

night PayBiz – ATO STP2 Child Support Reporting

22/01/2025

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ATO Reference:

<https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?page=5>

Optional STP Reporting - Child Support

Child Support deductions can now be reported each pay day to Child Services Australia via the ATO in your STP file.

Payers who choose to voluntarily report child support deductions to the Commissioner of Taxation under section 389-30 of Schedule 1 of the Taxation Administration Act 1953 can do so by reporting child support deductions via the PAYEVT 2020 (STP2) Service. The Child Support Registrar aligns withholding amounts to the payee's pay period start date, pay period end date and pay day.

Reporting Child Support via STP is OPTIONAL.

If you choose to report via STP:

- You won't need to report those amounts separately to Services Australia
- You must still pay the required amounts to Services Australia using the payment information specified in the Child Support notice issued to you. Do not pay child support amounts to us.
- If you choose not to use STP to report child support amounts, then you must continue to report directly to Services Australia using your existing reporting channels.

Only deductions made under Section 45 or 72A notices can be reported via STP.

There are three different types of Child Support amounts:

1. **Child Support Deductions** - Section 45 notice, can be reported via STP.
2. **Child Support Garnishees** - Section 72A notice, can be reported via STP.
3. **Voluntary Child Support** - Cannot be reported via STP as this is where there is no notice from the Child Support Registrar is in place for child support amounts.
(Not to be confused with the voluntary nature of STP reporting).

IMPORTANT CONSIDERATIONS

- You will need to request **new S72A garnishee notices** with your payer reference number, rather than the previously used payee reference.
- The **first STP report must be accompanied by the existing child support report form** and manually provided to the Child Support Registrar for the pay period amounts. Manual reporting can be completed with the child support deductions report form (CS4964) using existing Child Support channels.
- STP **must be reported ON TIME every pay period**, otherwise the payer may incur a debt and penalty.
- Employees with reportable Child Support payments (Expected Payees) **must be reported in every pay period**, even if they did not receive wages. This may impact on your OZEDI data usage.
- The Child Support pay type must be on an **Employee Standing Line** to trigger reporting every period.

**PLEASE MAKE SURE YOU UNDERSTAND THESE CONSIDERATIONS BEFORE ENABLING STP
CHILD SUPPORT REPORTING**

Child Support Pay Type Setup

PayBiz main menu > Payroll > Pay Types > Open or Add a Child Support pay type

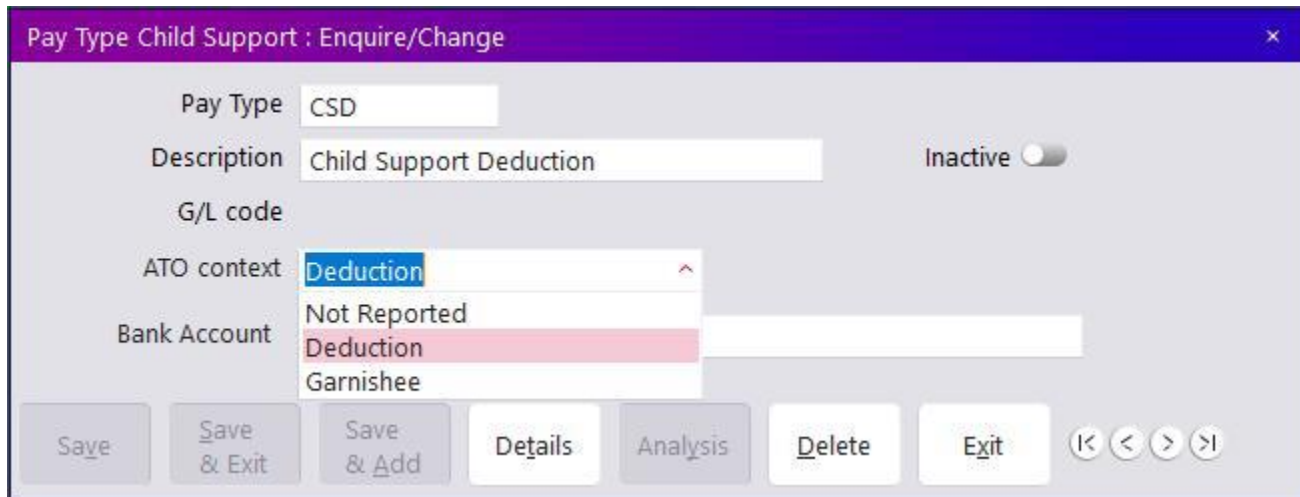


Figure 1: Select Appropriate ATO Context

For the three different types of Child Support amounts:

