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About the ALMBC

Independent, not-for-profit national
peak body representing nearly 3,000
members

From major agencies to sole
traders—advocating for, supporting,
and promoting Australian grassroots
live music.



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About the ALMBC

Provide advocacy on behalf of the live
music sector

Actively support, celebrate and
promote Australian grass roots live
music.



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Session Purpose

1. Share The Latest Info & Updates
2. Survey results - ideas & impacts
3. Shared Position to ATO
4. Answer Questions



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Speakers

- Howard Adams
Corner Soul ALMBC Chair
- Kylie Thompson
Sorrento Strategic - ALMBC Treasurer
- Stephen Wade
Select Music - ALMBC Executive
- Daniel Siers
Music Victoria Financial Controller



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Clear Survey Results

- Musicians and the people who book them are not against super
- They are arguing about who has to administer it, on what, and whether a \$150 support slot or community festival, should carry the same compliance load as a major company national tour



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Musos = Sole Traders

- Treating sole trader musicians as sole traders has near-unanimous support
- 92% rated it 4 or 5 out of 5
- 80% said it would take a real administrative burden off them
- Even stronger among venues, agents and festivals than among artists



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Hobby Form / de minimis

- 83% rated the Hobby Form 4 or 5 out of 5
- 78% rated the de minimis 4 or 5 out of 5



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Musos Paying For It

- In July muso's feared the 12% would come from their pockets
- 70% now say this is the case
- A \$600 fee is now \$534 + Super



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Musos Paying For It

- Work Is Disappearing
- Consistent messaging from all respondents
- A regional NSW venue cancelled all 150 gigs



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ATO Is Responding

- Pay Day Super didn't cause these problems alone
- Super due since 1992 and 2022 changes
- Underpayment of super has been endemic across government & industry



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ATO Is Responding

- ATO Response late August provided some of what ALMBC asked for:
 - Clarity on door deals / costs splits
 - Some clarity on Bands vs Sole Traders
 - Invoices that remove costs from super
 - Bookers, Agents & Promoters clarity



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ATO Is Responding

- ATO update last Friday 16 Sept and provided toolkit & fact sheet on 25 Sept
- ALMBC has not promoted these due to confusion within them
 - Different statements on non-super costs
 - Door deals & cost splits not included
 - Inconsistent scenarios
 - Potential for double-up super
- ALMBC has already written to the ATO



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Practical Impact

- Musicians losing gigs
- Musicians paid less
- Festivals & venues discouraged
- Fear of legacy backdated claims
- Few musos know about current opportunities - co-contribution or LISTO



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Practical Impact

- Many recent survey responses are still unaware of changes from late August
- Social media still full of bad information
- Poor musicians cannot afford their own financial advice
- Musicians pushed into unsuitable business structures



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Practical Impact

- Sole Traders play a vital part in the development of the industry and this is under threat



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Simple Ideas

- Musicians treated as tradies
- Hobby Form
- de minimis
- Standing industry working group
- Free clearing house & supported processes



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Simple Ideas

- Clearer ATO examples
- Remove seven day requirement for smaller amounts



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From Here

1. Finalise & share survey report
2. Create draft joint request
3. Invite support & updates from industry
4. Share with ATO



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Questions



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16 Sept Update

- Inconsistent scenarios
 - Fact sheet gives two examples of festival payment
 - Toolkit gives a third
 - Need to be consistent examples across documents



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16 Sept Update

- Excess Super Paid for Band Leader

Gig Fee	Number of Players	Split	Super to leader = 12% of fee	Super leader pays to others = 12% of their fee	Total super	Total super as percent of fee
\$900	3	300	108	72	180	20%
\$1000	4	250	120	90	210	21%

- Other performers should be expense?



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Door Deals & Shares

- Example 14: revenue share arrangements
 - Commercial venture together
 - Venue / festival not making a payment
 - Venue / festival does not pay super



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Invoicing with costs

- Example 9: Obligation only to part of a payment
 - Costs such as equipment, transport, accom
 - Also includes contractor wages - ALMBC is seeking clarification



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Invoicing with costs

- Example 9: Obligation only to part of a payment
 - Itemised invoices = more work for all involved
 - What happens if costs are higher than the full invoice?



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Co-contribution

- Government top-up for low and middle income earners
- For 2026-27 the maximum entitlement is \$500, with a lower income threshold of \$49,293 and a higher income threshold of \$64,293
- Government adds 50 cents for every dollar you contribute
- Payment tapers off as your income rises
- Paid automatically by government
- You also need to be:
 - under 71
 - total super balance under \$2.1 million
 - stay within your after-tax contributions limits
 - not be on a temporary visa
 - at least 10% of your income has to come from work as an employee



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LISTO

- Low Income Superannuation Tax Offset (LISTO) gives low income earners back the 15% tax taken out of their before-tax (concessional) super contributions, such as their employer's super guarantee payments.
- You may be eligible if:
 - your adjusted taxable income is \$37,000 or less
 - you're an Australian resident for tax purposes
 - you haven't held a temporary resident visa during the year (New Zealand citizens excepted)
 - and you've had concessional contributions paid into your super



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LISTO

- Refund of up to \$500 a year going straight into your super account
- The main thing to do is make sure your fund has your tax file number
- Changes are coming, with the income threshold lifting from \$37,000 to \$45,000 from 1 July 2027 and the maximum payment rising to \$810 to reflect recent increases in the super guarantee rate



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Hobby Form

- A hobby form 'Statement By Supplier' is a simple declaration a performer signs to say they're playing as a hobby rather than running a business.
- Lets a payer skip the 47% no-ABN tax withholding when someone without an ABN is paid



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de minimis

- A common law principal that applies the law to stop intervening in trivial matters, across financial, criminal and other law settings
- In taxation, the De Minimus is used in numerous financial settings, simply to ensure that the cost and burden of administration does not outweigh the benefits gained to individual or the government.



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de minimis

- An example that we all know is that businesses with turnovers less than \$75,000 are not required to charge GST. Its simple, clear, saves everyone wasted administration time and just makes sense.
- Also under 18 or less than 30 hrs per week = no super



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de minimis

- Another example is the ATO's existing treatment of foreign resident performers
- Where a fee paid to a foreign resident company to perform at an Australian festival is \$10,000 or less per touring party member (including support staff), a variation of the withholding rate to nil will usually be granted where the performer or act will have no or little Australian tax to pay.



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de minimis \$5K

- Resolves 80% of issues
- Restores incentive to engage sole traders
- Larger-scale stay fully covered
- Less burden for all involved
- Same super income can easily be provided through other means eg increasing co-contribution



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de minimis \$5K

- Lower threshold encourages bookers to pay less
- Most muso's earning higher would generally be a different business structure