

## Tax issues for casual teachers

November 27, 2018

Federation has received a number of enquiries from casual teachers concerning discrepancies in the tax they have paid since the introduction of the SAP HR payroll system.

The union raised the matter with the Department on behalf of casual teachers at a Management Committee meeting on 17 October.

In correspondence dated 5 November, the Department confirmed that the new SAP HR payroll system now works on a single fortnightly pay cycle for all employees, with pay and tax calculated within a standard fortnightly pay period.

This provides employees the benefits of a single pay day each fortnight; a single payment summary for the year; and the tax-free threshold applied across all permanent, temporary and casual assignments that an employee may work.

Federation has for years raised the problem of two payroll systems for those who work casually and in temporary blocks and the different tax rates applied.

As a casual teacher's work can vary from week to week, casual days worked are only paid in arrears, meaning that the casual teacher's timesheet is entered after the work has been completed. This means that casual teachers' timesheets are due one week before pay day.

This could mean casual days worked in a fortnight may be split across pay periods and retrospective tax adjustments required to ensure the correct tax is withheld for previous pay periods.

Casual teachers who work irregular days each fortnight will see changes in their tax each fortnight whereas casual teachers who work the same pattern each fortnight and submit correct timesheets on time will see consistent tax withheld each fortnight.

Human Resources Shared Services has advised Federation that this method of calculating pay and tax on a standard fortnightly pay period is accurate and compliant with the Australian Taxation Office guidelines.

As always, Federation advises that members should keep their own employment records. If there are questions concerning pay and taxation, in the first instance casual teachers should make an online enquiry to EDConnect, and if they require additional assistance, contact Professional Support on 1300 654 367 during office hours.

— Julie Moon, City Organiser and officer responsible for casual and temporary teachers

