



PAY-ROLL TAX AMENDMENT ACT 1984

No. 79 of 1984

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AN ACT to amend the Pay-roll Tax Act 1971.

[Royal Assent 30 November 1984]

BE it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

1—This Act may be cited as the *Pay-roll Tax Amendment Act* Short title.
1984.

Commence-
ment.

2—This Act shall commence on 1st December 1984.

Principal Act.

3—In this Act, the *Pay-roll Tax Act* 1971* is referred to as the Principal Act.

Amendment of
section 2 of
Principal Act
(Interpre-
tation).

4—Section 2 (1) of the Principal Act is amended as follows:—

(a) by inserting the following definition after the definition of “Australia”:—

“Australian wages” means the total wages that are paid or payable by an employer, and by any other member of a group of which that employer is a member, and that—

(a) are wages that are paid or payable in Australia; or

(b) are wages that are paid or payable outside Australia in respect of services performed or rendered mainly in Australia;

(b) by inserting the following definition after the definition of “financial year”:—

“group”, used in relation to an employer, means any group of which that employer is, by virtue of section 9A (1) or (2), a member;

Amendment of
section 7 of
Principal Act
(Imposition
of pay-roll
tax).

5—Section 7 of the Principal Act is amended by inserting the following subsection after subsection (1):—

(1A) Where the amount of Australian wages paid or payable by an employer for a month after November 1984 is \$416 667 or more, the rate at which pay-roll tax shall be charged, levied, collected, and paid in respect of the taxable wages included in those Australian wages is 6 per cent.

* No. 43 of 1971. For this Act as amended to 1st October 1977, see the continuing Reprint of Statutes. Subsequently amended by No. 78 of 1977, No. 91 of 1980, No. 64 of 1981, Nos. 9, 45, and 99 of 1982, No. 57 of 1983, and No. 29 of 1984.

6—The following section is inserted in the Principal Act after section 11:—

Insertion in
Principal Act
of new
section 11A.

11A—(1) Where pay-roll tax is paid or payable by an employer at the rate prescribed in section 7 (1A) in respect of any month in a financial year, and—

Refunds,
rebates, and
reduction
in rate of
pay-roll tax
on annual
adjustment.

(a) the employer was an employer (whether or not only in this State) during the whole of that financial year; and

(b) the amount of Australian wages paid or payable by that employer for that financial year is less than \$5 million,

the Commissioner shall, upon application by the employer made in accordance with this section, refund or rebate to the employer an amount equal to the difference between the amount of pay-roll tax actually paid by that employer for that financial year and 5 per cent of the taxable wages included in those Australian wages.

(2) Where pay-roll tax is paid or payable by an employer at the rate prescribed in section 7 (1A) in respect of any month in a financial year, and—

(a) the employer was an employer (whether or not only in this State) during part only of a financial year; and

(b) the amount of Australian wages paid or payable by that employer for that financial year is less than an amount that bears the same proportion to \$5 million as the number of days in the financial year during which the employer was an employer bears to 365,

the Commissioner shall, upon application by the employer made in accordance with this section, refund or rebate to the employer an amount equal to the difference between the amount of pay-roll tax actually paid by that employer for that financial year and 5 per cent of the taxable wages included in those Australian wages.

(3) Where pay-roll tax is paid or payable by an employer at the rate prescribed in section 7 (1A) in respect of any month in a financial year and—

- (a) where the employer was an employer (whether or not only in this State) during the whole of that financial year and the amount of Australian wages paid or payable by that employer for that financial year is \$5 million but less than \$5.25 million; or
- (b) where the employer was an employer (whether or not only in this State) during part only of that financial year and the amount of Australian wages paid or payable by that employer for that financial year is an amount that is between the amounts that bear the same proportion to \$5 million and \$5.25 million as the number of days in the financial year during which the employer was an employer bears to 365,

the Commissioner shall, upon application by the employer made in accordance with this section, refund or rebate to the employer an amount equal to the reduction amount.

(4) For the purposes of subsection (3), "reduction amount" means an amount calculated in accordance with the following formula:—

$$\frac{T}{A} \left\{ \frac{50\,000}{365} \times \frac{D}{5} - \frac{1}{5} \left(\frac{A - 5\,000\,000}{365} \times \frac{D}{5} \right) \right\}$$

where—

T = taxable wages for the financial year;

A = Australian wages for the financial year;

D = number of days in the financial year during which the employer was an employer.

(5) An application under this section shall be made within the financial year next following the financial year in respect of which, or part of which, the refund or rebate is applied for.

