



Australian Government

# A U S T R A L I A N A P P R E N T I C E S H I P S

Your Life. Your Career. Your Future.

# About Support for Adult Australian Apprentices Payments

July 2011



## What are the Support for Adult Australian Apprentices payments?

The Support for Adult Australian Apprentices payments are a series of payments paid to either an eligible Australian Apprentice or their employer under the Australian Apprenticeships Incentives Program. The purpose of the Support for Adult Australian Apprentices payments is to either boost the wage of the Australian Apprentice or to subsidise the wage costs of the employer, depending on the Australian Apprentice's actual wage.

Payments of up to \$13 000 are paid to the Australian Apprentice or their employer during the first and second year of the Australian Apprenticeship. For full-time Australian Apprentices the amount paid to the Australian Apprentice or their employer is \$150 per week (\$7 800 per annum) in the first year of the Australian Apprenticeship and \$100 per week (\$5 200 per annum) in the second year.

For part-time Australian Apprentices the amount paid to the Australian Apprentice or their employer is \$75 per week (\$7 800 for the period) in the first 24 months of the Australian Apprenticeship and \$50 per week (\$5 200 for the period) in the second 24 months.

## Who is eligible?

Australian Apprentices who are aged 25 or over when they commence their Australian Apprenticeship at a Certificate III or IV level in a trade experiencing a skills shortages and listed on the National Skills Needs List (NSNL) may be eligible to attract Support for Adult Australian Apprentices payments for either themselves or their employer.

Australian Apprentices who commenced prior to 1 January 2010 and who were eligible for Support for Mid-Career Apprentices payments in 2009 may be eligible to attract Support for Adult Australian Apprentices payments for either themselves or their employer if they are still in their first or second year of the Australian Apprenticeship. The recipient of Support for Mid-Career Apprentices payments will also be the recipient of Support for Adult Australian Apprentices payments for that Australian Apprentice.

## Who will get the payment?

The recipient of the Support for Adult Australian Apprentices payments is determined based on the actual wage paid to the Australian Apprentice. To discuss eligibility for Support for Adult Australian Apprentices payments, please contact your Australian Apprenticeships Centre.

## How do I apply?

Australian Apprenticeships Centres are contracted by the Australian Government to administer the Support for Adult Australian Apprentices payments as part of the Australian Apprenticeships Incentives Program. Your Australian Apprenticeships Centre will be able to determine eligibility for Support for Adult Australian Apprentices payments and assist with making a claim.

13 38 73

[www.australianapprenticeships.gov.au](http://www.australianapprenticeships.gov.au)

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## How are payments received?

The Support for Adult Australian Apprentices payment is paid directly to the recipient's nominated bank account.

Payments will be paid in arrears following lodgement of a claim form. The recipient can choose the frequency of their claim. For example the recipient could choose to be paid fortnightly, monthly or annually.



## What about paying tax?

Support for Adult Australian Apprentices payments are paid under the Australian Apprenticeships Incentives Program. The Australian Taxation Office treats these payments as assessable income.

Where the Australian Apprentice is the recipient, the withholding rates for taxation that will be applied to these payments are:

- 16.5 per cent where the Australian Apprentice has indicated that their annual income does not exceed \$30 000; and
- 31.5 per cent where the Australian Apprentice has indicated that their annual income does exceed \$30 000.

Australian Apprentices who are deemed to be the Support for Adult Australian Apprentices recipient must complete a Tax File Number Declaration. A copy of the Tax File Number Declaration can be obtained by phoning the **Australian Taxation Office on 1300 720 092** or from selected newsagents.

Where an Australian Apprentice chooses not to submit a Tax File Number 46.5 per cent of the payment will be withheld. Tax File Number information will only be used or disclosed in accordance with taxation, assistance agency or superannuation law.

If an Australian Apprentice is in receipt of Centrelink benefits then this income must be declared to Centrelink. For information on the treatment of the Support for Adult Australian Apprentices payments in relation to Centrelink benefits, phone **Centrelink on 13 36 33**.

Where the employer is the recipient and they provide their Australian Business Number (ABN), the Department of Education, Employment and Workplace Relations will not withhold tax from their Support for Adult Australian Apprentices payments. The Support for Adult Australian Apprentices payments must be declared in accordance with the usual arrangements for declaring income to the Tax Office.

Where an employer chooses not to provide an ABN they will be subject to the withholding requirements of the Taxation Administration Act 1953 and 46.5 per cent of the payment will be withheld and remitted to the Australian Taxation Office.

For further information on the tax treatment of the Support for Adult Australian Apprentices payments in relation to your individual circumstances contact your accountant, tax adviser or the **Australian Taxation Office on 13 28 61**.

## Where can I find out more?

For more information about Australian Apprenticeships visit your local Australian Apprenticeships Centre, visit [australianapprenticeships.gov.au](http://australianapprenticeships.gov.au), or call the Australian Apprenticeships referral line on **13 38 73** to find Australian Apprenticeships Centres in your region.

Information on apprentice workplace rights and conditions can be found on the Fair Work Ombudsman website [fairwork.gov.au](http://fairwork.gov.au) or by calling the Fair Work Infoline on **13 13 94**.

