



Instructions

Detailed instructional information about business activity statements.

FBT – how to complete your activity statement labels



How to complete, lodge and pay your business activity statement (BAS) or GST/PAYG instalment notice.

WET – how to complete your activity statement labels



Complete the WET section of your business activity statement using the 1C and 1D labels.

GST instalment notice – how to complete your quarterly notice



Instructions for completing your quarterly GST instalment notice (Form S).

LCT – how to complete your activity statement labels



Complete the LCT section of your business activity statement using the 1E and 1F labels.

PAYG withholding – how to complete your activity statement labels



How to complete the PAYG withholding labels on your activity statement.

Fuel tax credits – how to complete your activity statement labels



Find out how to claim your fuel tax credit by completing labels 7D and 7C on your BAS.

QC 28378

FBT – how to complete your activity statement labels

How to complete, lodge and pay your business activity statement (BAS) or GST/PAYG instalment notice.

Last updated 4 April 2017

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Fringe benefits tax (FBT) is a tax employers pay on certain benefits they provide to their employees, including their employees' family or other associates. The benefits may be in addition to, or part of, their salary or wages package. FBT is separate from income tax.

To pay the instalment amount, complete the following labels:

- [F1 – ATO instalment amount](#)
- [6A – FBT instalment](#)

If you want to vary your FBT instalment, also use:

- [F2 – Estimated FBT for the year](#)
- [F3 – Varied amount for the quarter](#)
- [F4 – Reason code for variation](#)
- [6B – Credit from FBT instalment variation](#)

F1 – ATO instalment amount

If you pay FBT quarterly, a pre-determined instalment will be shown at **F1**.

We calculate the amount at **F1** based on the FBT payable on your most recent FBT assessment. If you think that using the amount displayed at **F1** will result in you paying more (or less) than your expected FBT liability for the year, you can vary it.

If you are not varying your instalment amount, copy the amount at **F1** to **6A** in the **Summary** section of your business activity statement (BAS).

F2, F3, F4 – Varying your instalment amount

If you want to vary the amount displayed at **F1**, you'll need to complete labels **F2**, **F3** and **F4**.

If you vary your instalment amount and your total instalments for the year – or the estimates that you base them on – are less than 90% of your actual FBT liability for the year, you may incur a penalty.

F2 – Estimated FBT for the year

Include at **F2** your estimate of your total FBT liability for the FBT year ending 31 March.

F3 – Varied amount for the quarter

Work out the amount of your varied FBT instalment for the quarter using the following formula:

(**F2** amount **x** relevant percentage) **minus**
(previous instalment liabilities less any previous credits claimed)

The relevant percentage depends on the FBT quarter in which you are varying the instalment amount:

Quarter ending	Relevant percentage
30 June	25%
30 September	50%
31 December	75%
31 March	100%

If the result is a positive amount, enter it at **F3**. If it's a negative amount or zero, enter '0' at **F3**.

If it's a negative amount, you may want to claim a credit at **6B** in the 'summary' section. Don't show a minus sign at **6B**.

F4 - Reason code for variation

If you've varied your FBT instalment amount, you need to tell us why. Choose the reason from the table below, and enter the corresponding code at **F4**.

Reason	Code
Current business structure not continuing	22

Change in fringe benefits for employees	30
Change in employees with fringe benefits	31
Fringe benefits rebate now claimed	32

6A - FBT instalment

If you're using the FBT instalment amount displayed at F1, copy this amount to **6A**.


If you've varied your FBT instalment amount for the quarter, copy the FBT instalment amount you wrote at **F3** to **6A**.

6B - Credit from FBT instalment variation

If you vary your estimated FBT for the year to an amount lower than the FBT you had to pay last year, you may get an FBT instalment credit. You should take this credit into account when working out any amount payable. The credit is only available where the calculation of the **F3** amount gives a negative amount.

Example varying your FBT instalment

In the quarter ending 31 December, the amount of \$10,000 is displayed on your BAS at **F1**. This results in a notional FBT amount of \$40,000 for the year - that is, \$10,000 x four quarters.

 Varying your FBT instalment

Step 1: You estimate that your FBT liability for this year will reduce to \$28,000, as several employees have left and will not be replaced.

Step 2: Enter your estimated annual FBT amount of 28,000 at **F2**.

Step 3: As this is the quarter ending 31 December the relevant percentage is 75%. Use the formula:

$(\text{F2 amount} \times 75\%) - (\text{previous instalments liabilities} - \text{any previous credits claimed})$

$$(\$28,000 \times 75\%) - (\$20,000 - 0)$$

$$= \$21,000 - \$20,000$$

$$= \$1,000.$$

Enter the figure of 1,000 at **F3** on your BAS, and then copy it to **6A** in the summary section of your BAS.

