



SADA Update

Backpacker Tax: does it affect your dairy business?

The tax withheld from payments to working holiday makers with 417 or 462 visas will change from 1 January 2017 in what has been dubbed the 'Backpacker Tax'. If you employ working holiday makers, from 1 January 2017 you must withhold 15% from every dollar earned up to \$37,000. You must register to use this rate. You can do this online at ato.gov.au/WHM if you are registered for pay as you go withholding (PAYGW). You and your employees can confirm your registration using the ABN Lookup tool within five working days of registering.

If I don't register, the ATO has advised that the deadline for registration has been extended to 31 January 2017. You can still withhold tax at 15% from 1 January 2017 without being penalised.

If you employ working holiday makers but don't register, you must withhold tax at 32.5% and may be subject to penalties.

Visit ato.gov.au/WHM to find the information you need and what to do as a business owner.

Changes to the asset test for Farm Household Allowance (FHA)

A legislative change has come into effect that exempts certain assets from the FHA. Farmers and their partners can now apply (or re-apply) for FHA and have certain assets, including the net value of water assets up to \$1.1 million, exempt from the FHA asset test.

If you believe that this change is relevant to you, please call to the Farmer Assistance Hotline on 132 316 or talk to your Farm Household Case Officer or Rural Financial Counsellor. Your financial advisor or accountant may also be able to help.

If you have been experiencing extended delays and frustrations with the FHA process, please contact the SADA Office on 08 8293 2399 or email sada@sada.asn.au

SADA Office Closure

The SA Dairyfarmers' Association Office will be closed from

12pm Thursday 22 December 2016

and will reopen on

9am Monday 9 January 2017

Andrew will be available during the closure on his Mobile 0419 037 569

We hope you have a Merry Christmas and a Happy New Year

Andrew, John, Marcus, Jen & Kelly

Giving Dairy Farmers A Voice

