

Employment Agency Contracts – Declaration by Exempt Client

Note:

- Under Division 8 of Part 3 of the *Payroll Tax Act 2007* an employment agency contract is defined as a contract under which a person (the employment agent) procures the services of another person (the service provider) for a client of the employment agent.
- The employment agent is liable for payroll tax on all payments made to the service provider unless this declaration has been completed by the client and given to the employment agent.
- This declaration is to be made by the client where the wages paid to the service provider would have been exempt under Part 4 of the *Payroll Tax Act 2007* if they had been paid directly by the client to the service provider as an employee. This exemption does not apply where the client does not pay payroll tax merely because their (the clients) wages are below the payroll tax threshold.
- The employment agent must keep this declaration with their records for five years.
- Please read the information carefully before completing this form.
- Under the *Taxation Administration Act 1996*, it is an offence to give false or misleading information. You may also be liable to interest and/or penalty tax.
- For further information, please refer to Revenue Ruling PTA 026 v2 at www.revenue.nsw.gov.au

Details

Name of employment agent	
Date contract entered into (DD/MM/YYYY)	
Name of client	
Address	
Suburb	Postcode
Payroll tax client number (if applicable)	
ABN	ACN (if applicable)

Declaration *please print clearly*

I,	
declare that the wages payable under the contract with:	
do not attract payroll tax because those wages would have been exempt from payroll tax under Part 4 of the <i>Payroll Tax Act 2007</i> if paid by the client.	
Signed*	Date (DD/MM/YYYY)
*Once the form is complete please print with employer, public officer or authorised person to sign.	
Contact Number	

Notice of Consent

(This consent is voluntary and is only to be used to verify your payroll tax exempt status)

I agree to allow Revenue NSW to provide the above named employment agent with information about our payroll tax exempt status for confirmation purposes.

Signed

Date (DD/MM/YYYY)

Information

Part 4 Exemptions

Under Part 4 of the *Payroll Tax Act 2007*, some wages are exempt from payroll tax in certain circumstances.

Wages paid or payable by the following bodies are exempt:

- the Governor of a State
- a council or county council except when the wages are paid or payable in respect of certain trading undertakings
- a consul of any country to their official staff
- a Trade Commissioner of a Commonwealth Country to their official staff.

Exempt wages are predominantly those paid by charities, religious organisations, non-profit hospitals and public benevolent institutions.

Exempt wages are wages paid or payable to agency workers engaged exclusively in providing work of a kind ordinarily required by organisations that are:

- a religious institution
- health care service providers such as a public hospital, area health services, a non-profit hospital that is carried on by a society or association, the Home Care Service, Ambulance Service
- a non-profit making private school or college (not being a technical school or college) which provides education at or below the secondary level
- a non-profit organisation whose objectives are wholly for charitable, benevolent, philanthropic or patriotic purposes.

The exemption applies only to wages paid for work such organisations ordinarily require. Workers engaged under an employment agency contract must be engaged exclusively to perform work of that type for the end user client.

Agency workers who are engaged to provide other services cannot be covered by this declaration.

The declaration applies to an employment agency contract from the date it is supplied by the client and should be stored with the contract to ensure the contract is excluded.

The above list is taken from Part 4 of the *Payroll Tax Act 2007* and is not exhaustive. Clarification should be sought if you are uncertain regarding your status as an exempt employer or if the work under the agency contract is not for work you ordinarily require.

Contact details



1300 139 815* (Monday – Friday, 8.30 am – 5.00 pm)

*Interstate clients please call (02) 7808 6900



www.revenue.nsw.gov.au



payrolltax@revenue.nsw.gov.au



Help in community languages is available



Postal address

GPO Box 4042
Sydney NSW 2001

DX Number

DX 456 Sydney

Privacy Collection Notice

Revenue NSW is collecting your information to administer the *Payroll Tax Act 2007*.

Revenue NSW gives priority to protecting the privacy of information we receive. We do this by handling information in a responsible manner and in accordance with the *Privacy and Personal Information Protection Act 1998* and *Taxation Administration Act 1996*.

Revenue NSW may disclose your information for law enforcement, for legal proceedings arising out of a taxation law, to permitted statutory or regulatory bodies, for reciprocal taxation law administration with another Australian jurisdiction, or any other reason contained within Part 9, Division 3 of the *Taxation Administration Act 1996*, or as permitted by law.

Revenue NSW does not require you to disclose tax file numbers for Payroll Tax purposes. If you submit information to us that includes tax file numbers and data that was not requested, you should redact this information where possible.

For more privacy information regarding the collection of information about an individual, please refer to the Revenue NSW Policy.

© State of New South Wales through Revenue NSW, 2023. This work may be freely reproduced and distributed for most purposes, however some restrictions apply. Read the copyright notice at www.revenue.nsw.gov.au or contact Revenue NSW.