



# Single Touch Payroll

Australian Taxation Office

Employee Commencement

Business Implementation Guide

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 This document and its attachments are **Unclassified**



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## VERSION CONTROL

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## ENDORSEMENT

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## BACKGROUND

STP Employee Commencement is a government initiative to provide individuals commencing employment to complete their Tax File Number declaration, variation of tax withholding position and choice of super fund using ATO Online, either directly or through their employer's business management software.

Employees will also be able to use this service to update their supported tax or super information over the course of their employment.

This process is intended to streamline the existing process, which often required manual intervention by employees, employers and intermediaries to interact with the Government.

It would also improve the data capture by simplifying question asked of employees, therefore reducing the likelihood that incorrect information will be provided.

Data quality will be improved through both validation of data provided by the employee, as well as pre-population of data from both the ATO and the employer.

In consultation with representatives from Digital Service Providers (DSP), employers and the superannuation industry, the ATO developed a [concept paper](#) that outlined three processes that deliver these improvements at the time an employee commences employment and when they need to change their tax or super details throughout their career. The ATO has committed to proceeding with the first two services. We have decided to pause design work on Service 3 and will re-visit the possible future delivery of Service 3 in late 2019.

The two services are:

1. **BMS initiated** – employees navigate using a contextual link from their employer's Business Management Software (BMS) to ATO Online employee commencement (via myGov authentication). The contextual link will include the employer's ABN, default fund unique superannuation identifier, entitlement to choice indicator, employment status type and an unique event ID. Employee and employer details are validated and auto-populated (where possible) by the ATO to improve accuracy of the data provided in on-boarding process. After the employee has completed and submitted the on-boarding transaction in ATO Online, employers are required to request and retrieve the on-boarding event using an SBR2 service.
2. **Individual initiated via myGov** – employees will log-in directly to ATO Online services (via myGov authentication) to complete the on-boarding process electronically. The employee will need to enter information, such as their employer's ABN, employment status type, and their employer's default fund unique superannuation identifier (USI). The employer's ABN will need to be correct, otherwise the employee will not be able to use the service. If the employee cannot enter the default fund USI, then they cannot complete the Choice of Super form. It is a requirement for employers to provide this information to the employee to support use of this service by a new employee.

The employee's details will be validated and pre-populated (where possible) by the ATO to improve accuracy of the data provided in the on-boarding process. These validated employee details will then be available for printing by the employee. Their employer will be able to

retrieve the on-boarding events via an SBR2 service as long as they have the event ID (on the printed form). On-boarding events will also be viewable to the employee in their ATO Online account.

These solutions will support electronic processing of the following interactions/forms:

- Tax file number declaration (NAT 3092)
- Withholding declaration - upward variation (NAT 3093)
- Superannuation standard choice form (NAT 13080)
- Medicare levy variation declaration (NAT 0929)

A diagram of the BMS initiated and Individual Initiated services is available in **Appendix A**.

STP Employee Commencement services are not mandatory. Employees, employers and their DSPs should assess their circumstance in determining whether to use or implement these services.

## DELIVERY

Both services have now been released and are available for use by employers and employees. Any proposed future changes are outlined in the [STP Technical Change Roadmap](#).

- Service 1 – BMS initiated (referred to as the “BMS initiated solution” in the roadmap)
- Service 2 – Individual initiated via myGov (referred to as the “ATO Online – On-boarding process enhancement” in the roadmap)

Note: The delivery times are subject to law change and dependent on other initiatives.

## HIRE TO RETIRE

Hire to retire (H2R) describes the range of business processes throughout the employment lifecycle. This generally starts with recruitment and ends with cessation.

The employee commencement solutions contribute to the streamlining of the H2R process and will be shaped to ensure that they complement other aspects of the H2R process.

In respect to the BMS initiated service, where the employee’s supported tax or super information has changed over the course of their employment, an employer can provide a link (from their software) to the employee enabling them to log into ATO Online and submit forms to adjust their tax withholding or choice of super fund. The link would include employer details, default fund details and other information which reduces the amount of input required by the employee

For Service 2 (Individual initiated) the employee can begin the employee commencement process by coming directly to ATO Online to complete their TFN declaration and/or choice of super fund information. Unlike Service 1 (BMS initiated), the employee will need to input employer details, default fund details and other information. The employee must provide a printed version of the information they submitted via ATO Online to their employer. If the employer has the functionality they can also retrieve the information using SBR2 services to populate their BMS. Employers who receive printed forms from employees who have used Service 2 are NOT required to return these forms to the ATO.

# INTRODUCTION

## PURPOSE

The purpose of this document is to provide information to assist Digital Service Providers (DSPs) in understanding the business context surrounding the BMS initiated and Individual initiated Employee Commencement releases.

Specifically, this document refers to the interactions with the ATO to:

- Enable an employer's BMS to contextual link to ATO Online (ATOO) services to allow their employee to complete on-boarding (including Tax File Number (TFN) declaration, withholding declaration and Medicare levy variation) and choice of fund.
- Retrieve on-boarding details submitted by employees and processed by the ATO.

## EMPLOYEE PRINTING OF ON-BOARDING FORMS USING THE INDIVIDUAL INITIATED SERVICEAUDIENCE

The audience for this document is any organisation that will be implementing the Business Management Software initiated and Individual initiated employee commencement services and interactions into their products.

## DOCUMENT CONTEXT

The *Single Touch Payroll 'Employee Commencement' Business implementation guide* (STP BIG) describes or interprets how the technical implementation relates to business context and process.

This document is subject to continuous improvement and will continue to be refined. Unless otherwise stated, the content of this document can be relied upon. Sections that are still under development are clearly marked as incomplete. This document is designed to be read in conjunction with the ATO SBR documentation suite including the:

- ebMS3 Web Service Implementation Guide for web service and platform information.
- Message Structure Table and validation rules found in the relevant artefact package and
- Test information in the Conformance suites

See the ATO SBR [Site and Document maps](#) for the relationship of this document with others in the suite.

An STP technical change roadmap is available to provide DSPs visibility of the ATO's progressive roadmap of change in regard to the technical interactions that align with the STP BIG. The roadmap aims to give DSPs clarity regarding the type of change and the timing for scheduled technical changes, along with the technical changes that are still being impact assessed and/or under industry consultation. In particular, the roadmap intends to give certainty to assist DSPs in developing end-state solutions.

## GLOSSARY

This table contains only terms that need specific explanation for this document. Other terminology can be found in the [SBR glossary](#).

Term	Definition
ABN	<p>Australian Business Number</p> <p>A unique public 11 digit number issued to all entities registered in the ABR that identifies a business or organisation to the government or community</p>
ATO	<p>Australian Taxation Office</p> <p>The Australian Taxation Office (ATO) is the principal revenue collection agency of the Australian government. The role of the ATO is to effectively manage and shape the tax and superannuation systems that support and fund services for Australians.</p>
BMS	<p>Business Management Software</p> <p>Software installed on client machines that interacts with externally exposed ATO services. In the context of this guide, BMS is used to interact with the ATO for tax and superannuation on-boarding events.</p>
Contextual Link	<p>A contextual link is a url link that directs an employee from the employer's BMS to ATO Online, via myGov, whilst also carrying information that is related to the employer and the employment conditions.</p>
DSP	<p>Digital Service Provider</p> <p>Provides digital services. In the context of this guide, DSPs provide the software to support tax and superannuation interactions with the ATO for the purposes of on-boarding.</p>
Event Id (BMS Initiated)	<p>This is an identifier that is used to identify the employee's details, super choice, and on-boarding information, which the employee completed on ATO online. The identifier is generated by the employer's BMS and sent through the contextual link that initiates the BMS initiated Employee Commencement service. The identifier must be unique for the employer ABN and will be validated at the initiation of the process.</p>
Event ID (Individual initiated)	<p>This is an identifier that is used to identify the employee's details, super choice, and on-boarding information, which the employee completed on ATO online. The identifier is generated by the ATO and will be included on the printed TFN Declaration and Choice of Super forms.</p>
GUID	<p>Globally Unique Identifier is a 128-bit integer number used to identify resources. For STP, the GUID is used to identify each business management solution per employer.</p>
H2R	<p>Hire To Retire</p> <p>This is the range of business processes throughout the employment lifecycle. This generally starts with the initial recruitment, updates during their working life and ends with cessation.</p>
On-boarding	<p>On-boarding refers to the process an employee and their employer will need to complete to enable the employee to commence working for the employer.</p>
SG	<p>Superannuation Guarantee</p> <p>This is the minimum amount of money an employer must pay for their employees to provide for their retirement.</p>

