

# Declaration of wages

## Guidance for employers

# Declaration of wages

Your accident insurance policy—which covers your business for the cost of any work related injuries—is renewed every year. To ensure you are covered for another year, you need to declare your wages information between **1 July – 31 August each year** so we can calculate your premium.

This guide is designed to help you, as an employer, correctly declare wages paid to your workers during policy renewal.

It also outlines the tools available to help you correctly declare wages and provides guidance for applying the relevant provisions of the *Workers' Compensation and Rehabilitation Act 2003* (the Act) and the *Workers' Compensation and Rehabilitation Regulation 2014* (the Regulation).

Let's look at where 'wages' is defined in the legislation.

# Definition of wages

Schedule 6 of the [Act](#) outlines 'wages' as:

- total amount paid, or provided by, an employer to, or on account of, a worker as wages, salary or other earnings by way of money or entitlements having monetary value, **but does not include**—
  - allowances payable in relation to any travelling, car, removal, meal, education, living in the country or away from home, entertainment, clothing, tools and vehicle expenses
  - lump sum payments on termination of a worker's services for superannuation, accrued holidays, long service leave or any other purpose
  - claims excess paid to the worker

# Four key steps

Now that you know the definition of wages, go through the following four steps in order to correctly declare wages paid to your workers.

- Step 1 – Is the person a worker under the Act?
- Step 2 – For workers, which payments do I include?
- Step 3 – Which payments do I exclude?
- Step 4 – How do I declare?

# Step 1 – Is the person a worker?

Section 11 of the [Act](#) defines a 'worker' as

- 'a person who works under a contract and, in relation to the work, is an employee for the purpose of assessment for PAYG withholding under the Taxation Administration Act 1953 (Cwlth), schedule 1, part 2-5'.
- Only **an individual** can be a worker.

Relevant sections of the Act:

- Section 11- Who is a "worker"
- Schedule 2, Part 1 – Certain persons who are workers
- Schedule 2, Part 2 – Certain persons who are not workers

## Further information

To help determine who you need to cover for workers' compensation insurance, please refer to the [Worker determination page](#) and [associated guide](#) on our website. Once you've determined who is a worker, proceed to the next step.

# Step 2 – Which payments do I include?

The following payments made to your workers need to be declared during premium renewal:

- Total of all PAYG gross salary and wage payments
- All superannuation payments including super salary sacrifice
- Any fringe benefits or other entitlements having a monetary value
- Total of all individual contractors deemed workers (excluding GST)

# Step 3 – Which payments do I exclude?

The following payments are not assessable and need to be excluded:

- Any allowances or expenses reimbursed for work related expenses
- Lump sum termination payments
- Excess period payments
- Compensation payments reimbursed by WorkCover
- All payments to, or in respect of, Directors / Trustees / Partners

## Further information

Read our comprehensive [wages definition manual](#) for more information on what to declare and what not to declare.

# Step 4 – How do I declare?

To help you correctly calculate your wages information, we have published a [wages declaration working sheet](#) which you can use and keep a copy of for your records.

For a faster and easier way to renew and pay your premium, use our [online services](#) to declare your wages information. You do not need to register for this service—simply log in using your policy number and account number.

You can also renew your policy by calling us on 1300 362 128 to declare your wages.

From 1 July 2017 we are implementing an ‘apprentice discount’ which benefits employers who employ apprentices by removing apprentice wages from their premium calculation.

During the wage declaration process you will be prompted to specify the amount of wages you estimate to pay apprentices in the 2017–2018 financial year. We will then deduct these wages from your premium calculation, which will result in a cheaper premium.

Once you have declared your wages, you can take advantage of our [flexible payments options](#), which includes a 5% discount for paying your premium in full (if greater than \$200), or interest free monthly payment plans if you want to spread your payments over more time.



# Key dates

- **1 July 2017:** From this date, you can go [online](#) or call us to declare your wages and pay your premium. You will need to declare your actual wages for 2016–2017 and provisional wages for 2017–2018
- **31 August 2017:** wages declarations are due
- **16 September 2017:** Declare your wages information by 31 August and pay your full premium by 16 September to receive a 5% discount on your premium (*discount not applicable for premiums of \$200*)
- **30 September 2017:** Due date for full premium payment and payment plan requests.

# More information

For more guidance or information please

- Visit [worksafe.qld.gov.au](https://www.worksafe.qld.gov.au)
- Call your Relationship Manager
- Call our office on 1300 362 128.