Step 4: To advise us of your reason for varying, choose the reason code (**F4**) which is closest to your circumstances. Enter this code at **F4**.

In this example, the best choice is 'change in employees with fringe benefits: Code 31'.

QC 33699

WET – how to complete your activity statement labels

Complete the WET section of your business activity statement using the 1C and 1D labels.

Last updated 4 April 2017

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[1C – WET payable](#)

[1D – WET refundable](#)

Wine manufacturers, wholesalers and importers need to complete the WET section of the business activity statement (BAS).

If you have no WET to report, enter '0' at **1C** and **1D**.

To report on WET, you need to complete the following labels:

1C – WET payable

Enter at **1C** all WET that you're liable to pay in the current reporting period.

This includes all your assessable dealings, the most common being wholesale sales and retail sales.

1D – WET refundable

Include at **1D** the amount of WET refundable.

Calculate the WET you are entitled to as a credit in the current reporting period. You can claim a WET credit if you've overpaid WET, are entitled to a producer rebate for certain exports or imports, or where you've written off a bad debt.

If you have nothing to report, enter '0' at **1D**.

See also:

- WET credits
- Wine equalisation tax

QC 33697

GST instalment notice – how to complete your quarterly notice

Instructions for completing your quarterly GST instalment notice (Form S).

Last updated 30 June 2017

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[Instalment amount at G21](#)

[Varying your instalment amount](#)

[Examples](#)

These instructions and examples will assist you when completing your quarterly goods and services tax (GST) instalment notice (Form S).

You have received a quarterly GST instalment notice because you:

- report and pay your GST instalments quarterly
- use the GST instalment amount to report
- have no other reporting requirements.

Instalment amount at G21

We have calculated your GST instalment amount at G21 on your instalment notice. This is based on GST information in your last annual GST return, or net GST amounts you have reported to us previously.

You can vary your instalment amount

If you think the instalment amount pre-printed at G21 is more (or less) than your expected annual GST liability for the year, you can vary the amount.

You do not have to vary your instalment amount; you can simply pay the amount at G21 each quarter and make a balancing payment (or receive a refund) when you lodge your annual GST return.

If you pay the GST instalment amount we advise by the due date, you will not incur penalties.

You may incur penalties if you vary your GST instalment amount and you underestimate your annual GST liability.

Paying the instalment amount calculated by us

To pay the GST instalment amount calculated by us at G21 on your instalment notice, you need to:

- transfer the instalment amount at **G21** to the **Amount paid** section of the payment advice
- pay the amount by the date shown in the **Payment due on** section at the front of the instalment notice (using one of the How to pay options on the instalment notice)

- keep the instalment notice for your records (do not return it to us).

If you pay the GST instalment amount pre-printed on the instalment notice, there is nothing else you need to do for this quarter.

See also

- How to lodge your BAS
- How to pay your BAS
- Quarterly GST reporting

Varying your instalment amount

To vary your GST instalment amount, you must complete the section on the back of the instalment notice.

In this section

- [Estimate your net GST liability](#)
- [Calculate your varied instalment amount](#)
- [Write your varied instalment at G23](#)
- [Choose a reason code](#)
- [Transfer the amount to label 9](#)

Estimate your net GST liability

Estimate your net GST liability for the year and write this amount at **G22** on the back of the instalment notice.

If you have wine equalisation tax or luxury car tax liabilities, take these into account when working out your net GST for the year.

See also

- Quarterly GST reporting
- Wine equalisation tax
- Luxury car tax

Calculate your varied instalment amount

Work out your varied instalment amount for the quarter.

When working out your varied instalment amount, deduct previous quarter instalments whether paid or not. If you previously varied your instalment amount, then use the varied amount.

The calculation method differs for:

- [Quarterly instalment payers](#)
- [Two instalment payers](#)

Quarterly instalment payers

Use Table 1 if you pay quarterly GST instalments.

Table 1: Calculating your varied instalment – quarterly instalment payers

This quarter is:	Your GST varied amount (G23) is:
the 1st in the income year for which you elected to pay GST by instalments	25% of your estimated annual GST liability
your 2nd for the income year	50% of your estimated annual GST liability less the amount of your 1st quarter instalment
your 3rd for the income year	75% of your estimated annual GST liability less the amount of your 1st and 2nd quarter instalments
your 4th for the income year	100% of your estimated annual GST liability less the amount of your 1st, 2nd and 3rd quarter instalments

Two instalment payers

Use Table 2 if you are eligible to pay two GST instalments per year. This applies to some primary producers and special professionals. You will have been advised if this applies to you.

