

Payroll Tax 2015

Seminar Notes



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NSW payroll tax 2015

Payroll tax is paid by NSW employers whose wages exceed their threshold deduction for the financial year. The threshold deduction for 2015 is \$750 000 and payroll tax is payable on the balance of the wages at a rate of 5.45 per cent. Similar threshold deductions exist in all States and Territories.

The threshold deduction for a NSW employer is less than \$750 000 if that employer pays wages in other States or Territories in Australia or if they pay wages for less than a full financial year.

Employers are required to pay payroll tax monthly and their monthly wages get a monthly threshold deduction calculated using the days in the month. The tax on each month's wages must be returned on or by the seventh day of the following month. The Chief Commissioner may determine that an annual return is the only return required for employers with a small payroll tax liability.

An annual reconciliation is used to make a return on the June wages and any other wages paid within the financial year and must be lodged by 21 July.

NSW threshold and rates

Tax Year	Threshold (\$)	Tax Rate (%)
2015	750 000	5.45
2014	750 000	5.45
2013	689 000	5.45
2012	678 000	5.45

These threshold deductions are the maximum deductions available and apply when the employer employs only in NSW and for the full financial year.

Monthly returns

All NSW employers registered for NSW payroll tax are obliged to pay payroll tax on their monthly wages. The due date is the seventh day of the following month except for June wages which are included in the annual reconciliation. If the seventh is a non-working day the due date becomes the next working day.

We provide an on-line monthly calculator to assist clients in determining the tax that is required to be paid. Employers may use any calculation system but must ensure that whatever they use is accurate and up to date.

Payment options

- Online payment linked to the monthly calculator. Register your bank details with us and then authorise each payment by selecting the online payment button.
- BPAY payment can be made using your online or telephone banking system.
- EFT payment can be made through internet banking.
- Cheques through the post.
- Australia Post by cash, cheque or EFTPOS.
- Visa and MasterCard can be used for payments of up to \$50 000. A processing fee of 0.4 per cent applies.

Monthly thresholds

The monthly thresholds vary with the number of days in the month. For 2015 the annual threshold deduction of \$750 000 becomes:

- \$63 699 for months with 31 days
- \$61 644 for months with 30 days
- \$57 534 for February (28 days).

Once the taxable wages for NSW have been determined employers deduct the threshold from that value, multiply the remainder by 5.45 per cent and pay the amount calculated.

Example

In May 2015 an employer has NSW wages of	\$437 450
Threshold deduction for May is	<u>\$ 63 699</u>
	\$373 751 x 5.45% = \$20 369.42

Interstate wages

The threshold deduction in NSW is reduced if the employer pays wages anywhere else in Australia. The formula is:

$$\frac{\text{NSW wages}}{\text{Total Australian wages}} \times \text{threshold deduction} = \text{applicable threshold deduction}$$

Example

NSW wages	<u>\$800 000</u>	x \$750 000 =	\$500 000
Total Australian wages	\$1 200 000		

This formula is used in all jurisdictions. It ensures that employers have a similar payroll tax outcome whether they pay a value of wages in one State or the same value of wages in multiple States.

If an employer's total Australian wages are below the threshold in one or more States but above the threshold in other States the employer will only have a liability to pay tax in those States in which their wages exceed the threshold.

Annual reconciliation

All registered employers must complete an annual reconciliation. The annual reconciliation includes the June wages and any corrections for the 2015 financial year.

This year employers will be able to show the breakdown of wages with the addition of three new wage fields: bonuses and commissions, directors fees, and employee shares and options.

Common annual adjustments include the adjustment for fringe benefits from the Fringe Benefits Tax (FBT) annual return in March, bonuses based on financial year results and superannuation contributions up to 30 June.

Adjustments for prior financial years cannot be done using the current annual reconciliation. A written request, with sufficient evidence available to substantiate the claim must be sent to the Chief Commissioner.

Employers may lodge additional annual reconciliations to correct any deficiency in their first return. Annual reconciliations lodged after 21 July may be subject to interest and/or penalties.

Annual reconciliations and fringe benefits

Employers must include the value of any discrepancy between the March 2014 FBT return and the March 2015 FBT return in the 2015 annual reconciliation. There is no requirement to return the FBT values for April, May or June 2015 unless the employer ceases to employ during that time. Employers are reminded that when grossing up fringe benefits, only the Type 2 grossing up factor is used. For 2015 the Type 2 grossing up factor is 1.8868.

Financial year wages

Employers must include all wages paid or payable from 1 July 2014 to 30 June 2015 in their annual reconciliation. Wages paid after 1 July 2015 that relate to services performed prior to 1 July need not be returned in the annual reconciliation but can be if the employer wishes to align their wages declared for payroll tax with their accrued wage liability for the financial year. Employers must use a consistent approach for each financial year.

Part-year employers

A part-year employer is an employer who does not pay taxable wages in Australia for all of a financial year. The threshold entitlement for a part-year employer is based on the number of days in which the employer pays or is obliged to pay wages to employees.

Example

Jetson Sprockets has been trading in NSW for some years but ceases to employ on 31 January 2015. It employs for 215 days in 2014–15.

2014–15 threshold deduction

$$\frac{215 \text{ days}}{365 \text{ days}} \times \$ 750\,000 = \$ 441\,781$$

Taxable wages

Employers are required to pay payroll tax based on wages that are taxable in NSW. A wage paid to any employee is taxable in one State or another on a per employee and per month basis. A wage paid to an employee cannot be taxable in two or more jurisdictions.

Work wholly in NSW

If in any month an employee works wholly in NSW, then the wages for that month's work are taxable in NSW.

Work not wholly in NSW

If in any month an employee does not work wholly in NSW there are three alternatives:

1. worked in NSW and in one or more other States or Territories in Australia
2. worked in NSW and worked outside of Australia
3. worked in two or more States or Territories other than NSW.

If any of the above three alternatives apply then where a wage for a month is taxable is based on a series of provisions. As soon as one applies the sequence stops there and the wage is taxable as indicated in the provision.

1. The jurisdiction in which the employee's principal place of residence is located.

2. The jurisdiction in which the principal place of business of the employer is located if the employee has no principal place of residence in Australia.
3. The jurisdiction in which the employee is paid if the employee does not reside in Australia and the employer does not have a principal place of business in Australia.
4. The jurisdiction in which the work is mainly performed if (1), (2) and (3) all don't apply.

