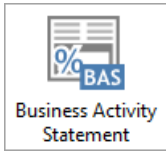


Tax Types

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The instructions in this article relate to **Business Activity Statement** and **Income Activity Statement** and the tax types available in StrataMax. The icon may be located on your [StrataMax Desktop](#) or found using the [StrataMax Search](#).

Goods and Services Tax (GST)

GST is a broad-based tax of 10% on most supplies of goods and services consumed in Australia and was introduced on 1 July 2000. There are certain items that do not attract GST and the setup of the Chart of Accounts for particular income / expense items can be completed to ensure that GST is not transacted on these specific accounts.

PAYG Instalment Tax

PAYG Instalment Tax is an amount payable to the ATO (Australian Taxation Office) based on the assessable income tax paid from the prior lodged tax year return. This tax is a contribution to the expected amount due for the current tax year and when lodging the tax return, the amounts paid during the year will be offset against any tax owed for the year resulting in a payment or refund. Amounts are paid with the lodgement of either a Business Activity Statement (BAS) or an Income Activity Statement (IAS).

There are two options for payment of PAYG Instalment Tax, the amount / percentage is advised by the ATO, you may be given the option to choose which is more appropriate when reporting to the ATO:

Option 1 Instalment Amount

The instalment amount is a fixed amount calculated from information you reported on your latest lodged tax return. You will be notified by the Australian Taxation Office of the amount due and payable each period. This can be setup in Building Information.

If you're eligible for this option, your amount will be shown at option 1 on your activity statement or instalment notice. If your only obligation is PAYG instalments, you will receive an IAS instead of a BAS.

Option 2 Instalment Rate

The PAYG instalment tax amount, if to be reported based on the percentage rate (Option 2) must be selected with the ATO. If you are currently paying using Instalment Amount (Option 1), this may be changed to option 2, on the first quarter of the next income year by completing 'instalment rate' (option 2) on your activity statement and lodging it by 28 October (or the applicable due date).

The option is used by calculating the Non-Mutual Income received by the advised percentage rate for the

reporting period. The Chart of Accounts must have the income accounts setup as Non-Mutual for this option, to be able to calculate when transactions are processed to these particular accounts. See [Account Maintenance](#) to assist with applying the correct settings.

Withholding Tax

Withholding tax refers to tax that is withheld from Wages, Non-ABN Invoices and Non-TFN income. StrataMax reports for Tax withheld for employee Wages. Please refer to [Pay Employees](#) for the setup and processing for this tax.