

WORONI

Australian National University Student Media

PAYMENTS TO INDIVIDUALS FOR SERVICES RENDERED POLICY

1. Purpose:

To ensure that the strict rules surrounding payments to individuals are understood and followed

2. Other Policy Documents:

This policy should be read in conjunction with the Association's Constitution and Honoraria Procedure

3. Formal Employment Arrangement:

Example: Professional Staff

The individual becomes an employee of the Association and in turn receives superannuation in addition to their wage (and leave if part or full time). Professional staff should be paid in accordance with the ANU Enterprise Bargaining Agreement

Procedure:

1. Arrange association lawyers to organise an employment contract
2. Employee completes the superannuation standard choice form and tax file number declaration and provides these forms, in addition to their payment details, to the Managing Editor
3. Managing Editor inputs information into Xero
4. Managing Editor pays employee in accordance with contract

4. Volunteer Receiving Taxable Honoraria:

Example: Editor

The individual is treated the same as an employee for tax and superannuation purposes. They are not an employee for the purposes of the *Fair Work Act*. (However receiving payments for work may be an indicator of formal employment in the event of a legal challenge, this is not currently settled)

Procedure:

1. Individual completes the superannuation standard choice form and tax file number declaration and provides payment details to the Managing Editor
2. Managing Editor inputs information into Xero
3. Managing Editor pays individual in accordance with the Honoraria Policy through "pay employees" in Xero, paying any relevant tax and superannuation

Australian National University Student Media
PAYMENTS TO INDIVIDUALS FOR SERVICES RENDERED POLICY

5. Volunteer Receiving Non-Taxable Honoraria:

Example: Sub-Editors

Some honoraria is non-assessable income for tax purposes. The payment must not be required or expected; the payment must not be as a consequence of employment or election; the payment must be a token amount. For these purposes \$500 or more is honoraria that is assessable income

Procedure:

1. Individual provides payment details to the Managing Editor
2. Managing Editor inputs information into Xero
3. Managing Editor pays individual in accordance with the Honoraria Policy

6. Independent Contractor:

Example: Auditor

Procedure:

1. Contractor provides valid tax invoice to the Managing Editor
2. Managing Editor pays contractor in accordance with Expenses and Reimbursements Policy

7. Hobbyist:

Example: Non-Professional musician or artist

If someone is working "in the course or furtherance of an activity done as a private recreational pursuit or hobby" (they do not routinely get paid for the type of work they are doing), they must fill out the [Statement by a supplier form](#). Once completed they may be paid directly without a tax invoice, proof of what the purchase was for is still required, they can provide a non-valid tax invoice or an email chain or statutory declaration may be used.

Procedure:

1. Individual provides payment details to the Managing Editor
2. Managing Editor pays individual in accordance with the Expense and Reimbursements Policy

8. Policy Details:

This policy replaced the previous Payments to Individuals Policy on 20/10/2022