[Insert DD Month YYYY]

|  |
| --- |
|  |

[Insert Client Name]

[Insert Client Position]

[Insert Company Name]

[Insert Client Address]

[Suburb State Postcode]

Dear [Insert Client Name]

**Re: Instalment Activity Statement**

We hereby enclose your Instalment Activity Statement for the quarter ending [insert month and year], which is due for lodgment by [insert lodgment due date].

In this statement you are required to choose the method of calculating your [insert year] PAYG Instalments for the financial year.

The form shows these as:

 Option 1: an Australian Taxation Office (ATO) advised amount or

 Option 2: an amount you calculate each quarter.

Each of these can be varied during the year, however, **the method chosen on this statement must be used for the remaining quarterly activity statements** for the [insert year] financial year.

It should also be noted that if the amount is varied during the year and an amount of tax becomes payable when your tax return is lodged, penalties can be applied.

However, the ATO has advised that when you vary your instalment amounts or instalment rate due to the impacts of COVID-19, it will not apply penalties for such a variation or levy General Interest Charge on these instalments.

If you have further queries on any details contained in this letter or on any other matter, please feel free to contact us on [insert telephone number].

Yours faithfully

**[Insert name and title]**

Encl.