1. **Child Support Deductions** - Fixed amount each pay under a Section 45 notice: Select **Deduction**
2. **Child Support Garnishees** - Cents in the Dollar or Percentage under a Section 72A notice: Select **Garnishee**
3. **Voluntary Child Support** - No notice from the Child Support Registrar: Select **Not Reported**

Expected Payees

Expected Payees are defined in Paybiz as Employees with a Child Support standing line using a Child Support pay type that has a reportable ATO Context - **Deduction** or **Garnishee**

ATO Definition:

The Child Support Registrar has issued a notice to the payer under section 45 of the Child Support (Registration and Collection) Act 1988.

Child Support is expecting the payer to provide reporting via STP for the payee each pay period. The payer must successfully report via STP for the expected payee.

Child Support will consider all STP reports for payees with active notices issued under section 72A of the Child Support (Registration and Collection) Act 1988 as expected payees.

Child Support will contact the payer where an STP report is not provided by the payer for an expected payee.

Unexpected Payees

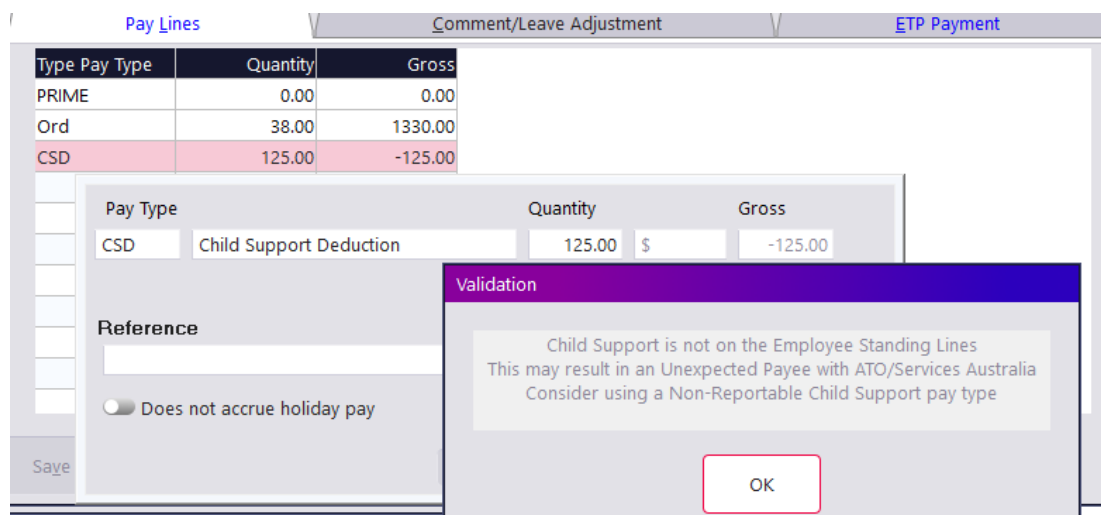
Unexpected Payees can happen in Paybiz if a Child Support pay type with a reportable ATO Context is added directly to a payslip, and there is no Standing Line on the employee record.

ATO Definition:

If a payer reports either a deduction or garnishee amount for a payee where an active notice under either section 45 or 72A of the Child Support (Registration and Collection) Act 1988 is not in place, the payee is an unexpected payee.

Each unexpected payee report will be reviewed by Child Support and payer may be contacted to provide additional information.

