Redundancy payroll close-out checklist

Employee:

Last day of employment:

Award or agreement:

Completed by and date:

1. Final pay date. Check your award or agreement for when final pay is due. The Fair Work Ombudsman (www.fairwork.gov.au/ending-employment/final-pay) says most awards require final pay within 7 days after the last day, and calls paying as soon as possible, such as in the next pay cycle, best practice.
2. Unused annual leave and leave loading. The Fair Work Act (s 90(2)) says untaken paid annual leave is paid out when employment ends. The Fair Work Ombudsman (www.fairwork.gov.au/ending-employment/final-pay) says this includes annual leave loading if the employee gets it when they take annual leave.
3. Long service leave. This is set by state or territory law, or by an award or agreement. Find the Act for your state in our redundancy rules by state (/outplacement/guides/redundancy-by-state) table.
4. Notice or pay instead of notice. Pay at the full rate of pay for the hours the person would have worked in the minimum notice period (Fair Work Act, s 117(2) and (3)). The Fair Work Ombudsman (www.fairwork.gov.au/ending-employment/final-pay) says this payment is made before or on the day of termination.
5. Redundancy pay under the National Employment Standards, where it applies (Fair Work Act, ss 119 and 121). Use our redundancy cost calculator for employers (/outplacement/tools/employer-redundancy-cost-calculator) to check the weeks.
6. Tax: ETP and genuine redundancy. The ATO explains which payments are employment termination payments (www.ato.gov.au/businesses-and-organisations/hiring-and-paying-your-workers/engaging-a-worker/when-a-worker-leaves-your-business/taxation-of-termination-payments/payments-that-are-etps) and when a payment is a genuine redundancy (www.ato.gov.au/businesses-and-organisations/hiring-and-paying-your-workers/engaging-a-worker/when-a-worker-leaves-your-business/taxation-of-termination-payments/redundancy-and-early-retirement). We do not work out tax: follow the ATO pages or ask your tax adviser.
7. Super on each part of the final pay. For earnings paid from 1 July 2026, the ATO's qualifying earnings page (www.ato.gov.au/businesses-and-organisations/super-for-employers/payday-super/paying-super-on-payday/what-payments-are-qualifying-earnings) says payment in lieu of notice is qualifying earnings, while unused annual leave, leave loading and long service leave paid on termination, and redundancy payments, are not.
8. Payroll tax. Each state and territory revenue office says which termination payments count as wages. The links for all eight are in our redundancy rules by state (/outplacement/guides/redundancy-by-state) table.
9. Employment Separation Certificate. You must provide one if Services Australia, the employee or a former employee asks (Services Australia (www.servicesaustralia.gov.au/when-to-complete-employment-separation-certificate)).
10. Single Touch Payroll. The ATO says you must report the cessation date and the reason (www.ato.gov.au/businesses-and-organisations/hiring-and-paying-your-workers/single-touch-payroll/when-an-employee-transfers-or-leaves) when an employee leaves (the code for redundancy is

R), and you can make a finalisation declaration (www.ato.gov.au/businesses-and-organisations/hiring-and-paying-your-workers/single-touch-payroll/finalising-your-stp-data) for them at any time during the financial year, or by 14 July after it ends.

Notes

[Write down anything you checked with an adviser, and the date.]