

SAS2000 Tips & Tricks

HECS & SFSS Rate Changes 1 July 2002

HECS Rates

There are new rates for calculating HECS effective from 1 July 2002. The HECS rates will need to be updated for processing your July pays.

To update this information in Pay2k:

- Go to MAINTENANCE>TAX CONSTANTS
- Click on EDIT and select HECS DEDUCTION RATES from the list on the left side of the form
- In the middle of the form is an area with three headings; EARNINGS LESS THAN, A and B
- Replace the information in this area with the information below

HECS Rates Effective 1 July 2002

Earnings Less Than	A	B
463	0.0000	0.0000
488	0.0300	0.0000
527	0.0350	0.0000
612	0.0400	0.0000
740	0.0450	0.0000
779	0.0500	0.0000
838	0.0550	0.0000
9999	0.0600	0.0000

With the rates updated the table will appear as follows.

Less Than	A	B
\$463	0.0000	0.0000
\$488	0.0300	0.0000
\$527	0.0350	0.0000
\$612	0.0400	0.0000
\$740	0.0450	0.0000
\$779	0.0500	0.0000
\$838	0.0550	0.0000
\$9999	0.0600	0.0000

Remember, the table requires that the *Round Nearest Dollar* option be ticked, as the rules for calculating PAYG tax state: that withholding amounts be rounded to the nearest dollar.

SFSS rates

There are new rates for the Student Financial Supplement Scheme effective from the 1st July 2002. Pay2k does not have a specific area for recording these rates.

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If you have staff who pay SFSS you will have to set up Transaction Types for a tax adjustment to deduct the appropriate amount of SFSS from the employee's pay. You will need to review and update the amounts for these transaction types using the information below before processing your pays.

SFSS Rates Effective 1 July 2002

Weekly Earnings	Component Rate
\$0 to \$657.99	0%
\$658 to \$747.99	2%
\$748 to \$1049.99	3%
\$1050 & over	4%

More detailed information about the HECS and SFSS rate changes can be obtained by going to the Australian Taxation Office website and conducting a search for "coefficients".

<http://www.ato.gov.au/>