Table 2: Calculating your varied instalment – two instalment payers

This quarter is:	Your GST varied amount (G23) is:
your 3rd for the income year	75% of your estimated annual GST liability
your 4th for the income year	100% of your estimated annual GST liability less the amount of your 3rd quarter instalment

Write your varied instalment at G23

If the amount you worked out in step 2 is positive, write the amount at **G23**. If the amount is zero or negative write '0' at **G23**. You cannot vary your GST instalment amount below zero. Any overpayment of GST instalments will be credited to you when your annual GST return is processed.

Choose a reason code

Choose a reason for varying your instalment amount from the codes (table 2) on the back of your instalment notice and write the reason code at **G24**. Do not leave **G24** blank.

Transfer the amount to label 9

Transfer the **G23** amount to label **9**. This is the total varied amount you are required to pay.

Examples

The following examples show how the GST instalment amount can be varied under different circumstances.

Example 1: paying smaller instalments

Linda is eligible and chooses to pay her GST liability by instalments. She paid the advised amount of \$12,500 for the first and second quarters, but for the third quarter, she decides to vary her quarterly instalment. This is because, at the time the

instalment is due, Linda estimates her annual GST liability to decrease from \$50,000 to \$40,000.

Linda works out her varied instalment amount for the third quarter by:

Estimating her annual net GST liability and completing label G22	\$40,000
Calculating the amount to be paid by third quarter (\$40,000 × 75%) less GST instalment amounts paid for quarter one and two Varied instalment amount for third quarter	\$30,000 (\$25,000) \$ 5,000
Completing label G23 with varied instalment amount	\$5,000
Completing label G24 using a reason code from table 2 on the form	23
Transferring the amount at G23 to label 9	\$5,000
Completing the remaining details, lodging the form and paying \$5,000 by the due date.	

Example 2: making larger instalments

Walker Company's quarterly GST instalment amount, as advised by us, was \$25,000. Walker Co. paid this amount in their first and second quarter.

Walker Co. estimated that their annual GST liability would increase from \$100,000 to \$120,000.

They decided to vary their GST instalment amount to incorporate the change rather than pay the advised amount and the balance in their annual GST return.

Walker Co. work out their varied instalment amount for the third quarter by:

Estimating annual net GST liability and completing label G22	\$120,000
Calculating the amount to be paid by third quarter (\$120,000 × 75%) less GST instalment amounts paid for quarter one and two Varied instalment amount for third quarter	\$90,000 (\$50,000) \$40,000
Completing label G23 with varied instalment amount	\$40,000
Completing label G24 using reason code from table 2 on the form	23
Transferring the amount at G23 to label 9	\$40,000
Completing the remaining details, lodging the form and paying \$40,000 by the due date	

See also:

- GST: completing your activity statement

QC 17323

LCT – how to complete your activity statement labels

Complete the LCT section of your business activity statement using the 1E and 1F labels.

Last updated 4 April 2017

On this page

[1E – Luxury car tax](#)

Increase in LCT amount

1F – Luxury car tax refundable

For LCT, you need to complete the following labels:

- 1E – Luxury car tax
- 1F – Luxury car tax refundable

1E – Luxury car tax

Include at **1E** all the LCT that you have to pay for the current reporting period.

Generally, you calculate this amount for each luxury car as follows:

Step 1: Take the LCT value (price including GST, before LCT is added).

Step 2: Deduct the LCT threshold.

Step 3: Multiply this amount by 10/11 to exclude GST.

Step 4: Multiply the result by 33% to work out the LCT payable.

Step 5: Add the LCT value and the LCT payable to work out the total amount that you charge a customer for the luxury car.

In some cases (for example, second hand cars) LCT may have been previously payable on the car. The LCT payable on the sale that you make may be reduced by the amount previously payable.

Increase in LCT amount

Also include at **1E** any increases to the amount of LCT that was payable on a previous business activity statement (BAS). These are known as increasing adjustments. This might arise if any of the following occur:

- there has been an increase in the price of the car
- you quoted your ABN when you purchased or imported the car and used it for a non-quotable purpose
- you recovered a bad debt in relation to a luxury car
- you previously had a decreasing adjustment and now use the luxury car for a non-quotable purpose.

You will also need to make an adjustment for the amount of GST.

If you have nothing to report at **1E**, leave the label blank.