Term	Definition
STP	<p>Single Touch Payroll</p> <p>Single Touch Payroll (STP) is a government initiative to create an environment where employers can use business accounting and management software to allow reporting of tax and super obligations at the same time as wages are paid to employees.</p> <p>Employee commencement is an optional component of STP changes to streamline the employee on-boarding process.</p>
TFN	<p>Tax File Number</p> <p>A TFN is a unique 9 digit number issued by ATO to individuals and organisations to help the ATO administer tax and other Australian Government systems.</p>
USI	<p>Unique Superannuation Identifier</p> <p>The USI is an identifier used by the super industry principally to ensure electronic messages and payments are directed appropriately. It can identify a super fund or one or more products within that super fund. Super funds may select, with the ATO approval, one of two formats for the USI - the super fund's ABN plus three digits or a super product identification number (SPIN).</p>

## REFERENCE DOCUMENTS

When developing a solution to meet Single Touch Payroll reporting obligations, this document will provide business context and should be read in conjunction with the following technical documents:

- [SBR2 documents](#)
- [STP Technical Change Roadmap](#)
- [EMPWTHSPRDTL Package](#)

## WHAT ARE THE EMPLOYEE COMMENCEMENT SERVICES?

### SERVICE 1 - BMS INITIATED

BMS initiated employee commencement will enable employees to navigate to ATO Online services (using a contextual link) from their employer's business management software (BMS) to complete ATO on-boarding and/or choice of super forms electronically. These forms are submitted to the ATO and employers must then use SBR2-enabled software to retrieve those details.

This solution provides two levels of data pre-population:

1. Contextual link will transmit information about the employer and employee's employment with the SBR service request.
2. ATO will provide information about employee's personal tax circumstances, super accounts and further employer information. Where possible, data submitted by the employee will also be validated by ATO systems to increase accuracy and reduce downstream workflow.

Prior to the SBR request being sent to the ATO, the employee will be required to authenticate themselves through myGov, which provides an additional assurance for employers that the identity of their employee is accurate. The process also provides a user interface with revised questions that make it easier for employees to understand and answer. At the completion of the process, the employee submits the information to the ATO. The BMS will then retrieve the details but the employer will not need to resubmit that information to the ATO.

### SERVICE 2 - INDIVIDUAL INITIATED

Individual initiated employee commencement enables employees to complete their on-boarding form directly in ATO Online services via myGov. Employees must be given a Welcome Pack by their employer. The Welcome Pack must include:

- the employer's details (ABN and Branch ID) of the employer
- the employee's employment type (full time, part time, casual etc)
- (if the employee is eligible to choose a superannuation fund) a statement the employee may choose a fund, and the name of the employer's default fund, and
- information on how to access the on-boarding form in ATO Online.

The employee will access ATO Online services by authenticating through myGov. The employee will need to input details from their employer's Welcome Pack (employer's ABN and Branch ID (if relevant), employment type, and USI for their employer's default fund). The on-boarding form will be prefilled with known employee information.

As part of the on-boarding process in ATO Online the employee can submit information pertaining to a TFN declaration, Withholding declaration, Medicare levy variation, Upwards withholding variation. They can also review their existing super accounts, nominate their preferred super fund or choose their employer's default fund.

The employee can print their on-boarding form and provide it to their employer. The employer can retrieve the onboarding information to populate their BMS with the data using the event ID on the printed form via SBR if their BMS has the functionality to do so.

There is NO requirement for an employer to return the TFN declaration to the ATO in either electronic or paper format. If the withholding information on the printed form is incorrect, the employee should use Service 2 again or complete a new TFN declaration.

## THE LAW SUPPORTING EMPLOYEE COMMENCEMENT

Employee commencement services are supported by the [Income Tax Assessment Act 1936](#) and [Superannuation Guarantee \(Administration\) Act 1992](#) as a result of amendments made by the [Budget Savings \(Omnibus\) Act 2016](#).

## EMPLOYERS' OBLIGATIONS USING EMPLOYEE COMMENCEMENT SERVICES

Employers can either:

- Offer online commencement forms via the BMS Initiated process, if their business software provides this functionality (Service 1)
- Ask their employee to use Individual initiated via myGov service on ATO Online Employee commencement process (Service 2)
- Continue to use their current process, such as providing their employees with paper forms or employee self-service portals.

### Service 1 (BMS Initiated)

If an employer chooses to use the BMS Initiated (Service 1) process for employee commencement, then they will have met their legal obligations relating to the TFN declaration and superannuation choice as long as:

- the employer provides the new employee with details of their default super fund
- the contextual link generated by the employer's BMS includes the required information (otherwise, the employee will not be able to use the ATO Online service)
- where the employee is eligible to choose a fund, the contextual link includes the USI for the employer's default fund for this employee and
- the employer's BMS requests to retrieve the employee's information from the ATO at least once within 28 days of the employee commencing their employment.

The employer does not need to send the TFN declaration to the ATO. This obligation is relieved when the employee's information is requested by the employer from the ATO.

### Service 2 (Individual initiated)

If the employer asks their employees to use Service 2 (Direct to myGov) for Employee Commencement, then they will have met their legal obligations relating to the TFN declaration and providing superannuation choice as long as:

- The employer provides the new employee with details of:
  - the employer's details (ABN and Branch ID) of the employer
  - the employee's employment type (full time, part time, casual etc)
  - (if the employee is eligible to choose a superannuation fund) a statement the employee may choose a fund, and the name and USI of the employer's default fund, and
  - information on how to access the on-boarding form in ATO Online.

- The employee completes the Employee Commencement forms and gives a printed copy to the employer

The employer does not need to send the printed TFN declaration to the ATO as this obligation has been met via using Service 2 of the Employee Commencement service.

#### What happens if the employee does not complete the ATO Online Employee Commencement forms

If, after 28 days of the employee commencing their employment, there is no information for the employer to retrieve from the ATO (Service 1) or the employee has not given a Service 2 printout to their employer, or the employee has not otherwise made a TFN declaration and/or chosen a fund to their employer, the employer must:

- TFN declaration:
  - notify the ATO by completing as much of the payee section of the paper TFN declaration form. Write 'PAYER' in the payee declaration and lodge the form.
  - withhold the top rate of tax from any payment to that employee.
- Superannuation contributions:
  - Request stapled fund details from the ATO and make contributions in line with the response received.

#### **PREREQUISITE**

The employee who is on-boarding must have a myGov account that is also linked to ATO Online. If an employee does not have a myGov account that is linked to ATO Online, they must separately create the account and link to ATO Online before engaging this process.

#### **STAPLED SUPER FUND REQUESTS**

If an employee uses the ATO Online Employee Commencement form, it will establish the employment relationship required for an employer to make a request for stapled super fund details. For more information, refer to [Stapled super funds for employers](#).

## AUTHORISATION

This section relates to the authorisation required to use the SBR service to retrieve the on-boarding details.

Employers will be authorised to use the ATO Collection Service as long as they have registered and obtained an Auskey, and have a connection via SBR.