Paybiz will display a warning if an Unexpected Payee is suspected:



The screenshot shows the Pay Lines section of the Paybiz interface. It displays a table with columns: Type Pay Type, Quantity, and Gross. The table contains three rows: PRIME (0.00, 0.00), Ord (38.00, 1330.00), and CSD (125.00, -125.00). Below the table, there is a form for adding a new pay line. The form has fields for Pay Type (CSD), Quantity (125.00), and Gross (-125.00). There is also a checkbox for 'Does not accrue holiday pay'. A validation message is displayed in a purple box, stating: 'Child Support is not on the Employee Standing Lines. This may result in an Unexpected Payee with ATO/Services Australia. Consider using a Non-Reportable Child Support pay type.' An 'OK' button is visible at the bottom right of the validation message.

Type Pay Type	Quantity	Gross
PRIME	0.00	0.00
Ord	38.00	1330.00
CSD	125.00	-125.00

Pay Type: CSD, Quantity: 125.00, Gross: -125.00

Reference:

☐ Does not accrue holiday pay

Validation: Child Support is not on the Employee Standing Lines. This may result in an Unexpected Payee with ATO/Services Australia. Consider using a Non-Reportable Child Support pay type.

OK

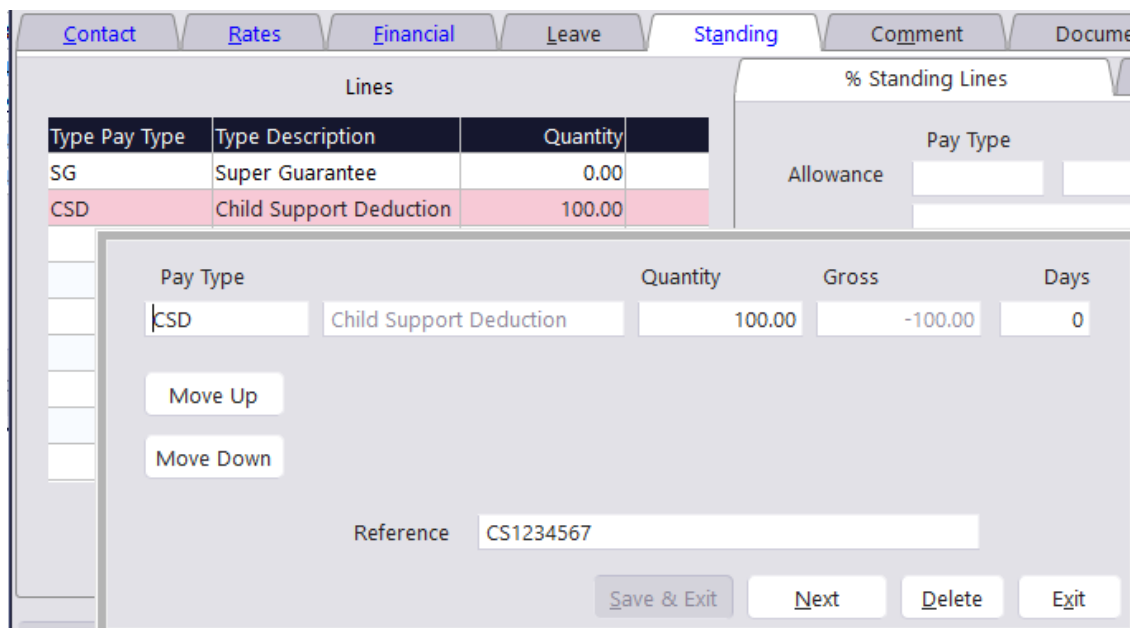
Figure 2: Unexpected Payee warning

Employee Setup

PayBiz main menu > Payroll > Employees

Add a standing line for the reportable child support.