See also:

- Adjusting GST

1F – Luxury car tax refundable

Include at **1F** any adjustment to LCT that was paid by you in an earlier tax period if a change of circumstances means LCT is now refundable. This can happen if any of the following occur:

- there is a decrease in the price of the car
- you have written-off a bad debt in relation to a luxury car or a debt has been overdue for 12 months or more
- you did not quote your ABN at the time of the purchase or import and the following applies:
 - you intend to use the vehicle for a quotable purpose
 - you have used the vehicle for a quotable purpose only
 - the sale is cancelled.

You will also need to make an adjustment for the amount of GST.

If you have nothing to report at **1F**, leave the label blank.

See also:

- Adjusting GST
- Luxury car tax
- Luxury car tax rate and thresholds

QC 33672

PAYG withholding – how to complete your activity statement

labels

How to complete the PAYG withholding labels on your activity statement.

Last updated 15 November 2024

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[PAYG withholding labels on your activity statement](#)

[Large withholders](#)

[Checklist](#)

About the guide

This guide will assist you to complete the **pay as you go (PAYG) withholding** part of your activity statement.

PAYG withholding payers (generally businesses and other enterprises) must withhold tax from certain payments made to others. These payments include:

- payments to employees, company directors and office holders
- payments made to workers under labour hire arrangements
- payments under voluntary agreements
- payments where an Australian business number (ABN) has not been quoted in relation to a supply
- other amounts withheld, such as interest, dividend and royalty payments, that were excluded in label W2 or W4.

You must report these withheld amounts in the PAYG tax withheld section of your BAS and pay all withheld amounts to us.

Find more information on **how to lodge** and **how to pay your BAS**.

Example activity statement

The following example shows a quarterly activity statement.

Your activity statement will contain all your reporting requirements and may not look exactly like this example.

Example: Business activity statement - front

To make sure we scan your activity statement correctly:

- print clearly using a black pen
- leave boxes blank if they don't apply to you, unless we ask you to write '0' (do not use NIL)
- show whole dollars only (round cents down to the nearest whole dollar)
- don't report negative figures or use symbols such as +, -, /, \$
- don't write any additional information on your activity statement – contact us if your details have changed.

Example: Business activity statement - rear



Image is a copy of the back of a business activity statement providing an explanation for each field.

PAYG withholding labels on your activity statement

Ensure the amounts that have been withheld are reported at the correct label.

The labels are:

- [W1 – Total salary, wages and other payments](#)
- [W2 – Amounts withheld from salaries or wages and other payments shown at W1](#)
- [W4 – Amounts withheld where no ABN is quoted](#)
- [W3 – Other amounts withheld \(excluding any amount shown at W2 or W4\)](#)
- [W5 – Total amounts withheld \(W2 + W4 + W3\).](#)

W1 – Total salary, wages and other payments

Include at **W1** total gross payments from which you are usually required to withhold amounts. These payments include:

- salary, wages, allowances and leave loading paid to employees (including those subsidised by JobKeeper payments)
- director fees
- salary and allowances paid to office holders (including members of parliament, statutory office holders, defence force members and police officers)
- payments made by a labour hire firm to labour hire workers under a labour hire arrangement
- employment termination payments
- payment for unused annual or long service leave
- payments to religious practitioners
- superannuation (super) income stream
- super lump sum
- Commonwealth education and training payments.
- attributed personal services income.

Include all **payments subject to withholding**, even if you weren't required to withhold any amount. For example, if you pay an employee \$80 per week, and they claim the tax-free threshold, there is generally no obligation to withhold as long as they have previously provided

their tax file number. However, you still need to report the total payment at **W1**.

Do not include:

- amounts subject to salary sacrifice arrangements
- super contributions
- departing Australia superannuation payments
- payments from which you withheld an amount because an ABN was not quoted (see [W4](#))
- an investment distribution from which you withheld an amount for non-quotation of a tax file number (TFN)
- interest, dividends or royalty payments from which you withheld an amount for a payment to a foreign resident
- payments to foreign residents for entertainment, sports, construction and casino gaming junket activities.

If you did not make any payments, leave the boxes blank.

W2 – Amounts withheld from salaries or wages and other payments shown at W1

Include at **W2** the total amount you withheld from salaries, wages and other payments shown at **W1**. If you didn't withhold any amounts, leave the box blank.

This is the main type of withholding. If you have no other withholding obligations, go to **W5**.