An employer can nominate a business intermediary (in Access Manager) to collect their employees' On-boarding and/or Choice of Super submissions on their behalf (using employer's ABN).

Registered agents and authorised representatives will be able to collect on behalf of their clients any forms lodged in ATO Online.

A hosted SBR enabled software provider can collect on behalf of an employer using the existing cloud service provider nomination process. Access Manager

AUSkey and Access Manager are used to manage access and permissions for SBR online services. ATO systems will check that the initiating party is allowed to use the interaction that is received through the SBR channel.

For more information on Access Manager, see the [ATO website](#). For further information on AUSkey, see the Australian Business Register's [website](#).

The table below displays the interaction and associated access manager permission:

Interaction	Access Manager Permission	Employer Reporting Party	Business Appointment	Hosted SBR software provider
EMPWTHSPRDTL.0002.2018.get	Employee commencement form	✓	✓	✓

An employer must assign the permission to a business appointment using Access Manager to allow them to retrieve On-boarding details on their behalf.

## EMPLOYEE COMMENCEMENT SOLUTIONS

The Australian Taxation Office (ATO) provides that the Employee Commencement services can only be used in accordance with the terms and conditions of use that apply at the time of the transaction.

Before using the interaction, please read these terms and conditions of use. We reserve the right to amend these terms at any time. Your continued access and use signifies your acceptance of these terms and conditions.

### TERMS AND CONDITIONS

The services described in this document are intended to streamline existing services. It does not affect an employer's obligation to:

- report withholding payments as required by STP reporting (Division 389 of Schedule 1 to the *Taxation Administration Act 1953*)
- notify the ATO that a new employee has not made a TFN declaration (section 202CF of the *Income Tax Assessment Act 1936*)
- provide superannuation choice information to an employee required by sections 32N and 32P of the Superannuation Guarantee (Administration) Act 1992 (SGAA) or
- make superannuation guarantee contributions in the circumstances required by the SGAA.

These services also do not remove the ability to use existing channels to provide Tax File Number Declarations.

### Monitoring

We will monitor use of the Service, and may contact the employer, or their authorised representative for clarification of transactions processed through the Service.

### Employer's responsibilities and acknowledgments

In using the *BMS Initiated Employee Commencement* service (Service 1) employers must acknowledge and agree:

- you must have offered your employee the use of this process and subsequently request and retrieve their information from the ATO within 28 days of them commencing their employment; and
- the ATO will be taken to have sent, and you received, an employee's information when the ATO makes it available for your retrieval via SBR, within the agreed SLA timeframe of you requesting the employee's information.
  - SLA timeframes are outlined in the [ATO ebMS3 Implementation Guide](#).

Employers can use the Employee Commencement service to extract on-boarding data (using the ATO created Event ID) related to their employee's use of the Individual initiated service

The allowance for 28 days is in line with the general requirement on employers to withhold at the highest marginal rate if after 28 days an employee has not provided their TFN to their employer.

### Breach of these terms and conditions

The Employee Commencement service must only be used by or on behalf of employers and only for the purposes for which it is designed. Where a person/entity holding an AUSKey accesses or uses the

Employee Commencement services other than in accordance with these terms and conditions, the ATO (in addition to any other rights it may have):

- may terminate the ability of that AUSKey to access the Employee Commencement services, and
- may report the matter to the entity or entities for whom that AUSKey is held or purportedly used, and to the authority who issued that AUSKey.

## **SYSTEM AVAILABILITY**

Whilst we will make reasonable efforts to ensure that the service is made available, we make no guarantees to provide continuously available access to the service nor to provide access which is uninterrupted or fault free.

The ATO publishes information about systems maintenance times at <https://www.ato.gov.au/General/Online-services/System-Maintenance>

### **SBR system status**

The current availability status of SBR systems for both production and test environments can be confirmed by accessing the [SBR system status page](#).

### **ATO Online**

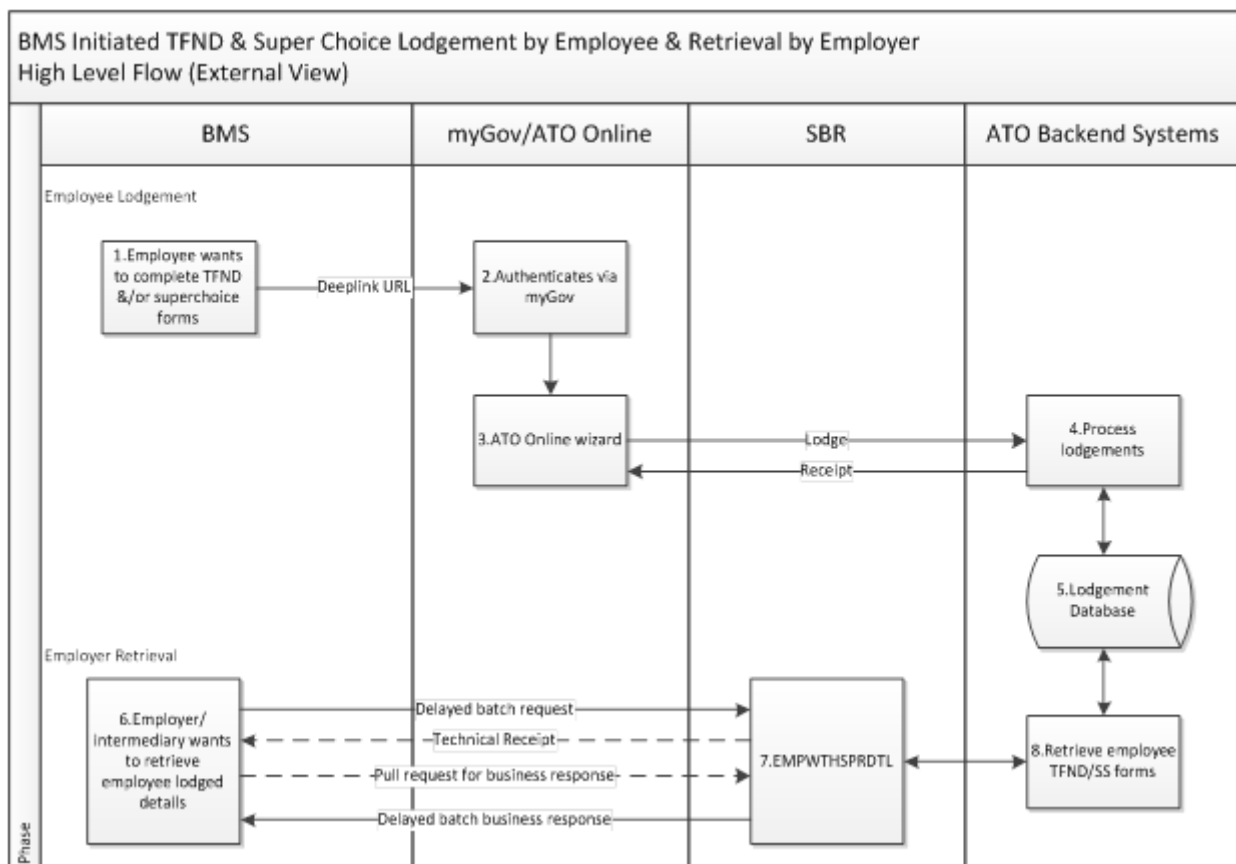
The availability of ATO Online can be confirmed by accessing the [Online services system maintenance page](#).

## BUSINESS PROCESS – BMS INITIATED

BMS initiated employee commencement requires employees to navigate, using a contextual link from their employer’s Business Management Software (BMS), to ATO Online employee commencement (via myGov authentication). The contextual link contains employee on-boarding transaction details and employer-provided details used to pre-populate the employee’s on-boarding forms in combination with data provided by the ATO.

After the employee has completed and submitted the on-boarding transaction in ATO Online, employers are required to retrieve the on-boarding event details using the relevant SBR2 service.