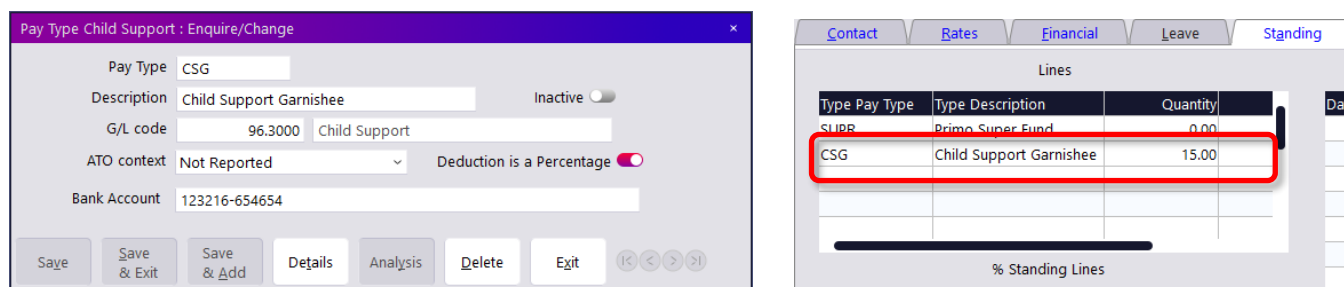
Fixed amount (Deduction):



The screenshot shows the 'Standing' tab in the PayBiz interface. A table lists standing lines with columns: Type Pay Type, Type Description, and Quantity. The first line is 'SG' (Super Guarantee) with a quantity of 0.00. The second line is 'CSD' (Child Support Deduction) with a quantity of 100.00. Below the table, there is a detailed view for the selected 'CSD' line, showing 'Pay Type' as 'CSD', 'Child Support Deduction', 'Quantity' as 100.00, 'Gross' as -100.00, and 'Days' as 0. There are 'Move Up' and 'Move Down' buttons, a 'Reference' field with the value 'CS1234567', and 'Save & Exit', 'Next', 'Delete', and 'Exit' buttons.

Figure 3: Child Support Deduction Standing Line example

Cents in the Dollar or Percentage (Garnishee) use a pay type with **Deduction is a Percentage = ON**:



The screenshot shows two parts of the PayBiz interface. On the left is the 'Pay Type Child Support : Enquire/Change' dialog box. It contains fields for 'Pay Type' (CSG), 'Description' (Child Support Garnishee), 'G/L code' (96.3000), 'ATO context' (Not Reported), and 'Bank Account' (123216-654654). There is an 'Inactive' toggle and a 'Deduction is a Percentage' toggle which is turned on. At the bottom are buttons for 'Save', 'Save & Exit', 'Save & Add', 'Details', 'Analysis', 'Delete', and 'Exit'. On the right is the 'Standing' tab of the Payroll interface, showing a table with columns: Type Pay Type, Type Description, and Quantity. The first line is 'SUPR' (Primo Super Fund) with a quantity of 0.00. The second line is 'CSG' (Child Support Garnishee) with a quantity of 15.00. The 'CSG' line is highlighted with a red box.

