

Income Reporting

This factsheet covers:

- How do I report employment income to Centrelink?
- What if I can't use online reporting or I need help?
- Can I change my reporting period?
- What if my employer doesn't give me a payslip?
- What if I'm paid monthly?
- What if I'm paid a lump sum or bonus?
- Income reporting and 'pre-filled' data
- More information.

HOW DO I REPORT INCOME TO CENTRELINK?

Centrelink will notify you of your reporting days and your 'reporting periods', which for employment income are generally fortnightly.

You can report your income and changes to your circumstances using your Centrelink online account, the Express Plus Centrelink mobile app, or by phone on your regular payment line.

WHAT ABOUT INCOME FROM SELF-EMPLOYMENT?

Income from self-employment income is reported and assessed differently.

Business income is usually assessed by Centrelink once a year and does not need to be declared fortnightly. If there are changes to your business income, or you start a new business, you must provide Centrelink with an updated profit and loss statement within 14 days.

WHAT IF I CAN'T USE ONLINE REPORTING OR I NEED HELP?

If you are unable to report your income online, you can:

- phone Centrelink's reporting line on 133 276 (13 EARN)
- visit a Centrelink service centre.

CAN I CHANGE MY REPORTING PERIOD?

You can ask Centrelink to change your reporting period to make your Centrelink reporting day the same as the day you receive your payslip/s. This may make it easier to report the income paid by your employer in your reporting period, especially if you or your partner have casual jobs with varying hours.

It is important to make sure you report the <u>gross</u> amount of employment income paid in your reporting period. This is the amount paid by your employer before tax and other deductions. You should be able to find this information on your or your partner's payslip/s.



WHAT IF MY EMPLOYER DOESN'T GIVE ME A PAYSLIP?

Employers should provide payslips to their employees. Read more about <u>payslips</u> on the Fair Work Ombudsman website (https://www.fairwork.gov.au/pay-and-wages/paying-wages/pay-slips).

If you don't get payslips, ask your employer to provide them or tell you the gross amount you were paid by them in your reporting period.

WHAT IF I'M PAID MONTHLY?

If you are paid monthly, you will need to advise Centrelink of the period covered by your monthly wage payments. Your monthly pay will be assessed under the income test from the beginning of the reporting period in which it was paid and will continue to affect your payment for the number of days covered by the monthly pay.

For example, if you notify Centrelink that you received a monthly wage payment representing 31 days of employment income, assessment of the gross amount paid will be apportioned forward for 31 days – starting from the first day of your reporting period.

WHAT IF I'M PAID A LUMP SUM OR BONUS?

Apportionment works the same way for back-pay, lump sums and bonuses. For example:

- If you get back pay, the amount will be assessed in your future payments for the same amount of time as the back pay was for. This is instead of applying it in the past when you earned it.
- A Christmas/end-of-year bonus will be assessed under the income test from the beginning of the fortnight in which it is paid and apportioned forward for 52 weeks.
- A quarterly commission paid as a lump sum for the previous three months of sales will be apportioned forward for three months.

You can tell Centrelink about these types of payments online.

INCOME REPORTING AND 'PRE-FILLED' DATA

Services Australia is starting to use employment income information collected by the Australian Taxation Office to pre-fill employment income information. If your reporting screen shows pre-filled data, you will be required to confirm that the pre-filled information about your or your partner's employment income is correct. You can do this by checking your payslip/s and making sure that any pre-filled amount matches the gross amount (pre-tax and other deductions) you were paid by your employer. You will be able to change pre-filled data that is incorrect.

It is important to check any pre-filled earnings information on the reporting screen very carefully. People receiving Centrelink payments will still bear full responsibility for income reporting when data has been pre-filled.



MORE INFORMATION

For more information about Centrelink income reporting requirements and how to get reporting reminders from Centrelink, see Services Australia's webpage (https://www.servicesaustralia.gov.au/employment-income-reporting)

This factsheet does not constitute legal advice.

Please contact any of our member centres if you wish to obtain free legal advice. Find your closest member centre at www.ejaustralia.org.au