To use this business process, the BMS must have the capacity to both create the link and also retrieve the employee submitted details.



## CONTEXTUAL LINK

The contextual link must be generated in a session within the BMS.

The contextual link contains three sections:

1. Domain name: <https://onlineservices.ato.gov.au/>
  - HTTPS must be used to ensure the connection is secure and encrypted.
  - This part of the link must be identical to what is provided above.
  
2. Linktarget: ?PageName=EmployeeCommencement&PageParams=
  - This initiates the Employee Commencement process after an employee authenticates through myGov by directly targeting the employee commencement application in ATO Online.
  - This part of the link must be identical to what is provided above.
  
3. Parameters:
 

ABN:51824753556/branch:001/name:Australian%20Taxation%20Office/employment:F/eventID:20c5fe28-710b-4ade-9071-1944e7f0cd8e/bmsID: fa2854c0-2e07-47ab-b06a-4f3da9e47a72/choiceEligibility:Y/type:ALL/defaultFund:12345678910121

  - This contains the information about the employer and the employment.
  - The parameter names and delimiting characters must be used as shown above, along with the conditionality and content outlined in the table below.
  - In addition to the syntax requirements as outlined in the table below, the parameter values must not contain reserved URL characters:

!	*	'	(	)	;	:	@	&	=	+	\$	,	/	?	#	[	]
---	---	---	---	---	---	---	---	---	---	---	----	---	---	---	---	---	---

An example of a link that contains values for all possible parameters:

<https://onlineservices.ato.gov.au/?PageName=EmployeeCommencement&PageParams=ABN:51824753556/branch:001/name:Australian%20Taxation%20Office/employment:F/eventID:20c5fe28-710b-4ade-9071-1944e7f0cd8e/bmsID: fa2854c0-2e07-47ab-b06a-4f3da9e47a72/choiceEligibility:Y/type:ALL/defaultFund:12345678910121>

The table below outlines the parameters that make up the contextual link, whether the parameter is mandatory or not, the syntax requirements and possible errors to the parameter value.

Parameter	Mandatory	Syntax Requirements	Possible issues
<b>ABN</b> This is the employer's ABN.	YES	Must be an integer with exactly 11 digits Example: 51824753556	Invalid ABN - is not a 11 digit number that meets the format required for an ABN Missing ABN - was not provided in the link Not found - is an 11 digit number that meets the format required for an ABN but was not found within the register Cancelled - is an 11 digit number that meets the format required for an ABN but was found to be deregistered
<b>branch</b> This is the employer's branch ID.	NO	Must be an integer with up to three digits Example: 001	Invalid Branch ID - does not meet the syntax requirements
<b>name</b> This is the employer's business name that they may be known by as opposed to their legal name. This is to assist the employee in recognising the business they will be employed with.	NO	Must have a character length of no more than 200 Example: Australian Taxation Office	Invalid Employer Name - does not meet the syntax requirements
<b>eventID</b> This is the unique event ID, which is used by the BMS to retrieve a data file relevant to a specific event.	YES	Must have a character length of no more than 100 Must be unique for the employer ABN. ( if BMS initiated) It is recommended that a GUID is used and follows the convention outlined in <a href="#">RFC 4122</a> from the Internet Engineering Task Force (IETF) Example: 20c5fe28-710b-4ade-9071-1944e7f0cd8e	Invalid event ID - does not meet the syntax requirements Missing event ID - was not provided in the link Not unique event ID - was used in a previous link that was generated by the BMS for that ABN

Parameter	Mandatory	Syntax Requirements	Possible issues
<p><b>bmsID</b></p> <p>This is the BMS collection ID that identifies the BMS that is collecting the data.</p> <p>There is no matching of this bmsID to the ones use in other services.</p>	NO	<p>Must have a character length of no more than 200</p> <p>It is recommended that a GUID is used and follows the convention outlined in <a href="#">RFC 4122</a> from the Internet Engineering Task Force (IETF)</p> <p>Example: fa2854c0-2e07-47ab-b06a-4f3da9e47a72</p>	Invalid BMS Collection ID - does not meet the syntax requirements
<p><b>type</b></p> <p>This is the transaction type that specifies whether the employee will be accessing the forms for TFN declaration, choice of superfund or both.</p>	YES	<p>Must be exactly one of the following:</p> <ul style="list-style-type: none"> <li>• ALL</li> <li>• TFN</li> <li>• SUPER</li> </ul>	<p>Invalid Transaction Type - parameter value was something other than ALL (TFN and SUPER), TFN and SUPER</p> <p>Missing Transaction Type - was not provided in the link</p>
<p><b>employment</b></p> <p>This is the employment basis</p>	<p>IF <b>type</b> = ALL THEN YES</p> <p>IF <b>type</b> = TFN THEN YES</p> <p>IF <b>type</b> = SUPER THEN NO</p>	<p>Must be exactly one of the following:</p> <ul style="list-style-type: none"> <li>• F</li> <li>• P</li> <li>• C</li> <li>• L</li> <li>• S</li> </ul>	<p>Invalid Employment Basis - parameter value was something other than F (Full Time), P (Part Time), C (Casual), L (Labour Hire) and S (Super Pension Annuity)</p> <p>Missing Employment Basis - was not provided in the link</p>
<p><b>choiceEligibility</b></p> <p>This is the employee's eligibility for choice</p> <p>Where the link has indicated that an employee is not eligible for choice, they will be given a message to state that they may not continue on with the choice process.</p>	<p>IF <b>type</b> = ALL THEN YES</p> <p>IF <b>type</b> = TFN THEN NO</p> <p>IF <b>type</b> = SUPER THEN YES</p>	<p>Must be exactly one of the following:</p> <ul style="list-style-type: none"> <li>• Y</li> <li>• N</li> </ul>	<p>Invalid eligibility for choice - parameter value was something other than Y (Yes) and N (No)</p> <p>Missing eligibility for choice - was not provided in the link</p>
<p><b>defaultFund</b></p> <p>This is the USI for the employer's default super fund</p>	<p>IF <b>type</b> = ALL THEN YES</p> <p>IF <b>type</b> = TFN THEN NO</p> <p>IF <b>type</b> = SUPER THEN YES</p>	<p>Must have a character length of no more than 14</p> <p>Example: 12345678910121 or ABC2222AU</p>	<p>Invalid USI - was not found in the register or does not meet syntax requirements</p> <p>Missing USI - was not provided in the link</p> <p>Deregistered USI - was found to be deregistered</p>

## ERROR HANDLING

Error type	Expected outcome and error messaging
Error in the domain name section of the link (https://onlineservices.ato.gov.au/...)	The DNS will be unable to find the relevant domain and the browser will show a generic “not found” error page
Error in the section of the link that triggers the employee commencement service (...?PageName=EmployeeCommencement&PageParams=...)	The employee will still be shown the myGov login page, provided the domain name section is correct, but upon logging in they will see an ATO Online 404 not found message.
Error in the parameter names, parameter values or delimiting characters  (ABN:51824753556/branch:001/name:Australian%20Taxation%20Office/employment:F/eventID:20c5fe28-710b-4ade-9071-1944e7f0cd8e/bmsID:fa2854c0-2e07-47ab-b06a-4f3da9e47a72/choiceEligibility:Y/type:ALL/defaultFund:12345678910121)	Provided that the previous sections of the link are correct, the employee will get a message that states:  Data provided by your employer’s system contains errors  You will be unable to use this service until your employer fixes these errors. Please contact your employer.
The event ID is not unique (has previously been used)	Provided that there is no other error in the link, the employee will see a message that states:  Link expired  Contact your employer for a new link.