Figure 4: Child Support Garnishee pay type and Standing Line example

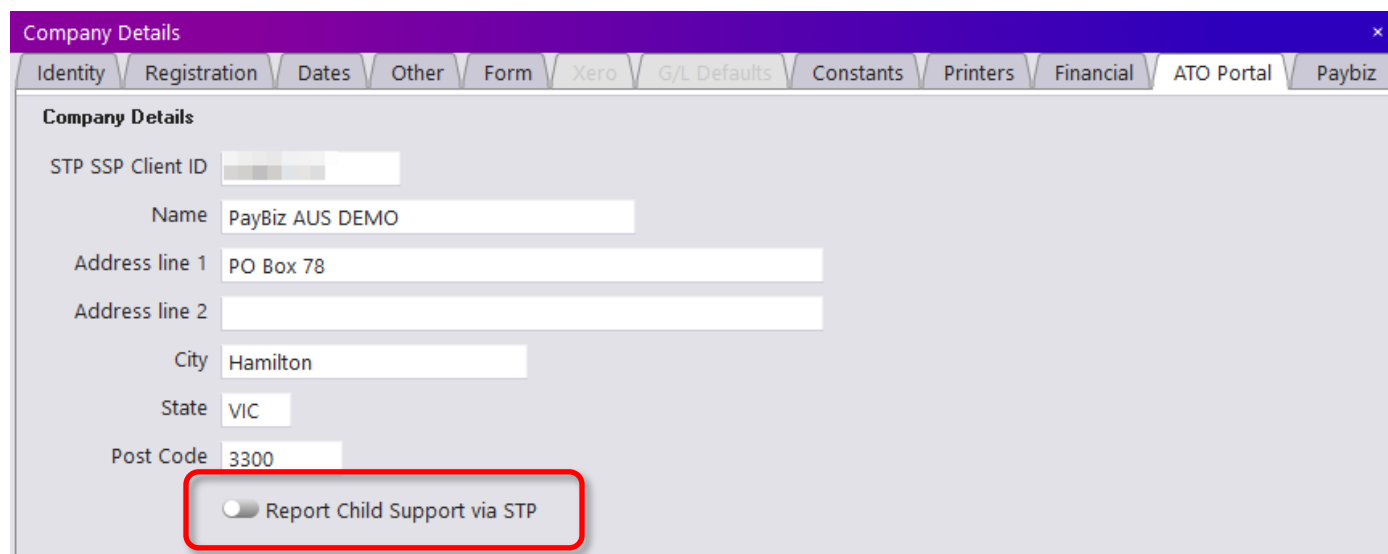
There are 2 employee properties that can be added to look-up screens and in custom/ad-hoc reports:

- **Has Child Support** - returns Y if there is a Child Support standing line or % standing line
- **Has Ato Reportable Child Support** - returns Y if the Child Support pay type has a reportable ATO Context

Turning on STP Reporting for Child Support

PayBiz main menu > File > Company > Company Details > ATO Portal tab

The first STP report **must be accompanied by the existing child support report form** and manually provided to the Child Support Registrar for the pay period amounts. Manual reporting can be completed with the child support deductions report form (CS4964) using existing Child Support channels.



Company Details

Identity Registration Dates Other Form Xero G/L Defaults Constants Printers Financial ATO Portal Paybiz

Company Details

STP SSP Client ID [Redacted]

Name PayBiz AUS DEMO

Address line 1 PO Box 78

Address line 2 [Redacted]

City Hamilton

State VIC

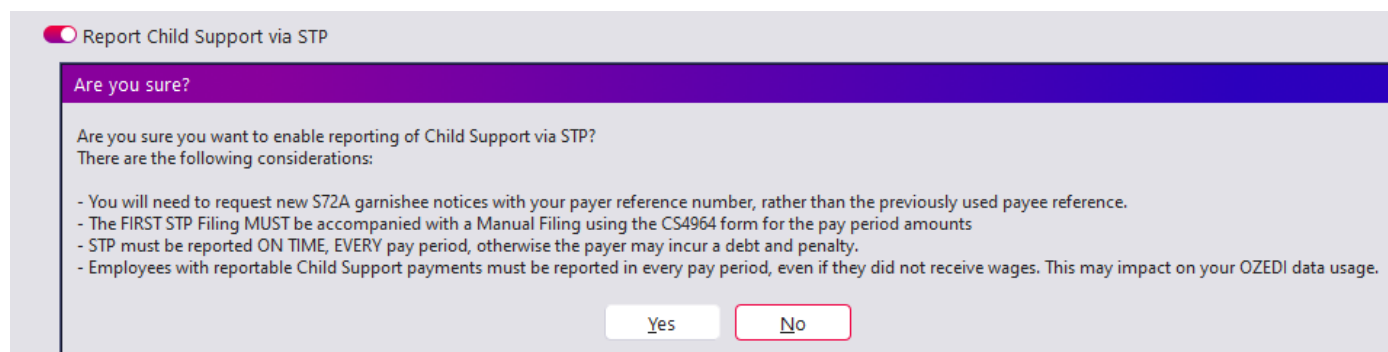
Post Code 3300

☐ Report Child Support via STP

Figure 5: Option to report Child Support in STP

Click the slider to enable: **Report Child Support via STP**

Then check you understand the implications, and click **Yes**



☒ Report Child Support via STP

Are you sure?

