



Taxation Administration (Additional Method for Working Out the Amount of Monthly Instalment Liabilities) Determination 2024

I, Ben Kelly, Deputy Commissioner of Taxation, make the following determination.

Dated 24 January 2024

Ben Kelly
Deputy Commissioner of Taxation

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1 Name

This instrument is the *Taxation Administration (Additional Method for Working Out the Amount of Monthly Instalment Liabilities) Determination 2024*.

2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this instrument	The day after this instrument is registered.	

Note: This table relates only to the provisions of this determination as originally made. It will not be amended to deal with any later amendments of this determination.

- (2) Any information in column 3 of the table is not part of this determination. Information may be inserted in this column, or information in it may be edited, in any published version of this determination.

3 Authority

This instrument is made under section 45-114 in Schedule 1 to the Act.

4 Definitions

Note: A number of expressions used in this instrument have the same meaning as in Schedule 1 to the Act. Expressions in Schedule 1 to the Act have the same meaning as in the *Income Tax Assessment Act 1997* (see section 3AA of the Act). The following expressions are relevantly defined in section 995-1 of the *Income Tax Assessment Act 1997*:

- (a) instalment income;
- (b) instalment month;
- (c) instalment quarter;
- (d) monthly payer;
- (e) consolidated group.

In this instrument:

Act means the *Taxation Administration Act 1953*.

monthly instalment means the amount of an instalment you are liable to pay for an instalment month.

5 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

6 Circumstances where you may use the additional method

- (1) Subject to section 8, if you are a monthly payer at the end of the first instalment month of an instalment quarter, you may choose to apply the additional method specified in section 7 to work out the amount of the instalment you are liable to pay for that instalment month.
- (2) If you choose to apply the additional method for the first instalment month of an instalment quarter under subsection 6(1), you are taken to have chosen that method for every other instalment month in that instalment quarter (provided you are a monthly payer at the end of each of those months).
- (3) If you choose not to apply the additional method for the first instalment month of an instalment quarter under subsection 6(1), you must not use the additional method for any other instalment month in that instalment quarter.

Note 1: In these circumstances, you must use the method in subsection 45-114(1) in Schedule 1 to the Act to work out the amount of the instalment you are liable to pay for every instalment month in the instalment quarter (if you are a monthly payer at the end of each of those months).

Note 2: You are not required to notify the Commissioner of the choice you have made under this section.

7 Additional method

- (1) For the first and second instalment months of the instalment quarter, multiply the applicable instalment rate by a reasonable estimate of your instalment income for the instalment month.
- (2) For the third instalment month of the instalment quarter:
 - (a) apply the following method statement:

Step 1 – add the estimated instalment income you used in calculating your monthly instalment for the first and second instalment months of the instalment quarter.

Step 2 – subtract the result of step 1 from your actual instalment income for the instalment quarter.

Step 3 – multiply the applicable instalment rate by the result of step 2.

- (b) if the amount of the instalment you have worked out applying the method statement in paragraph (a) is less than zero:
 - (i) your instalment income for the third instalment month is taken to be zero; and
 - (ii) you can revise your instalment income for the previous instalment months of the instalment quarter in the approved form, starting with the second instalment month.

8 Circumstances where you must not use the additional method

If the Commissioner notifies you in writing that you have not used the additional method in accordance with this instrument, you must use the method specified in subsection 45-114(1) in Schedule 1 to the Act (rather than the additional method) to work out your monthly instalments:

- (a) for the period specified in the notice; or
- (b) if no period is specified in the notice, until the Commissioner provides you with another notice that says you can use the additional method.

Schedule 1—Repeals

Additional method of working out the amount of monthly instalment liabilities in accordance with the Taxation Administration Act 1953

1 The whole of the instrument

Repeal the instrument