Australian Government

Australian Taxation Office

Understanding the Payroll Event Design
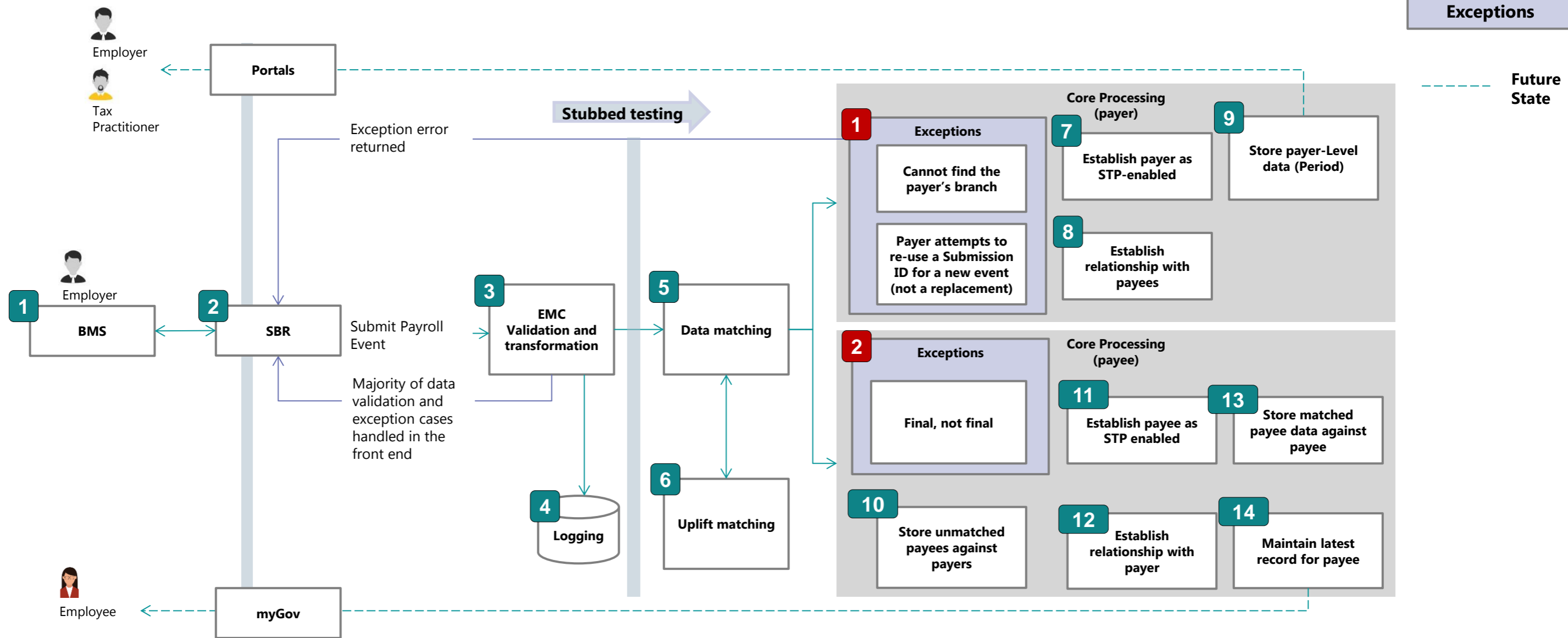
Payroll Event and Full File Replacement

Payroll Event

Payroll Event

DRAFT

This diagram shows the functional capabilities that support processing and does not necessarily show sequencing

Standard Processing

Exceptions

Future State

Employer

Tax Practitioner

Portals

Exception error returned

Stubbed testing

Core Processing (payer)

1 Exceptions
- Cannot find the payer's branch
- Payer attempts to re-use a Submission ID for a new event (not a replacement)

7 Establish payer as STP-enabled

9 Store payer-Level data (Period)

8 Establish relationship with payees

1 Employer BMS

2 SBR

Submit Payroll Event

Majority of data validation and exception cases handled in the front end

3 EMC Validation and transformation

5 Data matching

2 Exceptions
- Final, not final

11 Establish payee as STP enabled

13 Store matched payee data against payee

Core Processing (payee)

4 Logging

6 Uplift matching

10 Store unmatched payees against payers

12 Establish relationship with payer

14 Maintain latest record for payee

Employee

myGov

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1 A BMS makes a call to the payroll API

2 Message is received via SBR and routed to EMC

3 Validation and transformation
- Majority of validation performed in the front end (SBR and EMC)
- Exception messages are returned where the message does not meet the specifications

4 Audit logging
- All transactions with the ATO are subject to audit logging

5 Data matching
- The payload will be compared to a matching profile which we will attempt to resolve to a client
- The matching profile looks at our register of data and builds a weighted score of how likely (or not) this data is to belong to an entity

6 Uplift matching
- Due to the expected volume of interactions, even a small number of unmatched records could impact a large number of processes
- Further matching will run periodically on any records that fail initial matching – this being tuned for an exhaustive search.
- These results will be handled post-processing

7 11 Establish clients as STP enabled
- We setup the payer structure to keep track of who is reporting in STP
- We setup the payee structure to see who is being reported on in STP

