

Employer Support Payment Scheme Advisory Notice

Invoices

Last Updated 21 May 13

ESPS Advisory Notices provide advice or more detailed explanations concerning aspects of the Employer Support Payments Scheme (ESPS).

ADVICE

The following advice is provided specifically in relation to the issuing of tax invoices or other debt notices to the Department of Defence (DOD) for a period of continuous Defence service rendered by an employee or Self-employed Reservist.

Invoices

Occasionally a business will issue the DOD with a tax invoice or another similar document for a period of absence on continuous Defence service for which they wish to receive ESPS payments.

ESPS payment is a benefit provided to employers of Reservists who release their employees to render Defence service. It is not considered an entitlement, even if an invoice or similar document is issued to the DOD for an amount of ESPS payment, it remains that this is not a debt, although there may be an entitlement.

Because of a number of variable elements, invoices/similar documents are not accepted in lieu of an ESPS payment claim form for the following reasons:

- ESPS payment is considered a benefit, not an entitlement.
- The ESPS decision-maker may determine that there is no entitlement, and therefore no payment for that period of continuous Defence service will be made.
- If approved, the payment amount may differ from the invoice amount, which could cause issues with regard to the reconciliation of these documents.
- The DOD doesn't reconcile ESPS payments with invoices, as ESPS payments is not considered to be a debt to the business, and the invoice/similar document could remain outstanding to the business.

If an invoice or another similar document is received, the ESPS clerk should contact the claimant, explaining that ESPS payment is considered a benefit, not a debt, and requesting that the claimant reconcile the invoice. The ESPS

clerk should also request that the claimant not issue the DOD with invoices/similar documents in future. Suggested words which can be sent to businesses in instances where invoices have been issued are available from the ESPS Directorate.

If a query is received from liquidators, they should contact the ESPS payment Help Line for assistance in resolving the matter.

Further Queries

If ESPS staff have any queries about this topic, they are encouraged to ring the ESPS Directorate on 1800 001 696.