



Single Touch Payroll

Data Matching between the Australian Taxation Office and the Department of Education, Skills and Employment

The Department of Education, Skills and Employment (the Department) is undertaking a data matching program with the Australian Taxation Office (ATO). This will enable the Department to make greater use of payroll data reported to the ATO through Single Touch Payroll (STP) to determine eligibility for, and assist with, calculating entitlements available through the Australian Apprenticeships Incentives Program (AAIP).

Do eligible employers of Australian Apprentices need to report through STP?

To be eligible to claim the Boosting Apprenticeship Commencements (BAC) wage subsidy and the Completing Apprenticeship Commencements (CAC) wage subsidy, employers will need to report payroll information to the ATO through STP, unless an exemption has been granted.

Employers with an STP exemption will need to provide documentary evidence to the Department in the form of a letter from the ATO confirming the exemption and the period to which it applies. You do not need to provide documentary evidence if you have an exemption as a holder of a Withholding Payer Number (WPN). If you do not report through STP, it may affect your eligibility to receive either subsidy.

STP streamlines reporting to the ATO and reduces the duplication of information you need to provide to the Australian Government. The more detailed information you provide, the faster BAC and CAC claims can be processed for eligible employers to access payments. It is important that you understand your STP obligations and lodge your STP report by the due date.

More information about the STP can be found on the ATO website:

<https://www.ato.gov.au/business/single-touch-payroll/>

How will the Department use STP data? What are the objectives and outcomes of this data matching program?

The Department has entered into a data matching protocol with the ATO. This will enable the Department to use STP data reported from an employer to the ATO to determine eligibility for, and assist with, calculating entitlements available through the AAIP including the BAC and CAC wage subsidies. This will reduce red-tape for employers, apprentices and trainees. It will also reduce the risk of incorrect payments.

The Department will use STP data to:

- where possible, reduce the need for employers to provide wage evidence to substantiate their claim for payment.
- minimise the contact employers must have with the Department (and contracted service providers) to provide payroll evidence in support of their incentive payments, including the BAC and CAC wage subsidies.
- improve processing times for the relevant Australian Apprenticeship Incentive claims including the BAC and CAC wage subsidies.

More information about the Data Matching Program can be found at:

<https://www.dese.gov.au/skills-support-individuals/resources/data-matching-program>