



File Ref. No: FRN18/58
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Mr Stuart Little
General Secretary
Public Service Association of New South Wales
160 Clarence Street
Sydney NSW 2001

4 July 2018

Dear Mr Little

Payroll Income Tax Deduction Changes for Kilometre Allowances

I write to advise that due to recommendations made by an external taxation auditor, FRNSW will be changing the way in which tax is withheld for Kilometre Allowances paid from 1 July 2018.

From 1 July 2018 all paid Kilometre Allowances under 5,000 kilometres, at a rate of \$0.66c/KM or lower, will not have any income tax deducted and; all those paid in excess of 5,000 kilometres, will have income tax withheld.

In previous tax years, this exemption would ordinarily be claimed by the employee through their personal tax return however, if there are any individuals who require further information to assist in checking their tax withheld in previous financial years, this can be accessed through the Electronic Self Service (ESS) System and or FRNSW can provide information on specific request.

Please find enclosed communication that will be circulated to all staff to advise them of the change.

Should you have any further questions, please contact Industrial Officer John Andreallo on 9265 2872 or john.andreallo@fire.nsw.gov.au

Yours sincerely,


Jodie Camden
Manager Industrial Relations