



Legislative Instrument

Taxation Administration – Single Touch Payroll – 2019-20 and 2020-21 Income Years Closely Held Payees Exemption 2021

I, Louise Clarke, Deputy Commissioner of Taxation, make this instrument under subsection 389-10(1) of Schedule 1 to the *Taxation Administration Act 1953*.

Louise Clarke

Deputy Commissioner of Taxation
Policy, Analysis and Legislation
Law Design and Practice
7 July 2021

1. Name of instrument

This is the *Taxation Administration – Single Touch Payroll – 2019-20 and 2020-21 Income Years Closely Held Payees Exemption 2021* instrument.

2. Commencement

This instrument is taken to have commenced on 1 July 2019.

3. Application

This instrument applies for the 2019-20 and 2020-21 income years to an entity which:

- (a) was not at any time before 1 April 2019 a substantial employer within the meaning of former subsection 389-5(6) of Schedule 1 to the *Taxation Administration Act 1953* (TAA 1953);
- (b) pays an amount described in the table in subsection 389-5(1) of Schedule 1 to the TAA 1953 to a closely held payee;
- (c) is registered for the purposes of Subdivision 16-BA of Schedule 1 to the TAA 1953; and
- (d) is not a large withholder as defined in section 16-95 of Schedule 1 to the TAA 1953.

4. Determination

An entity to which this instrument applies is not required to report information to the Commissioner of Taxation under Division 389 of Schedule 1 to the TAA 1953 in respect of an amount paid to a closely held payee.

5. Definition

For the purposes of this instrument, a closely held payee is an employee of the entity who is also an associate of the entity under section 318 of the *Income Tax Assessment Act 1936*.