



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

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## ABOUT Support for Adult Australian Apprentices Payments



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

The Support for Adult Australian Apprentices payments are a series of direct 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 are worth a total of \$13 000 and are paid to the Australian Apprentice **or** their employer during the first and second year of the Australian Apprenticeship. The payment made to the Australian Apprentice or their employer is \$150 per week (\$7800 per annum) in the first year of the Australian Apprenticeship and \$100 per week (\$5200 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 in the first 24 months of the Australian Apprenticeship and \$50 per week in the second 24 months.

### Who is eligible?

From 1 January 2010, 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 shortage 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 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 on 1 January 2010. The recipient of Support for Mid-Career Apprentices payments will also be the recipient of Support for Adult Australian Apprentices 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 will be able to claim their payments as frequently as they wish, within the eligible period. 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 Tax Office has advised that payments under this initiative are to be treated as assessable income. Where the Australian Apprentice is the recipient, the withholding rates 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 should complete a Tax File Number Declaration. A paper copy of the Tax File Number Declaration can be obtained by phoning the **Tax Office** on **1300 720 092** or from selected newsagents.

Where an Australian Apprentice chooses not to submit a Tax File Number then 46.5 per cent of the payment will be withheld and remitted to the Tax Office. The Tax File Number information provided will only be used or disclosed by Tax File Number recipients as authorised by taxation, assistance agency or superannuation law.

If an Australian Apprentice is in receipt of Centrelink benefits then their 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. However, they must declare any Support for Adult Australian Apprentices payments they receive in accordance with their usual arrangements for declaring income to the Tax Office.

Where they choose 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 Tax Office.

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



## 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 workplace issues and wage information can be obtained from the Workplace Infoline on **1300 363 264** or online at [workplace.gov.au](http://workplace.gov.au).

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