

Single Touch Payroll – Digital Service Provider Industry Update

Since the legislated introduction of Single Touch payroll (STP) from 1 July 2018, we have seen continued growth in its uptake by employers.

May 2019

This update provides digital service providers (DSPs) with an overview of the latest STP reporting statistics as well as information on common themes we have identified and recommended actions.

91,310
Employers reporting



6,204,215
Individuals¹



3,113,196
Pay events



99,806,263
Payee events



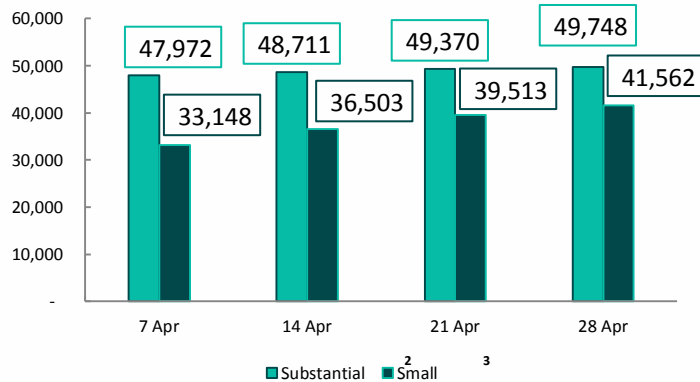
222
Payroll solutions



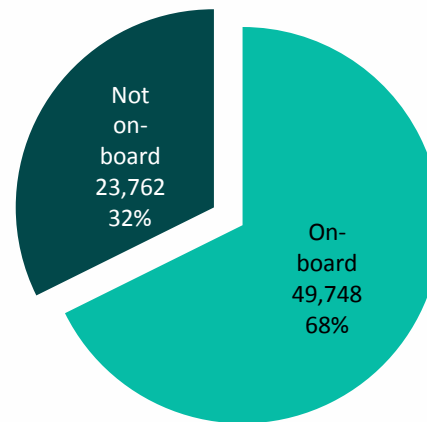
809,864
Income Statement
page views



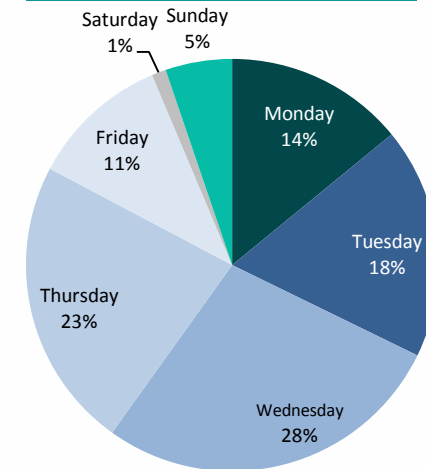
ON-BOARDING



SUBSTANTIAL²



PAY DAY⁴



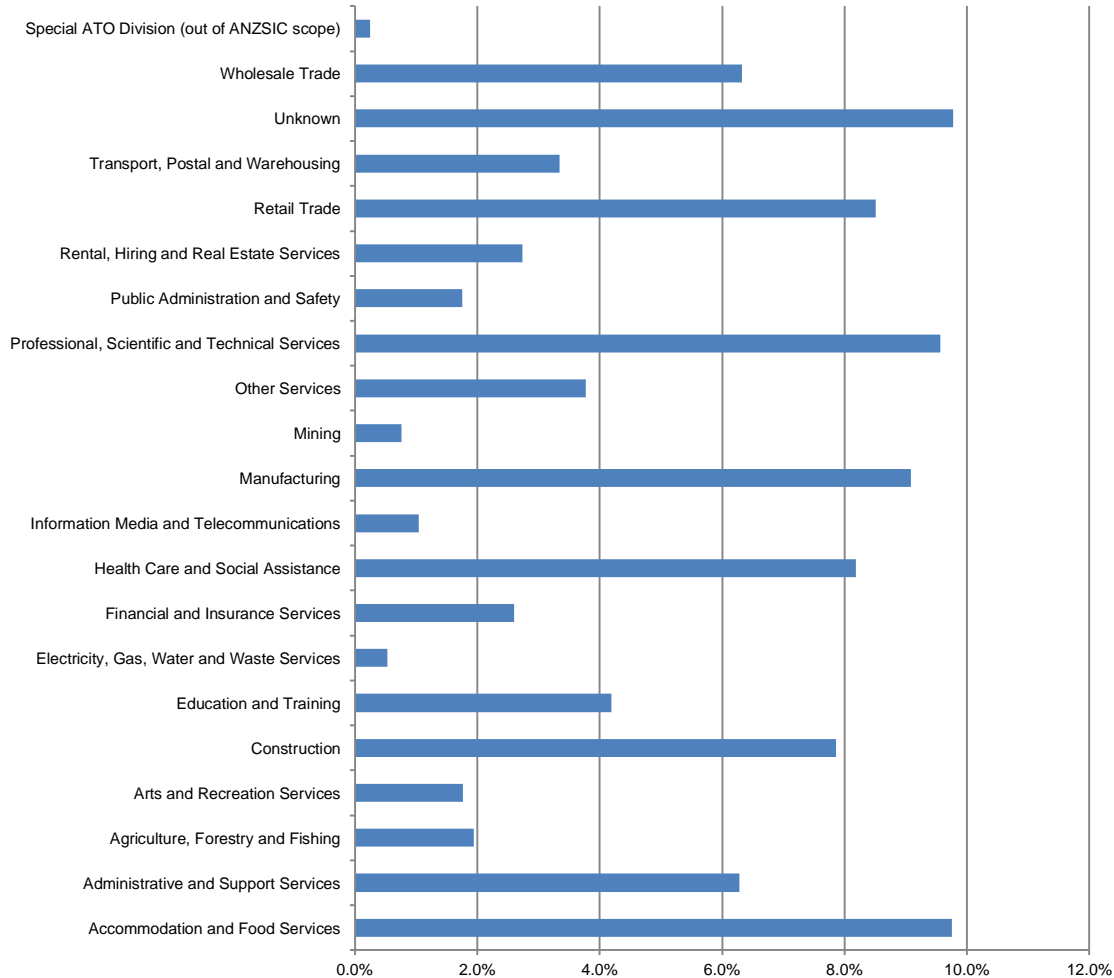
Notes:

