

2020 Employee Share Scheme Reporting

Are you ready?

The Australian Taxation Office (ATO) has reporting obligations in place affecting those who offer employee share schemes. Find out how our ATO-approved software can simplify your reporting obligations.

ATO reporting obligations

The Australian Taxation Office (ATO) have reporting obligations in place, affecting those who offer shares or share options to their employees. The deadlines to comply with the reporting requirements are:

- ESS statements are due to be issued to employees by 14 July 2020
- ATO reports are due for lodgement with ATO by 14 August 2020.

What do the ATO reporting obligations mean for you?

| If you are an employer | You will need to | How can ShineWing Australia help? |
|---|---|--|
| Reporting <50 employees and no more than 3 schemes per employee (with an Australian ABN) | Manually complete electronic ATO form (ATO form does not produce ESS statements) | ShineWing Australia can help with the completion of the manual forms or producing ESS statements |
| Reporting >50 employees OR Reporting <50 employees (without an Australian ABN) | <ul style="list-style-type: none"> • Purchase software • Develop own in-house software • Use an agent with ATO-approved software | Our Complete Tax Solution ESS Toolkit can be used to assist clients with their ESS reporting requirements (further information below). |
| With globally mobile employees | Indicate on each employee's ESS statement: <ul style="list-style-type: none"> • Whether the reported figures are gross or apportioned between Australian-sourced/ other work • Report assignment dates (optional) | Our Complete Tax Solution ESS Toolkit can be used to assist clients with their ESS reporting requirements (further information below). |

Innovation solution

ShineWing Australia has developed compliant software that has been approved by the ATO to enable employers to simplify their online annual employee share scheme reporting obligations.

We have developed the 'Complete Tax Solutions Employee Share Scheme' Toolkit (CTS ESS Toolkit) which can help you meet the ATO's ESS reporting requirements. ShineWing Australia is one of only a handful of providers to have passed ATO testing and we have ATO approval for the software.

The table below outlines the types of companies that are most likely to benefit from using the CTS ESS Toolkit.

| Company profile | Conditions |
|--|--|
| <p>Large, privately owned company</p> <p>(>50 reportable employees)</p> | <p>Commonly tax and finance is done in-house and support required for one-off compliance and advisory projects such as ESS reporting.</p> |
| <p>Head-quartered overseas</p> <p>(either >50 reportable employees or <50 if no ABN)</p> | <p>With subsidiaries/employees in Australia particularly if:</p> <ul style="list-style-type: none"> • Australian employees are in split roles here and overseas • Where finance and payroll functions are based offshore, and no access to the required software for ESS reporting |
| <p>ASX listed company</p> | <p>If you are currently reporting ESS information through the Australian Share Registry, the ESS reporting requirements are unlikely to affect you. However, you may wish to consider the CTS ESS Toolkit as an alternative means of meeting your ESS reporting requirements.</p> |

Next steps

Time is limited to make the necessary arrangements to comply with the ESS reporting requirements. The ATO is particularly keen to ensure corporates are compliant and providing timely and accurate reporting.

Now is the time to ensure your business is not left behind and you have everything in place ready for reporting season. We can provide a fully outsourced service or license our software; whichever you prefer.

If you would like to discuss how to comply with the ATO reporting requirements, or learn more about how our ESS Toolkit will help you, please contact either Sam Morris or Justin Batticciotto on the details below.



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