'Mainly performed' requires an overseas employer and commonly an overseas based employee. An employee will mainly perform work in a jurisdiction if more than 50 per cent of the working time for that month is spent in a single jurisdiction.

Example of residence based taxable wages

Optimus Prime Transport Pty Ltd runs a logistics business delivering goods across all of Australia and as a result all 15 truck drivers perform work in all States and Territories every month. The truck depot is in NSW.

- The office staff work only in NSW so their wages are taxable in NSW.
- Nine of the truck drivers reside in NSW so their wages are taxable in NSW.
- Six of the truck drivers reside in Victoria so their wages are taxable in Victoria.

Working overseas and paid in Australia

An employer who pays wages to a person working in another country has an exemption on those wages if the period overseas is six consecutive months or more. The six month period is not broken by returning to Australia for non-work related breaks or to attend meetings or updates relating to the overseas work.

If the overseas work period is less than six months the wages are taxable in the State or Territory in which the employee is paid their wage.

Wages paid for services performed in prior months

When an employee performs service in a month but the wage for that service is not paid or payable in that month there is no taxable wage until it is paid. Once paid the wage becomes taxable based solely on the service performed in the month of payment.

A wage that is not payable is a wage where some value or entitlement may be accruing but the employer is not obliged to pay the employee for the work in that month. Common examples are paid out leave and annual bonuses.

Example

A NSW branch of a Queensland based business has an employee retire three months after moving to NSW after 15 years' service in Queensland. In the month the employee retired the employee worked wholly in NSW so all of the paid out leave is taxable in NSW as a termination payment.

A detailed explanation is found in: **Payroll Tax Nexus Provisions PTA039**.

Wages

Employers are required to pay payroll tax on all of their taxable wages. The term 'wages' is widely defined in the *NSW Payroll Tax Act 2007* (the Act) under nine divisions and includes all forms of direct and indirect reward for

work. It is not restricted to wages and salaries and includes other forms of reward such as fringe benefits and share schemes.

The general concept of wages – Division 1

Wages paid or payable to employees make up almost all wages liable for payroll tax. Payments are a wage if they are:

- wages
- remuneration
- salary
- commissions
- bonuses
- allowances

and are paid or payable at piece work rates or otherwise and whether paid or payable in cash or in kind to an employee.

Paid	credited or given to the employee within any month
Payable	the employee is entitled to the money within any month
Piece work rate	payment per item on an ongoing basis
In kind	any item of worth other than money
Employees	any person working under a contract of service

Most workers are employees engaged under a contract of service. The person is, or can be, subject to ongoing control and direction and the work performed will be ordinarily required by and be for the benefit of the employer's business. Employees can be full time, part time, casual or employed for a fixed term.

A contract of service is evidenced by the totality of the relationship between the business and the worker. A large body of case law exists to deal with employers who attempt to have work performed by contractors while retaining the control and benefits found in an employment relationship.

Revenue Ruling: **Determining whether a worker is an employee PTA038.**

Directors

Wages include:

any amount paid or payable by a company by way of remuneration to or in relation to a director of that company.

Corporations should be aware that any payment that relates to any service performed by a director is a wage. This includes directors fees and any other form of remuneration including superannuation contributions, consultancy fees, on call allowances, marketing fees and any other form of value.

Third party provisions ensure that wages paid to other persons such as trustees and corporations are also a wage for the corporation in receipt of the service of the director.

Salary sacrifice arrangements

Wages subject to an effective salary sacrifice should be returned on their new value under the agreement.

Wages sacrificed into:

- fringe benefits, such as motor vehicles, have an FBT value that is used to determine the payroll tax value
- superannuation contributions have the same value as the wage sacrificed.

Workers compensation payments

Employees in receipt of workers compensation payments from their employer or from an insurance company are covered by Revenue Ruling: **Workers Compensation Payments PTA015**. Only 'make up pay' being pay above the award or agreement level is a wage.

Profit distributions and loan amounts

Owners of a business that take a share of profits are not in receipt of wages. The situation is clarified in Revenue Ruling: **Profit Distributions and Loan Accounts PTA016**.

Fringe benefits—Division 2

The definition of wages includes a fringe benefit under the *Fringe Benefits Tax Assessment Act* (FBTAA). Exempt fringe benefits are not liable for payroll tax. Fringe benefits that have a 'nil' value have no returnable value for payroll tax.

Employers must use the taxable value of fringe benefits and not the 'reportable' value. The reportable value is incorrect and will under declare the value.

Calculating fringe benefit value

Under the FBTAA, fringe benefits are categorised as:

- Type 1 fringe benefits which are grossed-up by a specified factor.
- Type 2 fringe benefits which are grossed-up by a specified factor. Only the Type 2 factor is used to gross-up all taxable fringe benefits for payroll tax including Type 1.

The table below lists the specified Type 2 grossed-up factor to be applied to each relevant financial year rather than FBT year.

Period	Type 2 grossed-up rate
01/07/2016–onwards	1.8868
01/07/2015–30/06/2016	1.9608
07/07/2014–30/06/2015	1.8868
01/07/2013–30/06/2014	1.8692

Declaring fringe benefit value – Estimate Method

The value of an employer's total taxable fringe benefits is returned on a monthly basis as 1/12 of the most recent FBT return. The taxable amount of fringe benefits in the March 2015 FBT return is divided by 12 and returned in the 11 monthly returns for July 2015 to May 2016. The March 2016 FBT return is then used for the annual reconciliation and for the following financial year.

If an employer pays wages in multiple States or Territories and cannot isolate the fringe benefits value for each jurisdiction they can pro-rata their fringe benefits in the same ratio as their wages.

If an employer ceases to employ they must reconcile their fringe benefits up to the final day they paid wages.

Revenue Ruling: **Fringe benefits PTA003**.

Reportable fringe benefits

Reportable fringe benefits are fringe benefits whose value must be displayed on group certificates. This number is not usable for payroll tax.

Superannuation contributions – Division 3

All employer superannuation contributions to any form of superannuation fund in respect of any employee, director, relevant contract worker or agency contract worker are a wage.

Setting aside any money or anything that is worth money as, or as part of, a superannuation fund, superannuation guarantee charge or any other form of superannuation, provident or retirement fund or scheme is taken to be making a superannuation contribution for the purpose of the Act.

Top up payments to defined benefit schemes in respect of post 1 July 1996 service are a wage even if the scheme is now closed to new entrants.