W4 – Amounts withheld where no ABN is quoted

Where you make payments to suppliers who do not quote their ABN to you, you must withhold 47% (from 1 July 2017) of the invoice amount and pay this to us. Not quoting their ABN means that there was no ABN on the invoice and the supplier did not provide it to you in any other way.

Include at **W4** the total amount you withheld from payments to suppliers who did not quote their ABN to you. If you have nothing to report, leave **W4** blank.

W3 – Other amounts withheld (excluding any amount shown at W2 or W4)

W3 covers other types of withholding. Include the total amount you withheld from:

- interest, dividends, unit trust or other investment distributions you made, where the person you are paying has not filled in a TFN declaration form or otherwise provided you with a TFN (includes a foreign resident)
- interest, dividends or royalty payments you made to a foreign resident
- any departing Australia superannuation payments you made
- any payments you made to foreign residents, for
 - entertainment and sport activities
 - construction and related activities
 - arranging casino gaming junket activities.

If you have nothing to report, leave **W3** blank.

W5 – Total amounts withheld (W2 + W4 + W3)

Include at **W5** the total of **W2** + **W4** + **W3**.

Do not include **W1** in your **W5** total.

Copy the total at **W5** to **4** in the 'Summary' section of your activity statement. If your activity statement only asks you to report PAYG withholding, you will not have a summary section. Your total withholding will be reported at **9** in the 'Payment or refund' section of your activity statement.

Large withholders

You are a large withholder if you either:

- have withheld amounts totalling more than \$1 million in a previous income year
- are part of a company group which has withheld more than \$1 million in a past income year.

If you are a large withholder, you only need to complete **W1** on your activity statement. Do not complete **W2, W3, W4, W5** or **4** in the 'Summary' section. Large withholders must pay the amounts they withhold to us electronically.

If you report through Single Touch Payroll, you no longer need to report amounts at **W1** on your activity statements.

Checklist

1. Have you:

- filled in the PAYG instalment boxes that apply to you
- checked your calculations
- copied amounts correctly between boxes?

2. Do you need to:

- complete any other sections that apply to you and copy the totals to the summary section
- calculate whether you must make a payment or if you're entitled to a refund
- complete the payment or refund details
- contact us to **update your address?**

3. Make sure you:

- sign and date your activity statement
- lodge your original activity statement by the **due date**
- pay any amounts you owe by the due date
- **keep the right records.**

Fuel tax credits – how to complete your activity statement labels

Find out how to claim your fuel tax credit by completing labels 7D and 7C on your BAS.

Last updated 4 April 2017

On this page

[7D – Fuel tax credit](#)

[7C – Fuel tax credit overclaim – decreasing your entitlement](#)

You claim your fuel tax credit by completing the following labels:

- 7D - Fuel tax credit
- 7C - Fuel tax credit overclaim (only complete this label if you need to decrease your entitlement to a fuel tax credit you previously claimed).

Your net fuel amount is label 7C (fuel tax credit overclaim) - label 7D (fuel tax credit).

7D – Fuel tax credit

Include all the fuel tax credits you're entitled to for the tax period. The amount of fuel tax credits you can claim depends on your business activities. You can work this out using our fuel tax calculator.

You also need to include in the amount at label **7D** any adjustments or corrections that increase your entitlements to fuel tax credits.

Generally, you can claim fuel tax credits at the time you acquire, manufacture or import taxable fuel into Australia or when you use the fuel you manufactured.

If you account for GST on a:

- cash basis, claim your fuel tax credits in the same business activity statement period you pay for your fuel

- non-cash basis, claim your fuel tax credits in the business activity statement period you receive your invoice for your fuel.

Adjustments that increase your entitlement

At label **7D** include adjustments to fuel tax credits that **increase** your entitlement. You do this when you become aware of the change in use.

An increase in entitlement may arise when you have claimed fuel tax credits but you didn't use the taxable fuel as you intended and the actual use attracts a higher credit rate.

When calculating the dollar amount of your adjustment, apply the fuel tax credit rate that applied at the time you made your original claim.

If you have nothing to report at label **7D**, enter '0'.

See also:

- Fuel tax credit calculator
- Fuel tax calculation worksheet

7C – Fuel tax credit overclaim – decreasing your entitlement

At label **7C** you need to make any adjustments to fuel tax credits that will decrease your entitlement.

This may happen when you become aware of a change in circumstances. For example, you:

- have claimed fuel tax credits for fuel that has subsequently been sold, lost or disposed of
- don't use the fuel as you originally intended and the actual use attracts a lower rate.

If you have nothing to report at label **7C**, enter '0'.

See also:

- Fuel tax credit calculator
- Fuel tax calculation worksheet

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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