



Australian Government

**Assessment Requirements for FNSPAY515
Interpret and apply knowledge of taxation
systems relevant to payroll**

Release: 1

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Modification History

Release	Comments
Release 1	<p>This version first released with the FNS Financial Services Training Package Version 8.0.</p> <p>Supersedes and is equivalent to FNSPAY505 Interpret and apply knowledge of taxation systems relevant to payroll.</p>

Performance Evidence

The candidate must demonstrate the ability to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including evidence of the ability to:

- review at least two different payroll operations and confirm they comply with taxation system requirements.

In the course of above, the candidate must:

- conduct research on changes to taxation system requirements relevant to payroll
- inform relevant stakeholders of changes to payroll operations resulting from changes to taxation systems.

Knowledge Evidence

The candidate must be able to demonstrate knowledge to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including knowledge of:

- key features and operating principles of taxation systems relevant to payroll, including state payroll tax
- impact of fringe benefits tax (FBT) on payroll, including circumstances in which:
 - FBT applies to payroll
 - payroll is exempt from FBT
- deductions and exemptions in taxation systems that apply to payroll, including:
 - tax free thresholds
 - superannuation concessions
- state-based variations in:
 - payroll tax thresholds
 - definitions of taxable wages

- applicable rebates and exemptions
- impacts of taxation systems on payroll operations, including how different taxation systems interact with each other to impact payroll operations
- key principles underpinning the concept of ‘employees vs contractors’ in relation to pay as you go withholding (PAYGW) tax, superannuation, workers compensation, and payroll tax
- key features of tests that need to be applied in making a determination on the status of a worker for tax purposes
- key features of nexus provisions and tests that need to be applied in order to determine the correct jurisdiction for payroll tax liability
- industry-standard methods for calculating the payroll tax threshold in each State, and impact on that threshold for organisations that employ people in more than one State
- grouping provisions for payroll tax and principles underpinning the concept of a designated group employer
- sources of information on taxation systems, business structures and employment contracts that can be accessed to maintain currency of knowledge and to seek advice when interpreting impact of tax on payroll
- organisational policies and procedures required to produce performance evidence
- impact of taxation systems on the following types of legal entities and business structures:
 - sole traders
 - partnerships
 - companies
 - not for profit organisations
 - principal contractors
 - subcontractors
 - group employers.

Assessment Conditions

Skills in this unit must be demonstrated in a workplace or simulated environment where the conditions are typical of those in a working environment in this industry.

This includes access to:

- office equipment, technology, software and consumables required to access information on taxation systems relevant to payroll, including legislation, regulations, and codes of practice relating to payroll.

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

Links

Companion Volume Implementation Guide is found on VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>