Employer failure to pay the required Superannuation Contributions

If an employer fails to pay the full amount of superannuation contributions as required by law, the employer is liable to pay any additional payroll tax on the value of underpaid superannuation including any penalty charges.

Revenue Ruling: **Penalty charges under Superannuation Guarantee Charge PTA030.**

Shares or options – Division 4

Wages include the value of shares and options acquired by or granted to employees and directors less the value of any payment the employee or director makes in order to have that share or option. Share and option schemes usually have criteria that must be met before the employee gets the share or option.

As these criteria may never be met employers have a choice to declare the value of the share or option on the day of granting or on the day the share or option vests in the employee. If the employer chooses not to declare on granting they must declare on vesting.

If an employer declares on granting and the shares or options are later rescinded the value of the wage declared is to be deducted from the liable wages in the year of rescission.

The value of the share or option is the market value or the value as determined under the *Income Tax Assessment Act* (ITAA).

Changes due to amendments in the 'Income Tax Assessment Act' from 1 July 2011

The changes to the Income Tax Assessment Act mean only shares or options that are an Employee Share Scheme (ESS) interest are a wage.

If the share or option scheme is not an ESS interest, it will be treated as a fringe benefit for payroll tax purposes.

Employment Termination Payments – Division 5

Wages include termination payments and there are two types:

1. Employment Termination Payments (ETP) as defined in section 82-130 of the ITAA, when paid by an employer as a result of an employee's termination. The amount subject to payroll tax is the whole of the ETP paid by the employer (whether paid to the employee or to a roll-over fund), less any component which is exempt income when received by the employee
2. All paid out annual leave and long service leave.

ETPs paid by employers may include payments for:

- unused sick leave or rostered days off
- ex gratia payments or 'golden handshakes'

- payment in lieu of notice or service contract payouts
- compensation for loss of job or wrongful dismissal.

Redundancy or early retirement payments are only a wage to the extent that they exceed the exempt limits.

Revenue Ruling: **Termination Payments PTA004.**

Allowances – Division 6

All allowances other than motor vehicle and accommodation allowances are a wage under Division 1. Division 6 defines as a wage amounts paid as motor vehicle allowances or accommodation allowances that exceed limits set with reference to Commonwealth taxation limits. Only the value of the excess payments is a wage under Division 6.

Motor vehicle allowances

Motor vehicle allowances paid at a rate per kilometre are not liable even on amounts paid that exceed 77 cents per kilometre. Amounts classified as expended car benefits that exceed 77 cents per kilometre are not a wage if they are a 'reasonable' amount under the FBTA. This is allowed for under Revenue Ruling: **Exempt allowances; Motor Vehicle and Accommodation PTA005-v2.**

This ruling also covers employers who pay lump sums and fixed amounts as a motor vehicle allowance and requires their employees to keep records of business kilometres. The distance can be multiplied by 77 cents and subtracted from the lump sum paid. If distance records are not kept the allowances are a wage. There are two methods of substantiating business kilometres; the continuous recording of business kilometres or use of the averaging method. The averaging method requires the employee to maintain a log of all their business kilometres for a 12-week period and then applying the average on a monthly basis.

Real estate agents

This industry has a specific ruling with an assumed weekly travel of 250 kilometres for agents who do not record business kilometres. At 77 cents per kilometre the exempt amount is \$192.50 a week.

Revenue Ruling: **Motor vehicle allowance paid to real estate sale persons PTA025.**

Accommodation Allowances

Accommodation allowances are only liable on amounts that exceed a daily limit of \$253.25 during 2014–15. Amounts paid above this limit are a wage.

Truck driver's allowance

The overnight allowance paid to truck drivers is an accommodation allowance. The exemption limit is \$253.25. Revenue ruling: **Overnight accommodation allowance paid to truck drivers PTA024.**

Reimbursements

Reimbursements of business expenses incurred by employees on behalf of their employers are not liable wages. There must be document substantiation. Revenue ruling: **Allowances and Reimbursements PTA011.**

Living Away from Home Allowances

A Living Away from Home Allowance (LAFHA) is a fringe benefit and must be declared as such.

Changes in the taxation treatment of a LAFHA occurred in October 2012 at the Commonwealth level. The reform does not change the way a LAFHA is treated for payroll tax as it is still a fringe benefit.

Contractor provisions – Division 7

Employers may use contractors to perform services for their businesses. They can be contractors, sub-contractors, agents, consultants or any other title and can be natural persons or incorporated. All payments made to these persons are a wage if paid under a **'relevant contract'**.

A **'relevant contract'** is a contract under which a person, in the course of a business carried on by that person, supplies to another person services for or in relation to the performance of work. Such a contract is subject to three deeming provisions:

1. the payment for the services, excluding any GST component, is taken to be a wage, and
2. the person paying that wage is taken to be an employer, and
3. the natural person who actually performs the work is taken to be an employee.

Under the Act not all contracts for services are relevant. Nine provisions define types of contracts that are not relevant and these are known as the contractor exemptions. If any one of them applies the contract is not relevant and there is no wage subject to payroll tax.

The nine relevant contract exemptions

1. **Services ancillary to the provision of goods or use of goods**

A contract is not a relevant contract if the labour provided under the contract is ancillary to the supply of goods as its basic purpose or the labour provided under the contract is ancillary to the use of goods supplied by the contractor.

Revenue ruling: **Contractors – Services Ancillary to the Supply of Goods PTA033.**

2. **Services not ordinarily required by your business and supplied by a person who supplies such services to the general public**

The purpose of such a contract must be to secure services that a business does not ordinarily require and the person that provides those services must supply the same type of services to the general public in that financial year.

Revenue ruling: **Contractors – Services not ordinarily required and supplied by a person who supplies such services to the general public PTA022.**

3. **Services ordinarily required by your business for less than 180 days in a financial year**

This provision again requires a business to determine what services it does not ordinarily require and if the total number of those days is 179 days a year or less the contract is excluded.

This exclusion does not extend the 90-day exemption below.

Revenue Ruling: **Contractors – 180-day Exemption PTA020.**

4. **Services provided for 90 days or less in a financial year**

For a contract to be excluded under this provision the workers must work for the hiring business for a period in total that does not exceed 90 days in the financial year. After 90 days, the entire contract becomes relevant from day 1 unless one of the other provisions apply.

Revenue Ruling: **Contractors – 90 Day Exemption PTA035 v2.**

Revenue Ruling: **What Constitutes a Day's Work PTA014.**

5. **Services are supplied by the contractor to the public generally**

This provision can be applied for when the first four exemption provisions do not apply.