Are you sure you want to enable reporting of Child Support via STP?
There are the following considerations:

- You will need to request new S72A garnishee notices with your payer reference number, rather than the previously used payee reference.
- The FIRST STP Filing MUST be accompanied with a Manual Filing using the CS4964 form for the pay period amounts
- STP must be reported ON TIME, EVERY pay period, otherwise the payer may incur a debt and penalty.
- Employees with reportable Child Support payments must be reported in every pay period, even if they did not receive wages. This may impact on your OZEDI data usage.

Yes No

Figure 6: Confirmation

Active employees with a reportable Child Support standing line will now have their child support deductions reported through STP.

MAKE SURE YOU:

- Have got new section 72A notices
- Also send through a manual CS4964 form with your first STP filing

Report Expected Payees Every Pay Period

If no payment is made by the payer (Employer) to the payee (Employee) that is subject to withholding, the payer is still required to report a zero amount via STP to meet their child support reporting obligations.

This is done in Paybiz by creating a zero-value payslip for the employee so that the zero child support can be reported.

PayBiz main menu > Payroll > Pay/Check Wages

- Enter the relevant payslip dates for the pay period, even if there are no payslips to be paid.
- Enter the standard Payment Date for the pay period and bank account
- Click **Pay Wages**

A prompt will display if there are any Active employees (no finish date) with a reportable Child Support standing line (Expected Payees) that do not have a payslip for the pay period.

