



# Employing Working Holiday Makers

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Information presented is general in nature and should not be used as a substitute for consultation with professional accounting, tax, legal or other advisers.



# Topics

## STEPS TO TAKE

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1. REGISTER WITH ATO

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2. ENSURE VISA STATUS

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3. TFN & SUPER INFO

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4. RATES OF PAY / TAX

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SUMMARY

# Introduction

Since our industry last employed back-packers there has been quite a few changes to the compliance requirements.

I will go over these but please do talk to your accountant or adviser before relying on this information.



# 1. ATO REGISTRATION

Prior to making the first payment to a backpacker you must register as an employer of working holiday makers.

This can be easily done online via the ATO website:

[www.ato.gov.au/whmregistration](http://www.ato.gov.au/whmregistration)

**IT IS IMPORTANT TO PRINT THE CONFIRMATION SCREEN AND RETAIN FOR YOUR RECORDS.**

# 2. ENSURE VISA STATUS

Only backpackers with Working Holiday Visa subclasses 417 or 462 are permitted to be employed so it's important that your potential employee has the right status.

This is done via the Dept of Immigration

However, before you can check the persons visa status you must register for access to the Visa Entitlement Verification Online system (VEVO).

To register online to use this system go to:

<https://immi.homeaffairs.gov.au/visas/already-have-a-visa/check-visa-details-and-conditions/check-conditions-online#>

Scroll down to the bottom of the screen to “Organisations”

Register for an account and complete the information. It may take a day or so to be authorised so do it well before you start employing anyone.

# Checking Visa Status

Once registered you can then check your prospective employee has the correct visa. You will need their passport to do this.

Return to the same page and click on “check someone’s visa details”

<https://immi.homeaffairs.gov.au/visas/already-have-a-visa/check-visa-details-and-conditions/check-conditions-online#>

(Tip: it’s a good idea to bookmark this webpage so you can access it easily.)

## LODGING TFN AND SUPER DETAILS TO ATO

The previous paper TFN Declarations are being phased out and you cannot download these from the ATO website.

The preferred way of submitting employee information is online but in true ATO fashion not easy!

However, most backpackers will be aware of the requirements – they are a savvy bunch and it's likely they will have a MyGov account so that means they can do a ***New Employment Registration*** via their personal MyGov. They will need your ABN and access to a printer as they need to print out the registration for you to keep.

They need to go to the ATO section of their MyGov and select 'Employment' and then 'New Employment' and complete the form.

Here's a sample of the paperwork you can expect.

# Sample registration



Name: BRIAN ROYLD  
TFN: XXX XXX XXX  
Event ID: 2410000055250  
Date received: 11/12/2018  
[Click here](#) to use print options to save as a PDF.

## Employee tax and super details

### Instructions

#### Employee

Give this document to your employer so they can determine the amount of tax to be withheld from payments and make contributions to your chosen fund.

To change these details go to the Employment menu in the ATO online services from your myGov account.

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#### Employment type

Full time

#### Employer

The information provided below will help you determine the amount of tax to be withheld from payments and to notify you of your employee's chosen superannuation details. It applies to payments made after this form has been given to you.

If your business software supports it, you can use the event ID to retrieve the information contained in this document electronically from the ATO.

Do not return this document to the ATO.

Event ID: 2410000055250

## Personal details

Name	BRIAN ROYLD
Tax File Number (TFN)	XXX XXX XXX
Date of birth	1/1/1970
Residential address	15 FITZPATRICK ULMUR ROCK VIC 3100 AUSTRALIA
Preferred phone number	03 88888888 (home)
Email	ATO@MFC.COVAUJ
Residency status for tax purposes	Australian resident for tax purposes

## Tax withholding and medicare levy variation

Claim tax-free threshold	Yes
Additional withholding amount	00
Education loan withholding	Higher Education Loan Program (HELP)
Medicare levy variation	Medicare levy reduction - 2 dependent children

## Super fund choice details

Super fund nomination	CONACORA INT
Account number	1
Fund ARN	XX XXX XXX XXX
Electronic service address	F-SUPERFUND
Financial institution account details	My Super Account BSB: 081 111   Account: 4 321456789



# Superannuation

Employees need to nominate their superfund. They can do this as part of their online registration or there is a form for the employee to complete: [https://www.ato.gov.au/Forms/Superannuation-\(super\)-standard-choice-form](https://www.ato.gov.au/Forms/Superannuation-(super)-standard-choice-form)

If the employee does not nominate a super fund then you must check if they have an existing (stapled) superfund prior to paying any amounts into your default fund.

You can do this via the ATO 'Online Services for Business', 'Online Services for Individual' (if you're a sole trader) portals or your accountant can request these details on your behalf.

Superannuation rate is currently 11%

# Rates of Pay – Horticulture Award

## In a Nutshell

Casual Employees – 38 hours / week

Total of 304 hours over 8 weeks. If more than this, overtime need to be paid.

## Casual Adult Employee

	Ordinary Hours	Public Holidays
	% of ordinary hourly rate	
	125%	225%
Level 1	28.26 (was 26.73)	50.87 (was 48.11)
Level 2	29.04 (was 27.46)	52.27 (was 49.43)
Level 3	29.84 (was 28.21)	53.71 (was 50.78)
Level 4	30.91 (was 29.23)	55.64 (was 52.61)
Level 5	32.73 (was 30.95)	58.91 (was 55.71)

# Piece Rates

Piece Rates are permitted with proviso.

The piece rate must be at least the same (i.e. 100%) of the hourly rate payable worked out on a per day basis.

e.g. Level 1 working for 8 hours = \$226.08

The piece rate must equal or be greater than this.

Links:

<https://www.fairwork.gov.au/employment-conditions/awards/awards-summary/ma000028-summary>

Handy Pay Calculator

<https://calculate.fairwork.gov.au/FindYourAward>

# Tax Rates

## FLAT RATES - NO TAX-FREE THRESHOLD

- \$0 - \$45,000 15%
- \$45,001 - \$120,000 32.5% on each \$ over \$45,000

### ATO Calculating Tool

<https://www.ato.gov.au/Rates/Schedule-15---Tax-table-for-working-holiday-makers/#Workingoutthewithholdingamount1>

# Process to meet compliance





thank you

Jane Casey