(6) Where a person who, during any part of a financial year, did not pay and was not liable to pay taxable wages satisfies the Commissioner that, by reason of the nature of his trade or business, the taxable wages paid or payable by him fluctuate with different periods of the financial year the Commissioner may treat him—

- (a) if he has conducted that trade or business during the whole of the financial year, as an employer throughout the financial year; or

(b) if he has conducted that trade or business during part only of the financial year, as an employer during that part of the financial year, and the formula specified in subsection (4) shall be applied accordingly.

(7) Notwithstanding anything contained in this section, the total amount refunded or rebated to any employer in pursuance of this section in respect of any financial year shall not exceed the amount of pay-roll tax paid or payable by him to the Commissioner in respect of that financial year.

7—Section 13 (3A) of the Principal Act is amended by omitting “who during any financial year has deducted, from wages paid or payable in respect of any period covered by any return lodged in respect of that financial year, any amount in respect of the deduction for small businesses in compliance with section 9,”.

Amendment of section 13 of Principal Act (Returns to be furnished by employer).

8—(1) Notwithstanding any other provision of the Principal Act as amended by this Act, this section has effect in relation to the period 1st December 1984 to 30th June 1985 inclusive, and that period is referred to in this section as the “relevant period”.

Transitional provision.

(2) Where pay-roll tax is paid or payable by an employer at the rate prescribed in section 7 (1A) in respect of any month in the relevant period, and—

(a) the employer was an employer (whether or not only in this State) during the whole of the relevant period; and

(b) the amount of Australian wages paid or payable by that employer for the relevant period is less than \$2 916 667,

the Commissioner shall, upon application by the employer made in accordance with this section, refund or rebate to the employer an amount equal to the difference between the amount of pay-roll tax actually paid by that employer for the relevant period and 5 per cent of the taxable wages included in those Australian wages.

(3) Where pay-roll tax is paid or payable by an employer at the rate prescribed in section 7 (1A) in respect of any month in the relevant period, and—

(a) the employer was an employer (whether or not only in this State) during part only of the relevant period; and

- (b) the amount of Australian wages paid or payable by that employer for the relevant period is less than an amount that bears the same proportion to \$2 916 667 as the number of days in the relevant period during which the employer was an employer bears to 212,

the Commissioner shall, upon application by the employer made in accordance with this section refund or rebate to the employer an amount equal to the difference between the amount of pay-roll tax actually paid by that employer for the relevant period and 5 per cent of the taxable wages included in those Australian wages.

(4) Where pay-roll tax is paid or payable by an employer at the rate prescribed in section 7 (1A) in respect of any month in the relevant period and—

- (a) where the employer was an employer (whether or not only in this State) during the whole of the relevant period and the amount of Australian wages paid or payable by that employer for the relevant period is \$2 916 667 but less than \$3 062 500; or

- (b) where the employer was an employer (whether or not only in this State) during part only of the relevant period and the amount of Australian wages paid or payable by that employer for the relevant period is an amount that is between the amounts that bear the same proportion to \$2 916 667 and \$3 062 500 as the number of days in the relevant period during which the employer was an employer bears to 212,

the Commissioner shall, upon application by the employer made in accordance with this section, refund or rebate to the employer an amount equal to the reduction amount.

(5) For the purposes of subsection (4), “reduction amount” means an amount calculated in accordance with the following formula:—

$$\frac{T}{A} \left\{ \frac{29\,167 \times D - 1}{212} - \frac{1}{5} \left(A - \frac{2\,916\,667 \times D}{212} \right) \right\}$$

where—

T = taxable wages for the relevant period;

A = Australian wages for the relevant period;

D = number of days in the relevant period during which the employer was an employer.

(6) An application under this section shall be made within the financial year commencing on 1st July 1985.

(7) Where a person who, during any part of the relevant period, did not pay and was not liable to pay taxable wages satisfies the Commissioner that, by reason of the nature of his trade or business, the taxable wages paid or payable by him fluctuate with different parts of the relevant period the Commissioner may treat him—

(a) if he has conducted that trade or business during the whole of the relevant period as an employer throughout the relevant period; or

(b) if he has conducted that trade or business during part only of the relevant period, as an employer during that part of the relevant period,

and the formula specified in subsection (5) shall be applied accordingly.

(8) Notwithstanding anything contained in this section, the total amount refunded or rebated to any employer in pursuance of this section in respect of the relevant period shall not exceed the amount of pay-roll tax paid or payable by him to the Commissioner in respect of the relevant period.