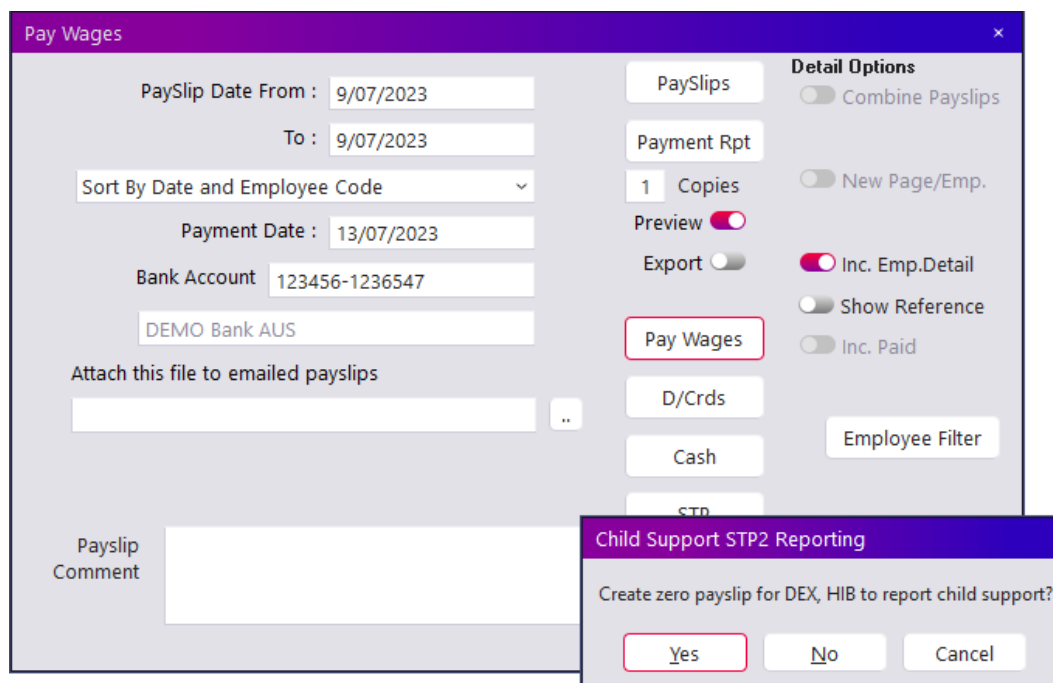


Figure 7: Create Zero Payslips for Child Support

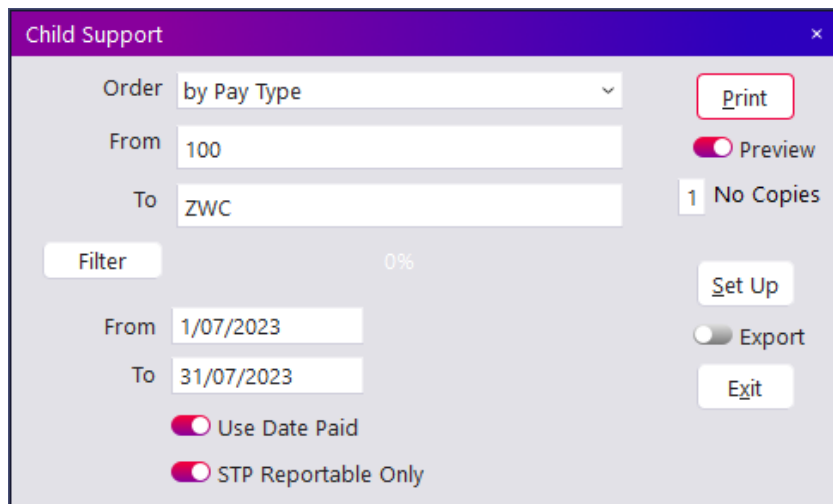
Button	Description
Yes	Zero payslips will be created, marked as “Paid” and added to the STP pay event along with any other payslips in the payrun
No	Continue to pay the other payslips but do NOT create zero payslips for the Expected Payees
Cancel	Abort the Pay Wages process

- File your STP as normal.
- Pay Services Australia as normal.

Child Support Report

PayBiz main menu > Reports > Child Support

Can be used to assist in making payments to Services Australia to fulfil your obligations.



Child Support

Order by Pay Type

From 100

To ZWC

Filter 0%

From 1/07/2023

To 31/07/2023

Use Date Paid

STP Reportable Only

Print

Preview

1 No Copies

Set Up

Export

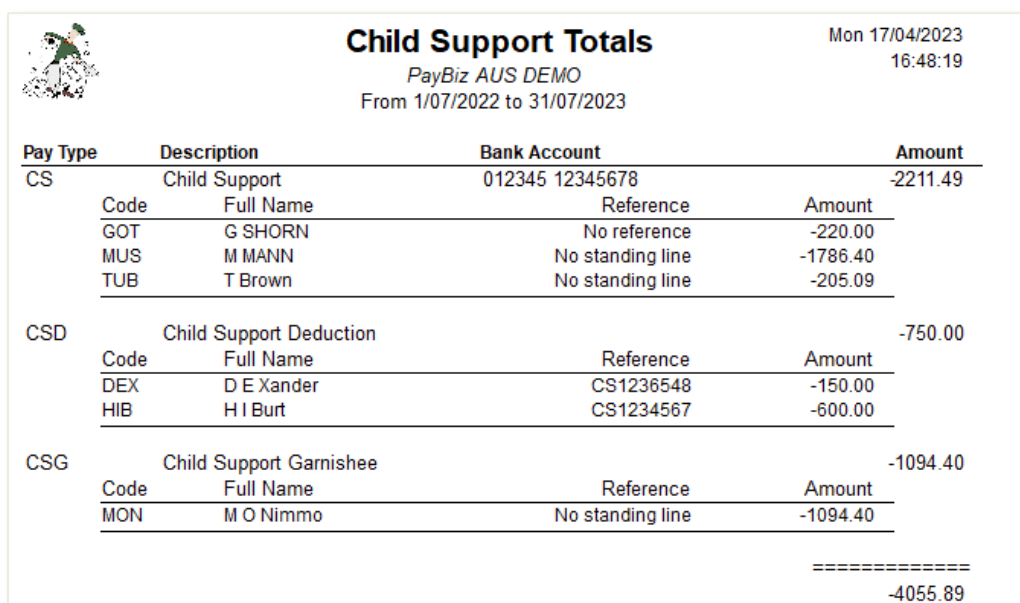
Exit

Figure 8: Child Support Report options

Use Date Paid - will only include child support on payslips that are “Paid” and have a paid date within the date range.

