

Federal Government Paid Parental Leave Scheme (PPL)

Applies to births and adoptions that take place on or after 1 January 2011.

The Paid Parental Leave Scheme (PPL) provides 18 weeks pay to an eligible working parent at the national minimum wage. From the 1 July it will be \$589.30

Employee

Employer

From 1 July 2011 employers are responsible for administering PPL payments for eligible employees.

Employee must apply and notify the Family Assistance Office (FAO)

If employee has registered for PPL and has met the eligibility criteria, the (FAO) will contact the employer to confirm.

Approx 3 months before the expected date of birth or adoption and ending 12 months after that date (ie 3 months before and 9 months after)

The FAO will ask you to confirm and supply your:
Business name
ABN
Contact details
Pay Cycle and cut off details
Bank details for receiving the NPPL money from the FAO

Employee must meet the eligibility criteria set by FAO

You will be the 'paymaster' for your employee's PPL Scheme

The FAO will transfer the PPL funds to your bank account. You will need to pay your employee as usual in their normal pay cycle.

Must choose to receive either Baby Bonus or participate in the PPL. (Not both)

Money received from FAO employer pays employee

There are two options to choose in receiving payments:
1; three payments of six weeks each or
2. nine fortnightly payments

May also be entitled to unpaid parental leave under the National Employment Standards.

Money not received from FAO the employer is not obliged to pay the employee until funds have been transferred.

If FAO transfers were late, you can pay your employee in arrears on the employee's next pay day.

You will need to withhold the usual PAYG tax amounts from the PPL payments you make to the employee.

PPL is wages for income tax purposes and should be documented accordingly.



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