The Chief Commissioner can exclude the contract when satisfied that the contractor provides services of that type to the general public during the financial year.

The contractor **must have actually provided services to the public** – simply being available to provide them is not enough. For a contract to be excluded, the Chief Commissioner requires evidence that these services have been provided within the relevant financial year.

Revenue Ruling: **Contractors servicing the public generally PTA021.**

6. **Services performed by two or more people**

A contract is not a relevant contract if the contractor engages others to provide the services they are contracted for or two or more people are needed to fulfil the purpose of the contract.

The criteria are slightly different for corporations, partnerships and sole traders.

- a) For corporations there must be two or more persons employed by, or who provide services for, a corporation in the course of a business carried on by the contractor.
- b) For partnerships there must be a person employed by, or who provides services for, a partnership in the course of a business carried on by the partnership.
- c) For natural persons there must be at least one more person employed by, or who provide services for, the contractor in the course of a business carried on by the contractor.

The Chief Commissioner can deny the benefit of this exemption if the Chief Commissioner determines that the contract or arrangement under which the additional person provides services was entered into with the intention of avoiding payroll tax.

Revenue Ruling: **Contractors Engaging Others PTA023.**

7. **Services provided by an owner-driver**

If the contract is solely for the conveyance of goods in a vehicle provided by the contractor the contract is not a relevant contract. The contractor must own or lease the vehicle as a vehicle and must not be an employee.

Revenue Ruling: **Payroll Tax Exemption for Payments to Owner-drivers PTA006.**

8. **Services are for the procurement of persons wishing to be insured**

An independent agent who provides services involving the procurement of persons wishing to be insured by the principal business does not have a relevant contract.

9. **Services are as a door-to-door salesperson**

If the contract is for the door to door sale of goods solely for domestic purposes the contract will not be a relevant contract.

Revenue Ruling: Contractor Provisions: **Door-to-door Sale of Goods PTA007.**

Employer substantiation

In the absence of evidence that a contract for services is not relevant the contractor provisions will apply. The payment will be a wage, the person paying that wage is taken to be an employer and the person who performs the work is taken to be an employee.

The onus of proving that any of the nine exclusions apply rests with the employer. Documents that substantiate that a contract is not relevant must be kept for each contract for services. The revenue rulings give some guidance in this area.

Deductions

If your contract is a relevant contract the cost of materials is not a wage. If the contract does not itemise the cost of materials, deductions from the total cost of the contract are set out in:

- Revenue Ruling: **Contractor Deductions PTA018.**
- Revenue Ruling: **Contractors: Labour and Non-Labour Components PTA019.**

No deductions are available for other business expenses such as vehicles, fuel and the cost of maintaining business premises.

GST and non-labour costs

Contractor payments taken to be wages can not contain any GST component.

Revenue Ruling: **GST Considerations for the Calculation of Payroll Tax Liability PTA008.**

Employment Agents – Division 8

Employers use agencies to provide them with persons to perform labour services. An agency can enter into different forms of contract but in essence there are only two types:

1. The employer (client) directly hires the worker as an employee or a contractor using the agency to find the worker. The client usually pays the worker directly and the agency receives a fee or an on-going percentage. These contracts are not employment agency contracts. Revenue Ruling PTA029 recruitment/placement agencies clarifies this type of direct hire contract.
2. The client does not offer a direct hire relationship to the worker but the agency offers the work to the worker on behalf of their client. If the worker accepts that offer the agency has procured the worker for the client and the contract is an **'employment agency contract'** as defined in the Act.

Employment agency contracts

An employment agency contract is defined in the Act and has three effects under the Act:

1. all amounts paid by the agency to, or in connection with, the work of the worker are taken to be a wage. This picks up payments to corporations connected to the worker
2. the natural person performing the work is taken to be an employee
3. the agency is taken to be the employer to the exclusion of the client or any other person.

Employment agencies have only one concession. If the client makes a declaration that the wages would be exempt from payroll tax if paid by the client the agency does not have to pay payroll tax on all contracts covered by that declaration.

The declaration is available online and requires confirmation from us that the client is exempt. Employers can apply to be classified as exempt even if they have insufficient wages to register for payroll tax.

Agencies must get declarations to have a contract that is not liable and cannot assume a client is exempt.

Chain of hire

If two or more agencies are involved in an agency agreement they need to make a declaration to ensure that only one of them pays the payroll tax. Which agency should pay and fill out the declaration is covered in Revenue Ruling: **Employment Agency Contracts Chain of on-hire PTA027**. The liable agency is usually the agency first contacted by the client.

Direct hire using agencies

Employers that use an agency to facilitate the direct hire of a worker may use the agency to pay the worker creating an arrangement that looks like it meets the definition of an employment agency contract. As the core contract is one of direct hire it is not an agency contract and this is explained in Revenue Ruling **PTA029 Recruitment Agencies/Placement agencies/Job Placement Agencies**.

Government as agency clients

Commonwealth and State Governments departments or organisations affiliated with them cannot make declarations that they are exempt from payroll tax. Local government can make declarations but only on work that is not listed as a prescribed activity.

Revenue Ruling: **Employment Agency Contracts-workers on-hired to Government PTA028**.

Other – Division 9

GST excluded from wages

The GST component of any payment is never a wage.

Revenue ruling: **GST Considerations for the calculation of payroll tax liability PTA008**.

Wages paid by or to third parties

Employees

If any money would have been a wage if it had been paid by an employer to an employee it is still a wage for that employer if:

- paid by a person other than the employer for whom the work was performed
- paid to a person other than the employee who performed that work
- paid by a person other than the employer to some person other than the employee who performed that work.

Directors

If any money would have been a wage if it had been paid by a corporation to, or in relation to, or for the appointment of a director it is still a wage for that corporation if:

- paid by a person other than the corporation for whom the services were performed
- paid to a person other than the director who performed those services for the corporation
- paid by a person other than the corporation to some person other than the director who performed the services for the corporation.

Employers are rarely subject to third party provisions for employees but corporate employers must be aware that under this provision all payments to any corporation or other person connected to a director are a wage for the corporation unless the corporation can prove the payments are unrelated to the services of their director.

Common payments subject to these provisions are management fees, consulting fees, on call payments and other payments directed to a corporation associated with the director. If there is evidence that the payments are for specific tasks performed under a contract for services the Chief Commissioner will apply the provisions of contractor payments (Division 7) to the contract.

