

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.
- Print clearly in the boxed spaces and tick the most appropriate box.

Details

Name of employment agent	
Date contract entered into / /	
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 <small>(Employer, public officer or authorised person to sign)</small>	Date / /
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 / /
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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.


Privacy statement

Information collected from you on this form is required by Revenue NSW to determine if you have a liability or entitlement. The information may be provided to third parties with your consent or as required or permitted by law. Revenue NSW will correct or update your personal information at your request. Read more about privacy at www.revenue.nsw.gov.au

Contact details

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

*Interstate clients please call (02) 9689 6200

 www.revenue.nsw.gov.au

 payrolltax@revenue.nsw.gov.au

 Help in community languages is available.

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