## RETRIEVAL OF ON-BOARDING DETAILS

The BMS is required to request and retrieve, through SBR2, all on-boarding events that are generated by the BMS. If 14 days has elapsed since an event was submitted with the ATO and the data file has not been retrieved by the BMS, the ATO will notify the employer to initiate another request/retrieve process. The ATO may take action to contact the employer if the file continues to be left unretrieved after this point.

The 14 day period is in line with the current requirement for employers to notify the ATO if they have not received a TFN Declaration from their employee 14 days after the employment relationship commences.

## REQUEST AND RETRIEVAL

The BMS must request for the on-boarding details no earlier than 2 hours after the event id was created in the BMS, **unless** notified by the employee that they have completed the process. This is to allow time for the employee to complete and submit the form and for the ATO systems to process it.

The BMS can also request using the event ID supplied on a printed ATO Online (Individual initiated) form to download the data file.

If the on-boarding details are not available for retrieval on the first attempt, the BMS should continue to request them, but no more frequently than once per 24 hour period thereafter until the details are successfully retrieved.

If the employee has indicated that they have not or are not going to complete the process, the BMS should not continue to request for the data file.

A BMS will be unable to request for a data file when:

1. the requesting entity's ABN is cancelled
2. the requesting entity is not the employer or their business appointment

A BMS cannot retrieve the data file when:

1. The event id cannot be found - this may be because the form was not submitted or cannot be submitted, for example, a choice of fund event was initiated but the employee was not eligible for choice, or
2. The ATO is awaiting further information to process the forms, for example, where the ATO is waiting for further information from the Department of Home Affairs on an employee's residency status.

The BMS should notify the employer on each occasion that the event id cannot be found, this will allow the employer to consider whether it is appropriate to contact their employee and also to stop further attempts to request for the data file if required.

The BMS will receive an error message when it cannot retrieve a data file. The error messages are outlined in the Validation Rules within the [EMPWTHSPRDTL Artefact Package](#).

Where a combined message event (both TFN and Super) was initiated, a single message data file may be returned if the employee was not eligible for choice of super.

Please refer to the [EMPWTHSPRDTL Artefact Package](#) for the message structures required for a request and what is provided in the data file.

## DISASTER RECOVERY

The process to disaster recovery is dependent on what systems the employer has available to them after the disaster.

The ATO is able to support disaster recovery through providing historical forms and also through the employees resubmitting the forms.

An employer should be able to retrieve all TFN Declaration and Choice of super fund information that was submitted through the BMS initiated process. However, they will need to contact the ATO to get information submitted through other channels or get their employees to provide it again.

## FREQUENTLY ASKED QUESTIONS

#	Question	Answer
1	Can I use this business process if I can choose a default fund for an employee from a list of funds in an industrial instrument?	Yes, but you must specify the default fund within the employee profile of your BMS. The contextual link will contain the USI of this default fund that will be displayed on the Choice of Fund page.

#	Question	Answer
2	Can I use this service if I have different default funds for different employees?	Yes, but you must specify the default fund within the employee profile of your BMS. The contextual link will contain the USI of this default fund that will be displayed on the Choice of Fund page.
3	Can I use this service if I have multiple BMS that will retrieve the data file for a single employee?	Yes, but the unique event id must be communicated to all the BMS to enable them to retrieve it. These BMS must all have the same ABN.
4	Can I use this service if I have multiple branches?	Yes, but we would recommend that you include the branch id in the generation of your contextual link.
5	Can I use this service if an employee wants to do TFN declarations only?	Yes, but the <b>type</b> parameter must be set to T.
6	Can I use this service if an employee wants to do choice of super fund only?	Yes, but the <b>type</b> parameter must be set to S.
7	Can I use this service if a contractor that is eligible for super wants to complete their choice of super form?	Yes, but the <b>type</b> parameter must be set to S
8	What happens when an employee submits the form but the employer subsequently withdraws position before the employee is officially hired?	The employer should contact the ATO to notify that they will not be retrieving the employee's information and for the ATO to cancel the form.  If the employer has already retrieved the information they should delete it from their BMS and securely dispose of any paper records.
9	What happens if an employee lodges multiple forms because they had to correct errors or because of accidental submission?	The BMS will have to retrieve all the versions and assess which one is the most current TFN declaration and the employer may choose which version of the choice of fund form they wish to proceed with.
10	Can my employee use this service to provide a downward variation to their tax withholding?	No, they will need to use the existing process.
11	Do employees need to complete all of the TFN Declaration, Withholding Declaration and Medicare Levy Variation each time they use this service for a TFN declaration or TFN declaration plus choice of super fund?	Yes, however, they will only be presented the questions that are relevant to their situation. The TFN declaration must be completed in full but if the employee indicates they not need to vary their withholding or Medicare Levy, they will not be presented with questions in relation to those parts of the form.
12	Is it possible for the data my employee submits through the service to differ from what I collect from them using my business processes?	Yes
13	Does the process recognise or reference industry awards and agreements?	No

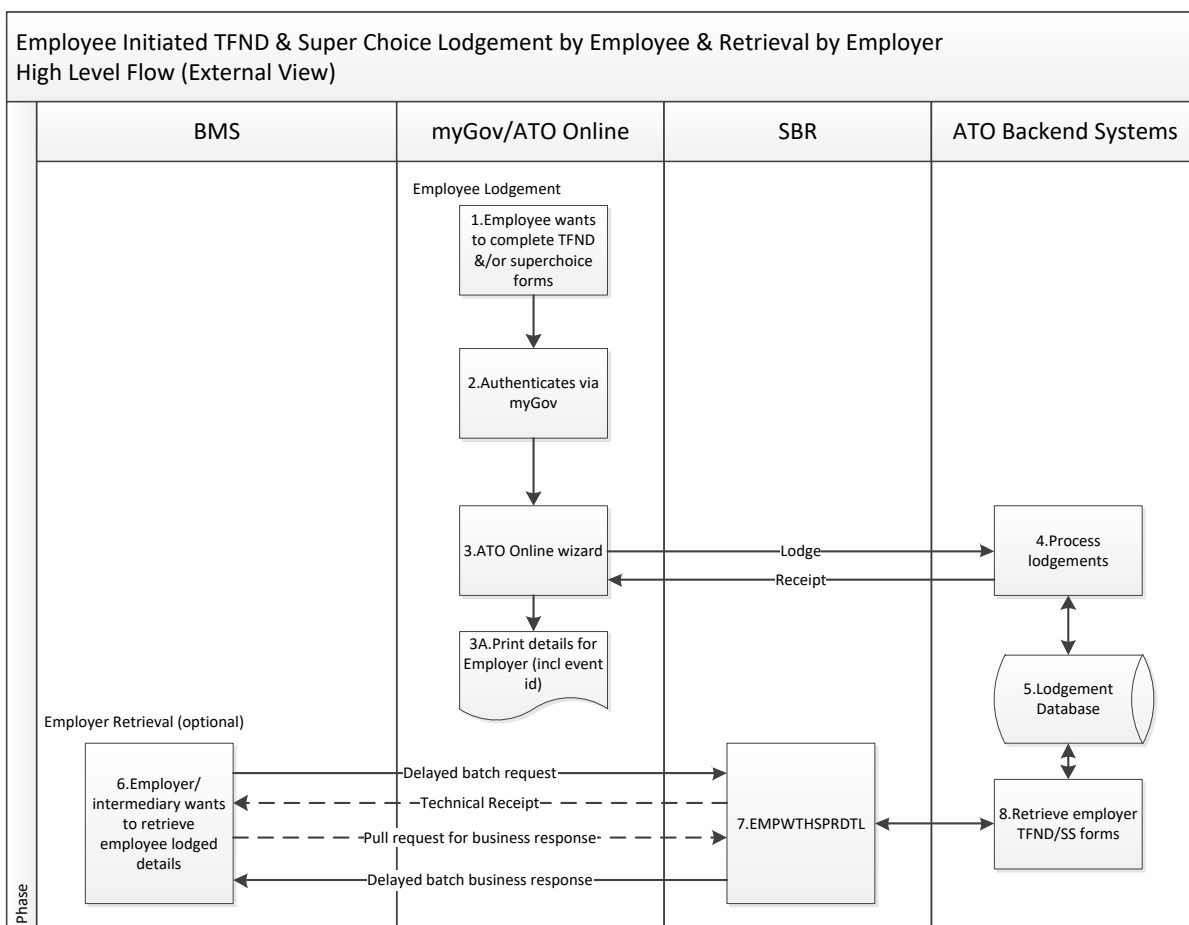
#	Question	Answer
14	Can the employee return to a form that is previously abandoned or timed-out before completion?	<p>No, the employee must initiate a new event, by initiating the link from the employers software.</p> <p>Information from incomplete events is not saved. If the employee has chosen not to complete their choice of super fund, they may return to complete that in isolation provided that their employer's software supports that interaction</p>
15	Can I download the data if my employee uses the Individual initiated Employee Commencement process	Yes, using the employer ABN and Event ID on the ATO Online printed on-boarding forms.
16	If an employee completes the commencement form through this service, will the employment relationship required to request their stapled super fund details be created?	Yes