Agreement etc to reduce or avoid payroll tax

Employers should be aware that if a natural person performs services for which any payment is made to some other person related or connected to the natural person performing the service and the effect of the agreement is to reduce or avoid the liability of any person to the assessment, imposition or payment of payroll tax the Chief Commissioner may:

- disregard the agreement
- determine that any party to the agreement is the employer
- determine that any payment made in respect of the agreement is a wage.

The Chief Commissioner must give reason in writing for such a decision setting out the facts relied upon.

Exemptions

For payroll tax there are basically two types of exemptions:

1. an employer has an exemption on all, or most, of its wages based on the nature of the employer organisation and the work performed by its employees
2. the employees' wages are exempt under a specific exemption such as paid maternity leave.

Employers with all or mostly exempt wages

Wages paid to employees engaged to perform work connected with the objectives of:

- public benevolent institutions
- religious institutions
- non-profit organisations with sole or dominant charitable, benevolent, philanthropic or patriotic purposes

are exempt from payroll tax.

Such organisations usually have all or almost all of their wages exempt and are sometimes referred to as exempt organisations.

Other organisations with wholly or mostly exempt wages include:

- non-profit, non-government schools or colleges (other than technical schools or colleges), for wages paid to persons providing education at or below secondary level
- public hospitals, for wages paid to persons engaged exclusively in the work of the hospital
- non-profit private hospitals, for wages paid to persons engaged exclusively in the work of the hospital.

Local Government

Cities, Shires and Municipalities have an exemption on their wages or on the wages of wholly owned subsidiaries.

The exemption does not apply to wages paid or payable for or in connection with:

- the supply of electricity or gas
- water supply
- sewerage
- the conduct of
 - ▶ abattoirs
 - ▶ public markets
 - ▶ parking stations
 - ▶ cemeteries or crematoria
 - ▶ hostels
 - ▶ a transport service
 - ▶ the supplying of building materials
 - ▶ a coal mine and the distribution of coal.

Employers with exempt wages can sign declarations for employment agencies that the wages are exempt as long as the wages would have been exempt if that work had been performed by the employees of the organisation. Revenue ruling: **Employment Agency Contracts Declaration by exempt clients PTA026-v2.**

The other exemptions

Maternity, paternity and adoption leave

Employers that provide paid maternity leave, paternity leave and adoption leave have an exemption for such wages up to and including 14 weeks' pay for the employees normal duties. If the employee was working full time then they have 70 days at full pay or 140 days at half pay. If the employee was working 3 days a week they have 42 days at full pay and 84 days at half pay.

Revenue Ruling: **Exemption from maternity leave and adoption leave pay PTA012.**

Revenue Ruling: **Paid parental leave PTA037.**

Volunteer fire-fighters and emergency service volunteers

Employers who continue to pay wages to staff taking part in bushfire fighting activities as a voluntary member of a rural fire brigade or in emergency operations as volunteer members of an emergency services organisation have an exemption on those wages.

The exemption does not apply to wages paid as recreation, long service or sick leave for the time of their absence.

Defence personnel

Employers who provide paid military leave to employees who are members of the Defence forces, including the Reserves, have an exemption on such payments.

Rebate for apprentice and trainee wages

From 1 July 2008 a rebate of payroll tax applies to all wages paid to apprentices and new entrant trainees. The rebate does not apply to wages paid to a trainee who has been continuously employed by the employer for more than three months full-time or 12 months casual or part-time immediately before commencing work as a trainee.

Payroll Tax Rebate Scheme–Jobs Action Plan

The Jobs Action Plan rebate gives eligible employers a payroll tax rebate of up to \$5000 for each new employee in NSW hired on or after 1 July 2011. The rebate is paid in two parts after the first and second anniversary of the day employment commenced.

Employers should register each new position within 30 days after the employment of a person in that position commences. Applications for registration are available at www.osr.nsw.gov.au

The employment of the new person must increase the business's number of full-time equivalent employees (FTE) for a period of at least one year for the employer to receive the first part of the rebate which is up to \$2000. As long as the FTE is maintained or exceeded, the employer will be able to claim the second part of the rebate which is up to \$3000 on the second anniversary.

More information can be found at www.osr.nsw.gov.au/taxes/payroll/jap

Grouping provisions

Grouping provisions result in all of the members of a group, as defined under the Act, paying payroll tax as if the group had only a single employer. The provisions exist to prevent a person, or set of persons, from carrying on a number of businesses with each business claiming the threshold deduction.

As a group the threshold deduction can be claimed in one of two ways:

- one member, the Designated Group Employer (DGE), gets the threshold deduction and the other members get no threshold deduction
- one member, the group single lodger, includes the wages of the whole group in its return.

As the members of a group get only one threshold deduction all members that pay wages must register for payroll tax if the group as a whole pays total Australian wages that exceed \$14 384 a week during 2014–15.

A group is defined under five provisions. In summary, groups are:

1. two or more corporations that are related corporations under the Corporations Act
2. two or more employers who carry on businesses where one or more employees of any of those businesses perform duties under an agreement in connection with the businesses carried on by any of the other employers
3. two businesses that are commonly controlled by the same person or persons
4. two or more corporations that directly, indirectly or in aggregate are controlled by the same person or set of associated persons through a combination of personal and corporate share ownership
5. two or more groups that have common members and as a result are subsumed into a larger group of three or more members.

Groups of corporations

Two or more corporations are a group if they are 'related bodies corporate' within the meaning of the *Corporations Act 2001*. Related corporations have a holding company-subsidary relationship as determined under the *Corporations Act 2001*. Australian subsidiaries of overseas holding companies are still related to each other under the *Corporations Act 2001*.

Common employee groups

Two or more businesses are grouped if any of them have employees who perform duties for, or in connection with, the other businesses under an agreement for the provision of services between the businesses. All of the parties to such an agreement are the members of the group. There need not

be a single agreement but could be a series of agreements with different businesses with common parties to those agreements.

A group formed under this provision will contain at least one business whose employees perform duties to satisfy an obligation to provide services for, or in connection with, another business. The provision does not apply to all contracts for services between businesses. There must be evidence that duties are being performed.

A common example is a legal firm and its affiliated service trust. The corporate trustee of the service trust will employ administrative staff to perform legal work such as typing writs and record keeping and this work is duties performed in connection with the business of the legal firm.

Common control groups

A business is grouped with another business if the person or persons who control the first business are the same person or persons who control a second business.

