



# macmillan cowan & co

## chartered accountants

### **SINGLE TOUCH PAYROLL (STP) PHASE 2**

The Australian Government announced in the 2019-20 Budget that STP will be expanded to include additional information, to be known as STP Phase 2. All employers will be required to report this additional information on or before each payday.

The changes that come with STP Phase 2 for employers include reporting of the following:

- TFN declaration via STP
- Flexible income type & country code
- Employment termination reason - a mandatory requirement
- Allowance types
- Lump sums, bonuses and commissions

Full details of the changes can be found here on the [ATO website](#), where you can also find the ATO's list of benefits for employers and employees.

There's no change to the way you lodge or your tax and superannuation obligations. End of year finalisation requirements remain the same also.

#### ***DATES OF CHANGE:***

The mandatory start date will be 1 January 2022 – however your payroll software provider may have an exemption for a later date. Xero customers have been granted a deferral **until 31 December 2022**. MYOB AccountRight customers do not have this deferral and should start updating their payroll information now to be ready for **1 January 2022**.

If you don't use Xero or MYOB, you should check with your software provider as to whether a deferral will be available.

Please contact this office if you require further information.

**GEOFF COWAN**  
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