## BUSINESS PROCESS – INDIVIDUAL INITIATED

BMS initiated employee commencement requires employees to navigate to ATO Online employee commencement (via myGov authentication). Unlike BMS Initiated, the employee will need to populate employer and other related data into ATO Online.

After the employee has completed and submitted the on-boarding transaction in ATO Online, the employee will be required to print the on-boarding form and give it to their employer. The on-boarding form will include an Event ID which the employer may use to download the on-boarding form data as per the process described in Section 6.2.1 REQUEST AND RETRIEVAL.

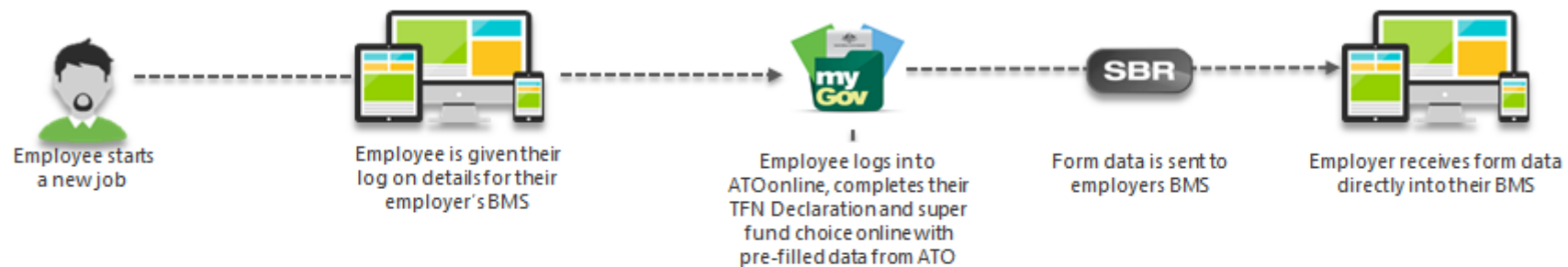
To download the on-boarding data, the BMS must have the capacity to retrieve the employee submitted details through SBR.



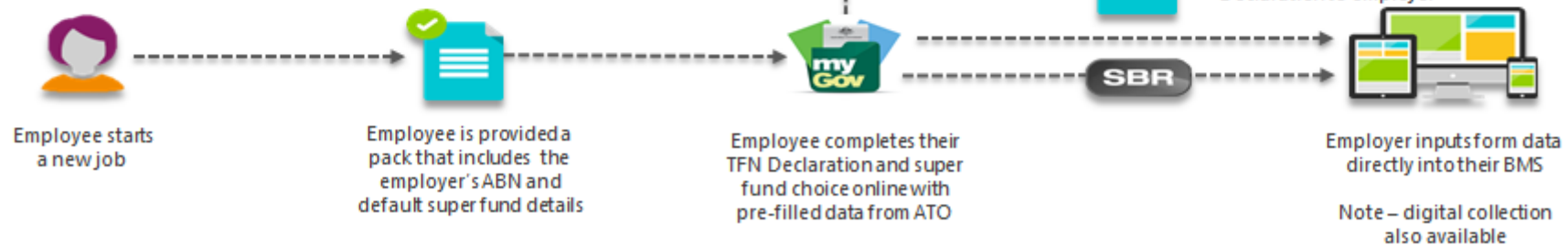
## APPENDIX A

## Employee Commencement

## ATO Online via Employer Software – Service 1



## ATO Direct – Service 2



## SCENARIOS

The following are assumptions that must be fulfilled for the following scenarios to be valid.

- Employee has obtained a TFN
- Employee has obtained a myGov account
- Employee has linked ATO Online to myGov account
- Employee has the right to work in Australia
- Employer has fulfilled all their legal obligations in hiring this employee

### **BMS Initiated Assumptions**

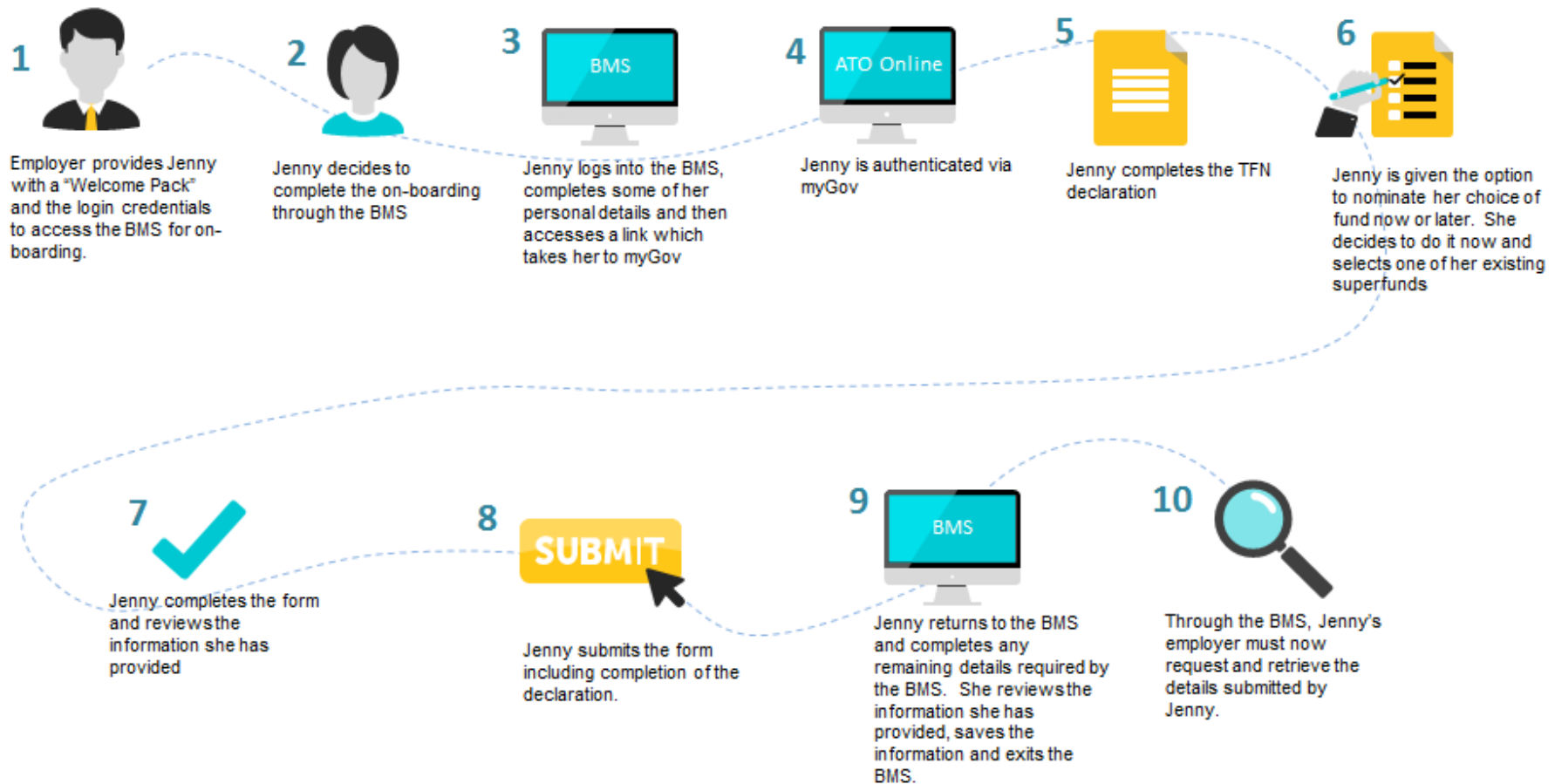
- Employer has provided BMS access to the employee for the BMS initiated service
- Employer will request and retrieve for employee's details within the required period of time