STP Reportable Only - will only child support on payslips that are “Paid”, have a paid date within the date range and use a pay type on an Employee Standing Line that has a reportable ATO Context (Deduction or Garnishee).

Leave the sliders un-set to report all child support payslip lines on payslips within the date range.



Child Support Totals Mon 17/04/2023 16:48:19

PayBiz AUS DEMO

From 1/07/2022 to 31/07/2023

Pay Type	Description	Bank Account	Amount
CS	Child Support	012345 12345678	-2211.49
	Code Full Name Reference Amount		
	GOT G SHORN No reference -220.00		
	MUS M MANN No standing line -1786.40		
	TUB T Brown No standing line -205.09		
CSD	Child Support Deduction		-750.00
	Code Full Name Reference Amount		
	DEX D E Xander CS1236548 -150.00		
	HIB H I Burt CS1234567 -600.00		
CSG	Child Support Garnishee		-1094.40
	Code Full Name Reference Amount		
	MON M O Nimmo No standing line -1094.40		
			=====
			-4055.89

Figure 9: Child Support Report example

Exit from STP Child Support Reporting

If a payer chooses to cease reporting child support amounts via STP, their ordinary reporting obligations under section 47 of the Child Support (Registration and Collection) Act 1988 continue to apply.

Payers will need to notify Child Support directly where they intend to cease reporting via STP.

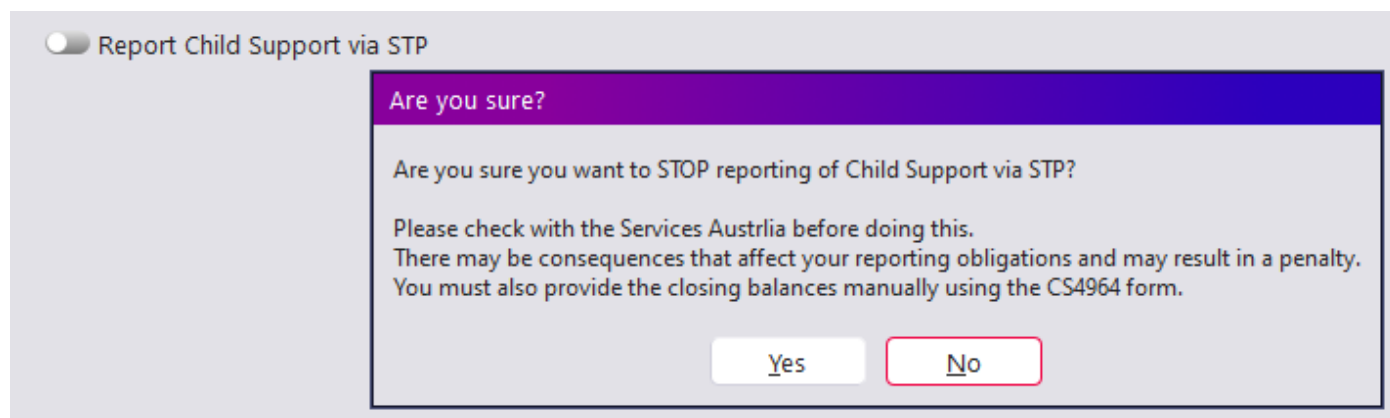
Child Support can be contacted by phone on 131 272 or via Child Support Business Online services if the payer is registered.

Payers must also provide the closing balances of the YTD amounts recorded in their payroll systems, in the child support deductions report form (CS4964) upon cessation of STP reporting.

PayBiz main menu > File > Company > Company Details > ATO Portal tab

Turn the **Report Child Support via STP** slider off.

If a warning message appears, read the details and click **Yes** to confirm if you still want to disable reporting.



☐ Report Child Support via STP

Are you sure?

Are you sure you want to STOP reporting of Child Support via STP?

Please check with the Services Australia before doing this.
There may be consequences that affect your reporting obligations and may result in a penalty.
You must also provide the closing balances manually using the CS4964 form.

Yes No