

Are you ready for the 2024 ESS reporting season?

ESS reporting is an annual tax reporting requirement for companies that provide shares, rights and options to their employees under an employee share scheme.

Whilst employee equity continues to be a popular way to incentivise employees globally, the volume of reporting required by many employers has significantly increased over time. For those using Australian share plan administrators, many of the challenges with reporting can be streamlined, but reporting for foreign inbound companies or Australian companies with mobile employees continues to be challenging and time consuming.

Key dates for ESS reporting

- ✓ 14th July deadline to deliver ESS statements to your employees
- ✓ 14th August deadline to lodge your ESS annual report

Tips for ESS reporting season:



Start planning early

Ensure that your offshore parent or share plan administrator is aware of the lodgement dates and the data that is required to meet reporting requirements.



Don't forget your payroll tax requirements

All too often many companies are not aware that equity awards are subject to state based payroll taxes. Use ESS reporting as an opportune time to ensure you are meeting your payroll tax obligations.



Data collection

Be clear around the data that is needed to meet the requirements and ensure that there is common understanding around key terms such as vesting, exercise, and the nature of the award itself. For many multinationals, differences in terminology can cause significant issues when determining the correct taxing point. In relation to data for mobile employees, ensure you are also aware of their tax residency in Australia at the taxing point to enable accurate reporting.



Gender pay gap reporting

ESS reporting preparation also presents an opportunity for you to examine your ESS data from a Gender Pay Gap (GPG) perspective. With many companies subject to GPG reporting, ESS income vested to an employee in the 12 months up to the snapshot date is required to be reported.

How can we help?

We work with hundreds of companies to meet their ESS reporting, payroll tax (on equity) and gender pay gap obligations each year. Our ESS reporting tool allows us to take multiple data sets and inputs and translate these into outputs in a meaningful and importantly cost-effective way. The outputs meet the regulatory requirements but also help employees understand what they have received in equity which adds to the perceived value of the award they are receiving. Our assistance will also allow you more time to focus on the strategic aspects of your employee equity programs.

Get in touch



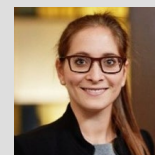
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