## STP – Employee Commencement – Scenario | BMS Initiated – Vanilla Flow



- Commenced 2<sup>nd</sup> job with Ripped Fitness
- Already has TFN and myGov account (linked to ATO)
- New employer uses business management software
- Jenny is not a member of any SMSFs

### Jenny

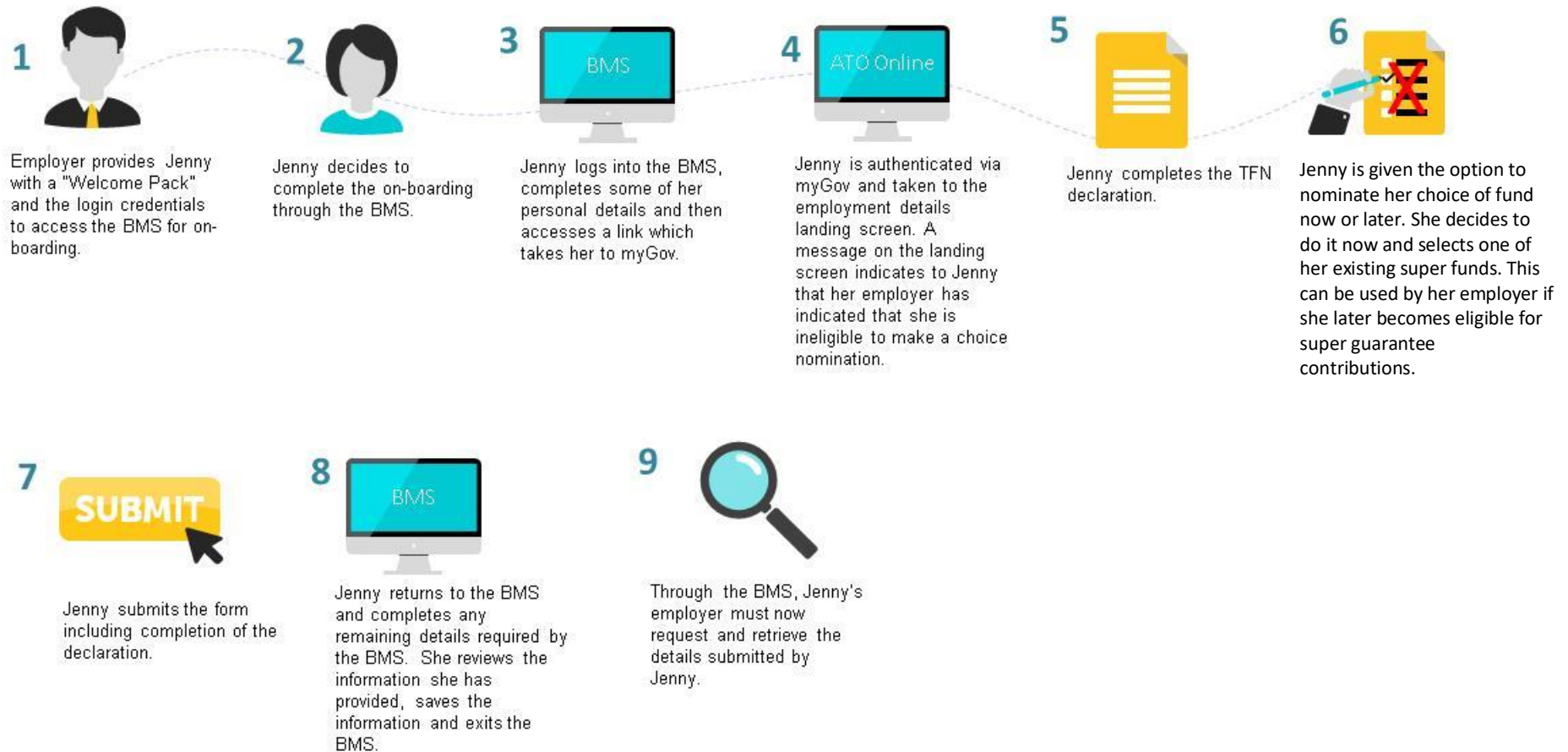


## STP – Employee Commencement – Scenario | BMS Initiated – Super under a workplace agreement



Jenny

- Commenced new part-time job with Ripped Fitness
- Is under 18 years of age and not working more than 30 hours per week
- Already has TFN and myGov account (linked to ATO)
- New employer uses business management software
- Jenny is employed under an enterprise agreement or workplace determination made on or after 1 January 2021

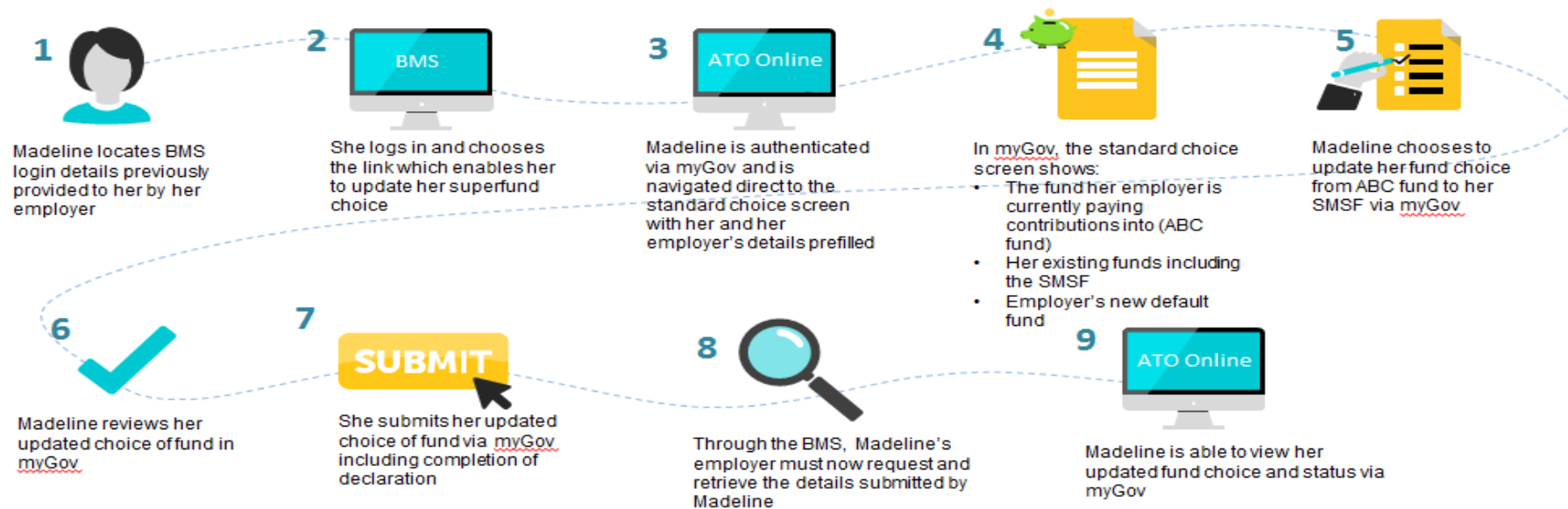


## STP – Employee Commencement – BMS Initiated Scenario | Change of fund |



**Madeline**

- Worked as diver for Ocean's Jewels for over 10 years
- Annual salary of \$200,000.00
- Already has TFN and [myGov](#) account (linked to ATO)
- Received advice from financial advisor to transfer to SMSF
- Employer has advised that it is acceptable for her to choose a different fund
- Employer uses BMS initiated process for Employee Commencement

