

FACT SHEET

SELF EMPLOYED WORKER

BUILDING AND CONSTRUCTION INDUSTRY

HOW DOES MY TAX AGENT WORK OUT MY INCOME THAT DETERMINES HOW MUCH SERVICE I GET?

As a self employed worker your service is calculated on income, not on the time you work.

The income used is your annual gross income from building and construction work performed in NSW, less any prescribed costs relating to materials, service and labour. It does not include any other income such as dividends or income from overseas or interstate. This may be different to your taxable income.

Where your income is equal to or greater than the award rate for a carpenter/joiner, one year (220 days) will be added to your record. Where less, a proportional number of days will be added.

GST is not applicable.

PRESCRIBED COSTS

Your prescribed costs are the costs of materials, labour and services incurred in earning income from building and construction work.

Materials - includes the costs of materials used in building and construction work, but not materials used in the office or costs of cars and phones.

Labour - includes all costs related to the people you employ to assist you performing building and construction work. For example their wages, subcontractor payments, superannuation and worker's compensation premiums.

Services - includes varying types of labour services that can be engaged to assist in the building and construction process. For example surveying or geo-technical services. Services do not extend to equipment leasing, repairs or maintenance costs.

APPLICABLE AWARD RATE

The rate for the 2017 - 2018 financial year is \$45,648. This is based on the rate applicable under the Building and Construction General On-site Award 2010.

For example, a subcontractor with income of \$36,000 would use this formula to calculate the number of days added to their record:

EXAMPLE

$$\frac{\$36,000}{\$45,648} \times 220 = 174 \text{ Days}$$

LODGING SERVICE

We will accept Self Employed Worker Certificates of Service lodged by a tax agent for the past 2 financial years.

Your tax agent can lodge your service on our website via the Tax Agent Online facility, they will print a Self Employed Worker Certificate of Service for you to sign. Once your certificate has been signed, your tax agent will keep the printed form and submit your income details to the Corporation via the online facility.

If you or your tax agent prefer to complete paper certificates, you can request certificates by calling our Helpline on 13 14 41.

LODGING SERVICE FOR PREVIOUS YEARS?

For us to accept certificates for work more than 2 years in the past you will need to apply to the Corporation for approval to have the service added to your record. You will need to give reasons for the delay in having your service lodged.

If the Corporation accepts your circumstances then certificates will be issued for your tax agent to complete.

FOR MORE INFORMATION

CUSTOMER SERVICE
 **13 14 41**

www.longservice.nsw.gov.au