1. The number of individuals reported via STP (noting an individual may be reported by more than one employer – e.g. where they have two jobs)
2. “Substantial” is defined as an employer with 20 or more employees. Population estimated to be 73,510
3. “Small” is defined as an employer with 19 or less employees
4. The Day a payment was made by an employer

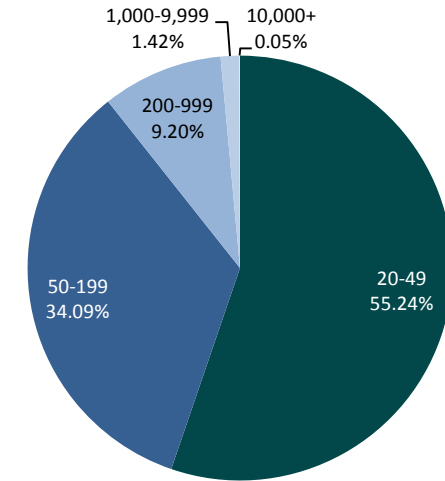
*The figures are a snapshot as at 28 April 2019.

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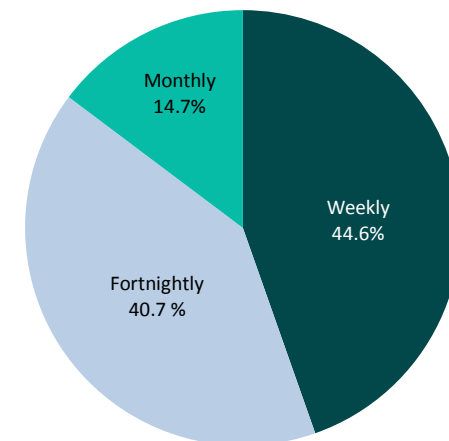
ON-BOARDED SUBSTANTIAL EMPLOYERS by INDUSTRY SEGMENT



EMPLOYER SIZE SEGMENTS (Substantials)⁵



PAY FREQUENCY



Note:
5. Substantial employers grouped by employee size segments.

COMMON THEMES

Below are some common STP reporting themes based on current lodgment behaviours. The tips below could assist in minimising some of the issues for you and/or your users. As the first year of STP is a transition, we may contact your users to offer support and guidance.

Common theme	Recommended action
<p>EOFY reporting (continued)</p> <p>Some employers may face issues when completing their STP reporting requirements for the End of Financial Year (EOFY).</p>	<p>Finalisation indicator</p> <p>An employer is required to finalise their employee's STP information through their payroll software by making a finalisation declaration by 31 July 2019.</p> <p>Once finalised, employee information will display as 'Tax ready' in ATO online via myGov.</p> <p>If finalisation occurs during the financial year it can be provided through a pay event or an update event.</p> <p>If finalisation occurs after the EOFY it can only be provided through an update event.</p> <p>For more information see:</p> <ul style="list-style-type: none"> • section 3.3 Finalisation — Declaration the employer has provided all information for an employee for the financial year of the STP Business Implementation Guide • End-of-year finalisation through STP on ato.gov.au. <p>If you have questions email SingleTouchPayroll@ato.gov.au.</p>
<p>Unique software ID (continued)</p> <p>The user has not nominated their DSP as their online (cloud) software provider.</p> <p>Or</p> <p>The user has provided an incorrect unique software ID when nominating their DSP as their online (cloud) software provider</p>	<p>We use device AUSkeys to identify whose software is sending data to the ATO.</p> <p>You need to provide your users with a unique software ID if the software they are using to lodge STP reports uses your Device AUSkey. This authorises you (as their DSP) to send their payroll data to the ATO, which is a security requirement.</p> <p>Alternatively, if your users are using your software with their own Device AUSkey, you will not need to provide them with a unique software ID. As a result, they won't need to authorise you or others to send/receive data on their behalf.</p> <p>You can find more information on ato.gov.au to assist you and your users:</p> <ul style="list-style-type: none"> • Registered agents providing a payroll service • How to notify us

Stakeholder resources

Resources are available on the *Software developers website* and ato.gov.au to support you in communicating with your users. This includes:

- [Single Touch Payroll employer reporting guidelines](#)
- [Reporting through Single Touch Payroll](#) (includes steps to consider before lodgment of a STP report)