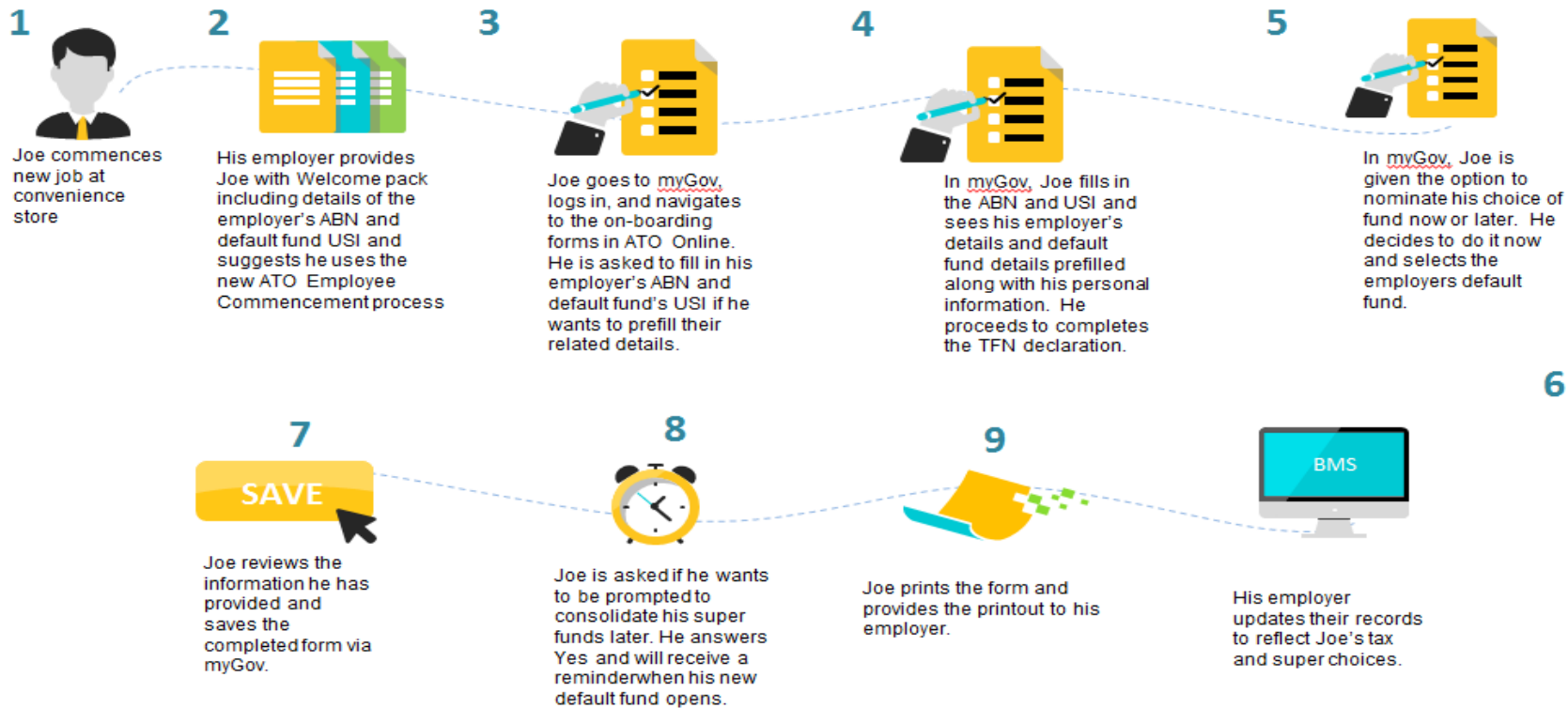


## STP – Employee Commencement – Direct to myGov Scenario | Completion of on-boarding forms |



- High school graduate
- Previously held a few short term jobs on weekends and has one fund already
- Already has a TFN and myGov account (linked to ATO)
- Commencing full time work for Frank at local convenience store
- Employer's has payroll and record keeping system that is not able to be integrated with ATO systems for employee commencement

**Joe**



## STP – Employee Commencement – Direct to myGov Scenario | Employee updates on-boarding form |



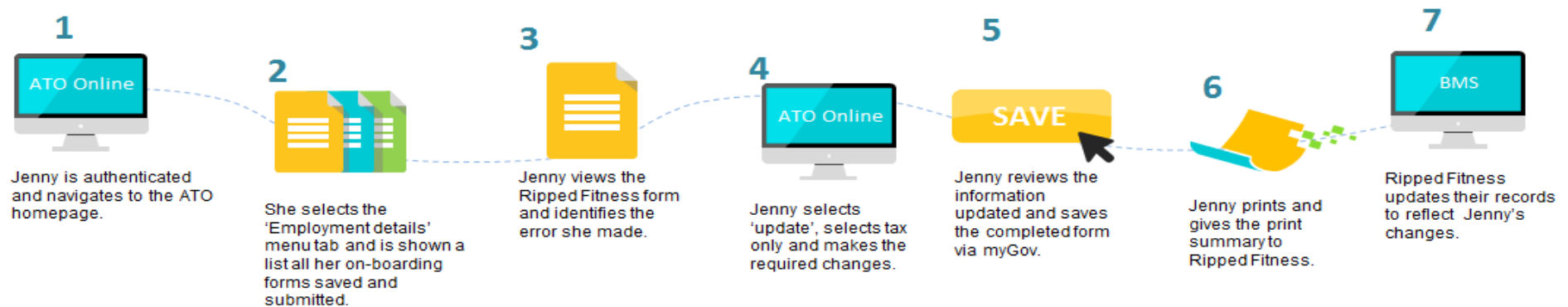
**Jenny**

- Commenced 2<sup>nd</sup> job with Ripped Fitness
- Already has TFN and myGov account (linked to ATO)
- Ripped Fitness uses software, but recommends that employees use the ATO Employee Commencement services

Jenny has been working at Ripped Fitness for two months. She noticed when doing some online banking that her salary was much lower than what had discussed with her employer and she's uncertain why. She checks her payslip and notices that she has been taxed more than expected.

Jenny doesn't understand why has she been taxed so much. She contacts her employer John for clarification. John suggests that it could be because Jenny did not fill her TFN declaration correctly, which results in extra tax being withheld from each payment.

John tells Jenny to go back to ATO Online Services via myGov to check her TFN declaration. Jenny authenticates and navigates to the ATO homepage. She selects the "Employment details" from the menu tab which takes her to a page listing current and previous on-boarding forms she has saved and submitted. Jenny selects and views the form submitted for Ripped Fitness.



## STP – Employee Commencement – Direct to myGov Scenario | Change of fund |



**Madeline**

- Worked as diver for Ocean's Jewels for over 10 years
- Annual salary of \$200,000.00
- Already has TFN and myGov account (linked to ATO)
- Received advice from financial advisor to transfer to SMSF
- Employer has advised that it is acceptable for her transfer funds, provides ABN and default fund USI.
- Employer uses the Direct to myGov process for Employee Commencement