'If a person or set of persons has a controlling interest in each of two businesses, the persons who carry on those businesses constitute a group.'

What defines a controlling interest is determined under a number of control provisions and it is common to find that more than one can apply to some businesses.

A business can be carried on by	Control by
A sole person even as trustee	The owner
Two or more persons exclusively	All owners
A corporation	Directors >50% Board >50% Shareholders >50%
A partnership	Equity/income >50%
A trustee	Beneficiaries >50%

Sole person even as trustee

A business carried on by a sole owner, as trustee or otherwise, is controlled by that person.

Exclusive owners

A business carried on by two or more owners, or as trustees, is controlled by all of those persons together. This requires all of the owners, not just a majority.

Corporations that carry on businesses

- #### Director voting power

The director(s) who can exercise more than 50 per cent of the voting power either individually or jointly at directors' meetings are persons who control the business carried on by the corporation.

Any person who can require director(s) with more than 50 per cent voting power to act in accordance with their wishes are persons that control the business carried on by the corporation.

- #### Composition of the board

The persons who comprise more than 50 per cent of the board of management of a corporation are persons who control a business carried on by that corporation. This includes the directors.

▪ **Shareholders**

Shareholders who directly or indirectly, exercise, control the exercise of, or substantially influence the exercise of more than 50 per cent of the voting power attached to the voting shares of the corporation are persons that control the business carried on by the corporation.

Partnerships that carry on businesses

The partners in a partnership are the persons that control the business carried on by the partnership. One or more of the partners are persons who control the business carried on under the partnership if they:

- own (beneficially or not) more than 50 per cent of the capital of the partnership
- are entitled (beneficially or not) to more than 50 per cent of the profits of the partnership.

The partnership deed is used to establish the interest of the partners.

Trusts with a business carried on under the trust

The beneficiaries of a trust are the persons that control the business carried on under a trust when they are entitled to more than 50 per cent of the value of the trust. Their entitlement to value is determined under the trust deed.

Discretionary trusts

Beneficiaries of such trusts are all taken to have an interest in the value of the trust that exceeds 50 per cent. This means any single or combination of beneficiaries control the business carried on under the trust.

Composition of common control groups

Corporations that carry on businesses are the most common employers grouped but trustees and partnerships are now commonly members of groups.

When the same person or persons control two or more businesses the types of businesses grouped can be any combination of owners, corporations, trustees and partnerships.

Common control also applies to trusts, corporations and partnerships controlled through trusts

In many business structures it is common to find the main trading business is controlled through a trust as a major beneficiary, shareholder or partner. In these structures it is then common to find a discretionary trust is in receipt of the income from the trading businesses.

When the trustee of a trust has a controlling interest in the business of another trust, or a corporation or a partnership any person with a controlling interest in the trust has a controlling interest in any of the businesses controlled by that trustee.

Smaller groups subsumed into one group

If any member of a group is also a member of another group, both groups are subsumed into one group for payroll tax purposes.

Subsuming also applies when two or more members of a group have a controlling interest in another business.

Tracing of interests in corporations

Tracing of interests in corporations is used when a person has a combination of corporate and shareholder control in two or more corporations. The person will own shares in the first corporation and the same person and the first corporation will own shares in the second corporation.

The provision uses direct interests in corporations, indirect interests in corporations and aggregate interests in corporations. When an entity has either:

- a direct interest of more than 50 per cent
- an indirect interest of more than 50 per cent
- an aggregate interest of more than 50 per cent

in a corporation the entity and the corporation form a group.

If the same entity has such a level of control in a second corporation then the two corporations are grouped.

Exclusion determinations

When two businesses are grouped they remain grouped unless the Chief Commissioner makes an exclusion determination to 'un-group' them. The Chief Commissioner cannot un-group related corporations.

The Chief Commissioner may, by order in writing, exclude a member from a group if *'satisfied, having regard to the nature and degree of ownership and control of the businesses, the nature of the businesses and any other matters the Chief Commissioner considers relevant, that the business carried on by the applicant is carried on independently of, and is not connected with the carrying on of, a business carried on by any other member of that group'*.

To assist clients there is an application form available at www.osr.nsw.gov.au

Revenue Ruling: **Commissioner's Discretion to exclude from a group PTA031.**

Group returns and payment systems

Each member of a group must lodge an annual reconciliation and pay the required amount of tax. Only one member of the group gets the benefit of the threshold deduction.

If the group has a DGE that has been approved as a single lodger the DGE makes a single return and a single payment to include the entire group's wages and pay its payroll tax liability. The approval does not affect the requirement of the other members to be registered for payroll tax but the single return and payment by the DGE satisfies the obligation of the other members to declare wages and pay the tax.

Nomination of a Designated Group Employer

All groups of businesses must nominate a single NSW member, as the DGE to claim the annual threshold deduction on behalf of the group in NSW. All of the other NSW members of the group do not claim any deduction from their wages.

Joint and several liability of group members

Any payroll tax payable by a group member can be recovered from any other group member.

Agents and trustees

Any person under a legal or other obligation to act on behalf of an employer or any person who is a trustee is required to lodge returns and pay payroll tax as if they were the employer or owner. The returns and payment are in a fiduciary capacity and are separate and distinct from any returns the person may make in their own capacity or in a fiduciary capacity for other persons.

The Taxation Administration Act 1996

Assessments

Original assessments can be made for any number of years but in practical terms the period is the current year and the prior four financial years.

Reassessments

An assessment can be amended for up to five years after it has been assessed. This will be the current year and four prior years.

All overpayments are refunded but any extra tax will be subject to interest and penalties.

Interest

Interest comprises two rates, a premium rate (8 per cent) and a prescribed market rate, which is reviewed quarterly. For the quarter starting 1 July 2015 the full rate is **10.15 per cent**.

Penalty tax

Penalty tax is intended to encourage compliance with the taxation laws. Where a tax shortfall is discovered a rate of 25 per cent is applied, but this can be considerably altered by the behaviour of the client.

- The full disclosure of sufficient information to determine a tax liability before the Chief Commissioner notifies the client an investigation has commenced reduces the penalty tax to 0 per cent
- The full disclosure of sufficient information to determine a tax liability after the Chief Commissioner notifies the client an investigation has commenced reduces the penalty tax to 20 per cent
- An attempt to intentionally disregard the obligation to fully disclose the extent of a tax liability can increase the penalty tax to 75 per cent.

