar.

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