

Lodging a tax return

A guide for PALM scheme workers in Australia



Most employees in Australia need to lodge a tax return to identify outstanding tax payments or refunds owed to them, for every financial year they work in Australia.

You do not need to lodge a tax return if you are a short-term foreign resident worker under the PALM scheme and all of your income was earned from your employment in the PALM scheme.

The Australian financial year is a period of twelve months from 1 July to 30 June.

There is no guarantee that workers will receive an official request to complete a tax return - but this does not mean that a tax return is not required.

This factsheet explains why and how to complete a tax return form and aims to support workers to independently meet their tax obligations.

What is a tax return?

Tax return: A tax return is a form you fill out and lodge with the Australian Taxation Office (ATO) to work out the correct amount tax you need to pay, or if a refund is owed to you.

Do I need to lodge a tax return?

If you are employed under the short-term PALM scheme you are likely to be a foreign resident for tax purposes. You do not need to lodge a tax return if all of your income was earned from your employment in the PALM scheme with an approved employer.

If you are employed under the long-term PALM scheme you are likely to be an Australian resident for tax purposes. You will need to lodge a tax return.

For more information, see the [ATO](#) webpage on the PALM scheme.

How does it work?

If you work, you will usually pay income tax on that money. Income tax is paid throughout the year as you earn income.

Your employer will deduct tax from each pay and send it to the Australian Tax Office (ATO) on your behalf. This is known as Pay As You Go (PAYG) withholding. This is done so you don't have a big tax bill at the end of the year. You can see the amount of tax taken out by your employer on your pay slip.

When the financial year ends, the ATO calculates the total PAYG withholding amount your employer has taken out of your pay throughout the year. This will determine whether you get a tax refund or need to pay more tax.

Will I get a refund from the ATO?

There are no guarantees you will receive a tax refund from the ATO. Everybody's circumstances are different, some people will get a tax refund, some people will receive a bill to pay money to the ATO. Do not expect to receive a tax refund.

Where to lodge a tax return form

Get help with a registered tax agent

If you want to have a tax agent prepare and lodge your tax return, or to provide you with tax advice, you should ensure they are registered with the Tax Practitioners Board (TPB). You can check the TPB Register at tpb.gov.au to ensure that a tax practitioner is registered.

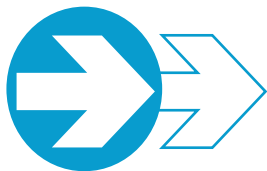
Tax agents or professionals will charge a fee of around \$100 to \$200 to complete and lodge the tax return on your behalf. Make sure you ask for the price and that you are happy with it before you proceed with the tax return process.

Lodge directly with the Australian Tax Office (ATO) - free

You can do this through [ATO Online](#), which you can link to your [MyGov](#) account. It is free but you must complete it all by yourself. You can also lodge a tax return by using a paper form.

Whichever way you choose to lodge your tax return, remember you are responsible for the claims you make. Make sure your deductions are legitimate and you include all your income before you or your agent lodges your return.





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How long does it take to process my tax return?

Most online tax returns are processed within **14 days**. If the ATO needs to manually process your tax return, please allow up to 30 calendar days.

If you lodge your tax return by paper, it can take up to 50 business days to be processed.

You can check the progress of your tax return using the following self-help options:

- ATO Online via myGov
- Telephone service (13 28 65 and select option 1 and then 1).

What do I need to lodge a tax return?

Online income statements: You can find online an income statement outlining the full amount of your salary or wages and the amount of tax paid during the financial year. Your employer will provide this to you, or you can find it on ATO Online via MyGov.

When to lodge a tax return form

Lodge your tax return after your income statement is **'tax ready'**. Most employers have until **14 July** to do this. If you lodge before it is 'tax ready', the information on the income statement may not be accurate and it can cause delays in your tax return being processed.

If you need to complete a tax return you must lodge it or engage with a tax agent, by **31 October**. If you lodge your tax return late, you may be fined.

Note: check that your contact and bank details are up to date when you lodge your tax return. This helps the ATO notify you and ensure your tax refund reaches you.

Medicare levy

If you are an Australian resident and have earned more than \$24,276 in the financial year and do not have access to Medicare under the Family Accompaniment Pilot Program, you need to complete a Medicare Entitlement Statement. You do not have to pay the Medicare Levy if you obtain a Medicare Entitlement Statement and your spouse and or children (if any) also have a Medicare Entitlement Statement. You can apply for a Medicare Entitlement Statement through myGov or fill out an online form. A new application must be lodged every year.

You should wait until you receive your Medicare Entitlement Statement before you lodge your tax return.

Steps to lodging a tax return form

STEP 1

Access your income statement. This will be available on MyGov within 14 days of 1 July.

STEP 2

If **lodging yourself online**, please go to the MyGov website and follow instructions.

If **lodging through a third party** (accountant or tax agent).

- Find a registered tax agent in your local area – you can find one by searching the free TPB public register.
- Your employer may also be able to recommend a tax agent.
- You may need to book an appointment or go to their office. You will need to provide them with your income statement and/or receipts.
- Make sure you understand that you may have to pay a fee upfront. Some have the option of the tax practitioner taking the fee out of your tax refund.

STEP 3

The ATO or your tax agent will let you know whether you owe money, or you will receive a tax refund. Note: if you are owing money, you will need to contact ATO to organise payments. Your refund may take up to **5 business days** to reach your nominated bank account.

Do you still have questions?

If you need more information:

- talk to other workers or your team leader
- talk to your employer
- talk to someone in your community e.g. at your church or sporting club
- call the PALM support service line: 1800 51 51 31
- call the ATO's individuals helpline: 13 28 65
- visit the ATO webpage: Lodging your first tax return | Australian Taxation Office (ato.gov.au)
- A TPB factsheet is also available here which lists some of your obligations.