Revenue Ruling: **Payroll tax-Interest and Penalty tax PTA036 v2**

Record keeping requirements

Employers must keep the records necessary to determine their payroll tax liability for five years from the date of a transaction or the date the record was first prepared or obtained.

Investigative powers

We conduct an active investigation program targeting all employers that have taxable wages in NSW. Some interstate businesses are also investigated. The investigation will normally cover the current financial year and the previous four financial years.

Objections

A person who is dissatisfied with a decision, determination or assessment made by the Chief Commissioner affecting their tax liability may, within a period of 60 days after the issue of the notice of the decision, determination or assessment, lodge an objection in writing with the Chief Commissioner. The statement must be explicit, stating the full grounds of the objection and be accompanied by relevant supporting evidence. Application forms can be found at www.osr.nsw.gov.au

Appeals

A person who is dissatisfied with the decision on an objection may, within 60 days after the date of issue of the notice of determination, appeal to the NSW Civil & Administrative Tribunal or to the NSW Supreme Court against that decision.

Lodgement of an objection or appeal does not affect the obligation to pay any tax in the timeframe specified in the assessment.

A range of forms have been issued to assist employers with various payroll tax administrative obligations. They can be found at www.osr.nsw.gov.au

Recent court cases

Conrad Linings Pty Limited v Chief Commissioner of State Revenue [2014] NSWSC 1020

The NSW Supreme Court has affirmed a payroll tax assessment (including interest and penalty tax) issued to a taxpayer for the relevant periods. It also affirmed the Chief Commissioner's decision not to exclude the taxpayer from its group with another company for payroll tax purposes. The taxpayer disputed the Chief Commissioner's decision to assess it as liable for payroll tax, interest, and penalty tax for the 2008 and 2009 financial years for the amounts of \$469 412 and \$605 034 respectively.

The assessment was made on the basis that the taxpayer was a group member with another company pursuant to s72(2)(c)(i) and 72(2)(e) of the *Payroll Tax Act 2007 (NSW)*. The Chief Commissioner had determined that as a group member with the other company, the taxpayer was jointly and severally liable pursuant to s81 of the *Payroll Tax Act* for amounts payable by the other company. The other company went into liquidation on 1 June 2010.

At the hearing the taxpayer conceded that by reason of s72(2)(e) it and the other company were both members of a group for the years in question. The issue was whether the Court should exercise the Chief Commissioner's discretion in s79 to exclude the taxpayer as a member of the group. The Supreme Court was not satisfied that the taxpayer had discharged the onus of establishing that the discretion should be exercised in its favour, therefore the Chief Commissioner's decisions were upheld.

<http://www.caselaw.nsw.gov.au/decision/54a63ed53004de94513dc251>

Chief Commissioner of State Revenue v Seovic Civil Engineering Pty Ltd [2014] NSWCATAP 94

Seovic was looking to exclude Exell Management for 2008–12 tax years. Exell formed a group with the third taxpayer (Seovic Engineering Pty Ltd).

As a result of these two groups and s74 of the *Payroll Tax Act 2007 (NSW)*, all three taxpayers constituted a group. Previously NCAT ordered the Chief Commissioner to exercise his discretion under s79 of the *Payroll Tax Act* to exclude Exell from the first and second smaller groups. This resulted in the larger group being dissolved.

The Chief Commissioner appealed this decision and was successful because Exell supplied contract workers to its only two customers, being Civil and Engineering. Civil and Engineering were in a commercial position to influence the business of Exell and Exell was in a commercial position to influence business decisions of Seovic Civil and Seovic Engineering.

<http://www.caselaw.nsw.gov.au/decision/54a63ffd3004de94513dc98d>

Qualweld Australia Pty Ltd v Chief Commissioner of State Revenue [2014] NSWCATAD 227

Qualweld was involved in the welding industry and paid its welders for certain work done for its clients. There were three issues that needed to be addressed. The first issue was whether the payments received by the welders were paid for services rendered under an employment agency contract. The second issue was then if the payments were not paid for services under an employment agency contract, were they exempted under the payroll tax contracting provisions. The third issue was whether penalty tax should have been imposed.

Were these contracts employment agency contracts?

The Tribunal indicated that the following basic conditions needed to be satisfied to establish an employment agency contract:

- there must be a contract
- the worker must be procured by a party that acts like an employment agency
- the workers must be hired to provide services to a client of the party that acts like an employment agency
- the contract must not be a contract of employment between the worker and the end-user or client
- the contract must not attempt to establish a contract of employment between the worker and end-user or client.

The crucial question was whether Qualweld procured the services of the workers, who operated through interposed entities for their client. The tribunal drew upon the meaning of 'procure' from the *Freelance Global Ltd v Chief Commissioner of State Revenue 2013 NSWSC 127* case.

This interpretation of 'procure' means more than facilitate or enable and requires that the employment agent cause the services of a contract worker (or service provider) to be provided to the employment agent's clients, with the expenditure of care and effort by the employment agent.

The Tribunal then considered six factors as follows:

- was there any prior relationship between the worker and the client?
- the payment of an hourly rate by the client to the worker
- the number employees of Qualweld
- the nature of the business undertaken by Qualweld
- the way in which the work was done by Qualweld
- the amount of Qualweld total revenue derived from providing workers to be on-hired.

The Tribunal concluded that:

- just because there was no prior relationship between the workers and the client, it didn't diminish the possibility in this instance that Qualweld could procure workers for their client
- what mattered was the work being done, not the way the work was paid
- the fact that Qualweld only had two employees was another factor that led the tribunal to believe the contracts were employment agency contracts
- anything beyond the provision of welders for Qualweld's client was largely incidental to Qualweld's core business
- the clients was paying for the supply of welders that were procured by Qualweld and for nothing else. Qualweld's client did pay an additional amount but only as a goodwill gesture and not because they were obligated to do so.

Relevant contracts

The Tribunal determined that the payments made by the applicant to the welders were made under an employment agency contract. This issue did not have to be considered once it was decided an employment agency contract existed.

Penalty

The assessments issued to the applicant imposed penalty of 25 per cent. At objection this was reduced to 20 per cent based on voluntary disclosures made by the applicant.

The applicant sought a review of this decision on the basis that it took reasonable care to comply with taxation law. The tribunal concluded that the taxpayer provided precious little in the way of hard evidence to demonstrate that it took the sort of steps one would expect a reasonable person to take in such circumstances. In addition, it believed that the application of the employment agency provisions did not appear to have been considered by Qualweld in any detail, until it became apparent that the Chief Commissioner raised these concerns.