8 12 Establish relationship between payer and payees
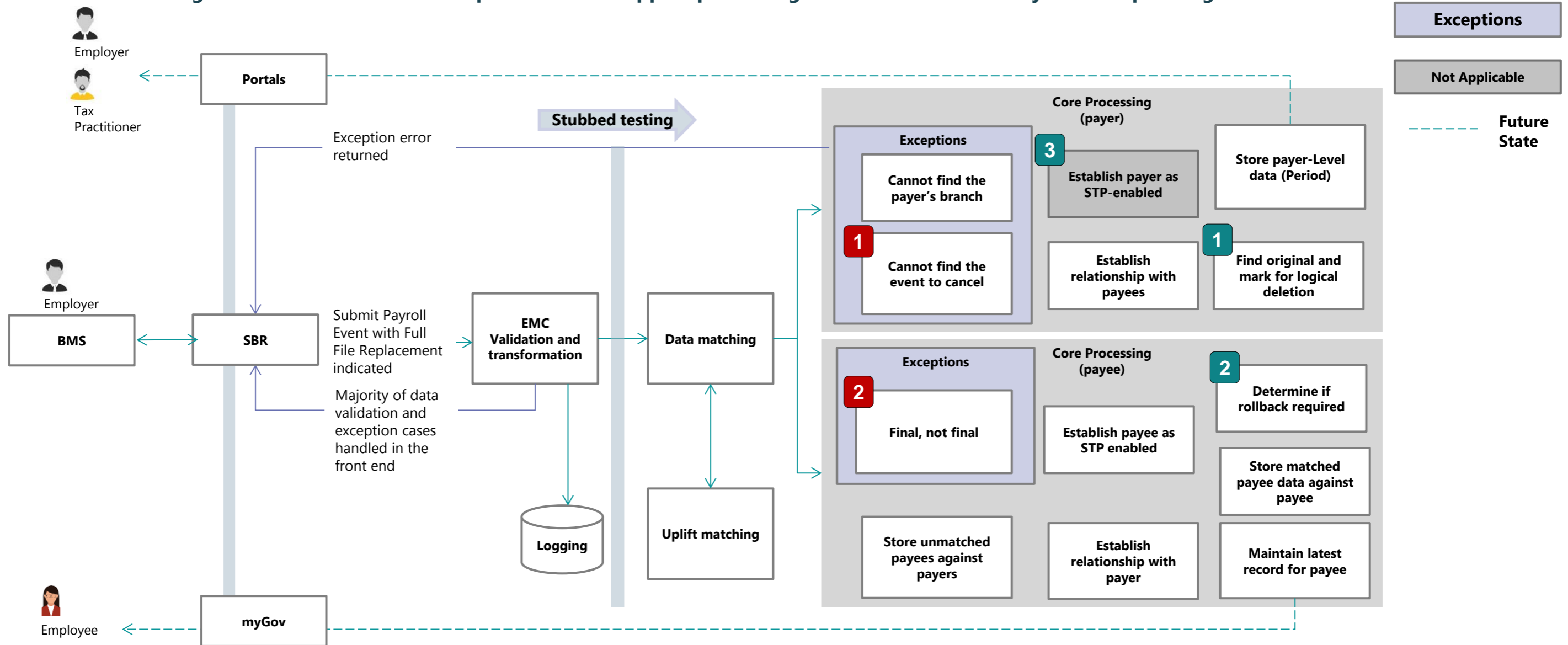- We intend to use this relationship as part of authentication and authorisation when displaying data

9 Store payer-Level Data
- Very minimal processing is carried out on a payer record, as there is no need to maintain the current YTD position

10 Store unmatched payees against payer
- As we do not know who this individual is, we do not perform processing on the payee and the record is stored against the payer

13 Store matched payee data against payee

14 Maintain latest record for payee
- For each ABN, branch, BMS, TFN and Payroll ID, for each financial year, we create a pointer to the latest record containing the full payroll information
- This allows us to quickly access the most current STP reports for an individual without having to search through all of the records

1 Exception handling
- In general, we will store a copy of every record, however exceptions will be excluded from any downstream processing
- During processing, the record will be marked as an exception and cleaned up post-processing
- If we can't find a branch based on what is provided in the payload, it is stored against the first branch you have
- Submission ID must be maintained as unique per ABN/branch/BMS. If not unique, we store it and mark it to be ignored (along with any children)

2 Final, not final
- Any finalised payees must be reported as final for all subsequent reports for that FY.
- Any that are not final will not update the pointer (step 14) and will be ignored

3

Full File Replacement

Full File Replacement

DRAFT

This diagram shows the functional capabilities that support processing and does not necessarily show sequencing

Full File Replacement follows the same pattern as the payroll event for the processing of the replacement, however different processing occurs in order to undo the identified event

1 **Find original and mark for logical deletion**

2 **Determine if rollback required**
- Where a replacement does not provide data for a particular payee (i.e. they should not have been included in the report).
- We rollback as if the event for that payee was never submitted, undoing any processing that occurred (e.g. creation of relationships, rollback to previous YTD position)

3 **Establish payer as STP-enabled (Not Applicable)**
- This will not occur for a Full File Replacement as the payer would have already been established through the original.

1 **Cannot find the event to cancel**
- If the Submission ID provided on the Full File Replacement cannot be located for the entity (ABN/branch/BMS), a replacement cannot occur
- The original is not cancelled and this file is marked for logical deletion (e.g. the Full File Replacement has no outcomes)
- A generic message is returned back that this has occurred

2 **Final, not final**
- If a Full File Replacement is attempting to replace the first finalised submission for a year, it can replace it with a non-final record.
- If a Full File Replacement is attempting to the second or later finalised submission, it must be replaced with a final or it follows the exceptions processing as documented in payroll reporting.