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## How to vary the amount you pay

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Whichever option you use to calculate your PAYG instalments, if your circumstances change, you can vary the amount you pay for the current income year.

You can vary your instalment amount if you believe using the amount or rate notified by us will result in you paying too much or too little tax for the year. To do this, you need to be able to reliably estimate the tax on your business and/or investment income.

If you vary your instalment, it's important that you don't underestimate the amount or rate. If your instalments are more than 15% under the actual tax payable at the end of the year, you may be subject to the general interest charge on the difference. You may ask us to reduce or waive the interest by writing to us about the circumstances that led you to underestimate your instalment rate or amount.

Our [PAYG instalment calculator \(/Calculators-and-tools/PAYG-instalments-calculator/\)](#) will help you work out your instalments if you decide to vary the amount.

You don't have to vary your instalments. If the amount or rate we calculate results in you paying too much tax, you'll receive a refund of any overpayment when we assess your tax return. If the amount or rate we calculate is insufficient to meet your tax liability for the year, you simply pay the balance owing when your tax return is assessed.

### Varying your instalment amount (option 1)

If you're a quarterly payer who pays an instalment amount we calculate, you will see an amount printed in box **T7** in **option 1** on your activity statement or instalment notice.

To vary your instalment amount:

- estimate the tax on your business and/or investment income for the year (see [Estimating the amount of tax to pay \(/general/payg-instalments/how-to-start-paying-instalments?anchor=Estimatingtheamountoftaxtopay#Estimatingtheamountoftaxtopay\)](#))
- work out the proportion of your estimated tax to pay in this instalment
- complete your activity statement or instalment notice.

If you varied your instalment amount in a previous quarter of the income year, the amount in box **T7** will be your varied instalment amount.

If you've registered for myGov and linked your account to the ATO you will be able to vary your instalment amount online.

Vary your PAYG instalments online (<https://onlineservices.ato.gov.au/default.aspx?PageName=HomePage>)

### Varying your instalment rate (option 2)

If you pay an amount that you work out yourself (by multiplying the instalment rate by your instalment income), you will find your instalment rate printed in box **T2** in **option 2** on your activity statement or instalment notice.

To vary your instalment rate:

- estimate your business and/or investment income for the year
- estimate the tax on your business and/or investment income for the year
- work out your varied instalment rate
- multiply the instalment rate by your business and/or investment income for the quarter to work out the amount to pay.
- work out any credit from previous instalments in the current income year
- complete your activity statement.

If you varied your instalment rate in a previous quarter of the income year, the rate in box **T2** will be your latest varied instalment rate.

If you've registered for myGov and linked your account to the ATO you will be able to vary your instalment amount online.

Vary your PAYG instalments online (<https://onlineservices.ato.gov.au/default.aspx?PageName=HomePage>)

#### See also:

- [How to vary your PAYG instalments \(/business/business-activity-statements-\(bas\)/in-detail/instructions/how-to-vary-payg-instalments/\)](/business/business-activity-statements-(bas)/in-detail/instructions/how-to-vary-payg-instalments/)
- [PAYG instalment calculator \(/Calculators-and-tools/PAYG-instalments-calculator/\)](/Calculators-and-tools/PAYG-instalments-calculator/)
- [Business activity statement \(BAS\) – PAYG income tax instalment \(/Business/Business-activity-statements-\(BAS\)/Pay-as-you-go-\(PAYG\)-income-tax-instalment/\)](/Business/Business-activity-statements-(BAS)/Pay-as-you-go-(PAYG)-income-tax-instalment/)
- [General interest charge \(/General/Interest-and-penalties/General-interest-charge/?anchor=P229\\_16660\)](/General/Interest-and-penalties/General-interest-charge/?anchor=P229_16660)

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## Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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