<http://www.caselaw.nsw.gov.au/decision/54a640013004de94513dcaf2>

What's new for the 2015–16 financial year

Extension of the Jobs Action Plan rebate

The Jobs Action Plan rebate which helps businesses with up to \$5000 payroll tax rebate on new workers maintained for two years has been extended from 30 June 2015 to 30 June 2019.

FBT gross-up rate Type 2

From 1 July 2015 to 30 June 2016 businesses are to use 1.9608 as the Type 2 grossed-up rate multiplier for the aggregate value of all fringe benefits. This rate is to be applied by all taxpayers who either use the actual or estimate method of returning fringe benefits for payroll tax purposes.

Motor vehicle allowance exempt component

77c/km during the period 2015–16.

Amendment to the *Payroll Tax Act 2007*

There are two specific contracting exemptions that will be removed at a date to be proclaimed. These exemptions are firstly for those contractors who procure persons who wish to be insured and secondly for those who provide services based on the door-to-door sale of goods solely for domestic purposes.

Common payroll tax mistakes

We have identified a number of errors clients generally make when remitting their payroll tax returns. To ensure your business correctly complies with the payroll tax provisions, below is a list of common mistakes.

- Wages – for the purposes of determining the payroll tax liability, gross wages should be used rather than net wages.
- Allowances – claiming an exempt component for motor vehicle and accommodation allowances requires substantiation with log books or records.

- Fringe benefits:
 - using reportable values from employee pay summaries results in an incorrect calculation of fringe benefits for payroll tax purposes
 - including salary sacrifice amounts towards fringe benefits results in an overstatement of payroll tax liability
 - using the Type 1 grossing up factor when calculating the taxable amount results in an overstatement of liability. Only use Type 2 grossing up factor for both benefit types
 - forgetting to proportion the fringe benefits taxable amount according to the State's wages proportionate to total Australian wages results in an overstatement of taxable fringe benefits.
- Superannuation – only including up to the Super Guarantee Charge leads to an understatement of liability. All amounts paid into Superannuation including salary sacrifice amounts are liable.
- Third-party payments to Directors – if a director provides services to a corporation, all payments relating to those services are wages for the corporation even if the payments are made to another company, a superannuation fund or other entity.
- Contractors – failure to include liable contractor payments (less GST and approved deductions) results in an understatement of payroll tax unless an exemption applies. If an employer is claiming an exemption for one of their contractors, the employer needs to have the evidence to be able to substantiate the exemption they wish to claim. This involves the employer being aware of the contractor's business – e.g. do the contractors engage others to fulfil the contract, do they have other customers that they provide services to?
- Threshold entitlement – excluding interstate wages when calculating payroll tax results in incorrect threshold allocation and underpayment of tax. Including interstate wages allows for the threshold to be proportioned according to total Australian wages.
- Apprentices and Trainees – to claim the available rebate the apprentices and trainees must be registered with the Department of Education and Communities. Additionally, all forms of wages (wages, allowances, super, fringe benefits) paid to apprentices and trainees are rebateable wages. Trainees must be new entrant trainees, not working more than three months full time or three months part time or casual to be eligible for the rebate.
- Grouping – multiple thresholds claimed by group members. This often eventuates due to businesses not being aware of the grouping provisions.

Quick Reference Checklist

**Note:**

This checklist is a **general guide**, designed to assist employers when calculating their payroll tax liabilities. It includes liable wages where errors are commonly made. It does not include **all** liable wages.*
Read more about payroll tax at www.osr.nsw.gov.au or call **1300 139 815**.

Have you included these in your NSW taxable wages?	Yes	No
<ul style="list-style-type: none"> ■ Salaries and wages <ul style="list-style-type: none"> ▶ Bonuses and commissions ▶ Piecework payments (remuneration per item, rather than by time) ▶ Contributions to shares and options schemes ▶ Make-up pay (additional payments in excess of workers' compensation) ▶ Directors' remuneration 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
<ul style="list-style-type: none"> ■ Fringe benefits The aggregate fringe benefits taxable amount from your FBT return, grossed-up using the Type 2 factor for both Type 1 and Type 2 benefits 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ Employer superannuation contributions All superannuation guarantee, salary sacrifice, or other payments 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ Employment termination payments (ETP) Any ETP amount that would be income taxable if paid to an employee 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ Payment to contractors under relevant contracts The labour content of all contracts is liable unless the contracts are specifically exempted by the payroll tax provisions 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ Allowances Allowances are liable, except the exempt portion of motor vehicle and overnight accommodation allowances 	<input type="checkbox"/>	<input type="checkbox"/>

Other considerations – have you:	Yes	No
<ul style="list-style-type: none"> ■ included your gross interstate wages when calculating your threshold entitlement? 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ included all other group members' gross NSW and gross interstate wages when calculating your threshold entitlement if you are the group's DGE? 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ deducted all workers compensation payments, and other exempt payments such as payments in respect of maternity or adoption leave? 	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ■ reported all wages paid to apprentices and new entrant trainees, and then offset these amounts to claim your rebate? 	<input type="checkbox"/>	<input type="checkbox"/>

***Note:** This is a general guide only. Other liable wages such as third party payments, payments to expatriate or impatriate employees, or the liability for workers under employment agency contracts are not included in the above checklist.

Read more about liable wages at www.osr.nsw.gov.au or call 1300 139 815.

MORE INFORMATION



www.osr.nsw.gov.au

OSR directory

Client education

Phone: (02) 9689 6138

Email: client.education@osr.nsw.gov.au

Duties

(Conveyances, mortgages, contracts etc)

Phone: 1300 139 814*

Email: duties@osr.nsw.gov.au

Duties returns and gaming

(Parking space levy, general insurance, insurance protection tax, gaming and racing)

Phone: 1300 139 817*

Email: returns@osr.nsw.gov.au

Payroll tax

Phone: 1300 139 815*

Email: payrolltax@osr.nsw.gov.au

Land tax

Phone: 1300 139 816*

Email: landtax@osr.nsw.gov.au



Payments by post:

GPO Box 530

Sydney NSW 1159



GPO Box 4042

Sydney NSW 2001

DX 456 Sydney



Phone enquiries

8.30 am – 5.00 pm, Mon. to Fri.

Counter services

8.30 am – 4.30 pm, Mon. to Fri.

*Interstate clients please call (02) 9689 6200.
Help in community languages is available.

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