

PAYROLL TAX RELIEF FOR BUSINESSES

The below table summarises the Payroll Tax stimulus measures announced for each state in direct response to COVID-19.

Updated at 26 March 2020 3:00PM AEST

| STATE | RELIEF OR BENEFIT | EFFECTIVE FROM | ELIGIBILITY CRITERIA | WWA COMMENTS |
|-----------------|---|--|---|--|
| VICTORIA | <u>PAYROLL TAX RELIEF</u> - Full refund of payroll tax already paid in 2019-20 financial year - Further payments of payroll tax not required for the remainder of the financial year but <u>must</u> continue to lodge monthly payroll tax returns | Immediate to 30 June 2020 | - Businesses with annual Victorian taxable wages up to \$3 million will have their payroll tax for the 2019-20 financial year waived. - Eligibility threshold applies to each employer , so any member of a group that pays annual Victoria taxable wages of less than \$3 million will be eligible for the relief | Reimbursements to begin from from 27 March 2020, VIC SRO will endeavour to make all reimbursements as soon as possible. |
| | <u>PAYROLL TAX DEFERRAL</u> - Eligible businesses can also defer paying payroll tax for the first quarter of the 2020-21 financial year. | 1 July 2020 | - Businesses with annual Victorian taxable wages up to \$3 million | Further information to administer these relief measures to be received shortly. |
| NEW SOUTH WALES | <u>PAYROLL TAX RELIEF</u> - Three month waiver of payroll tax for the months of March, April or May 2020 - Annual tax liability reduced by 25% when lodging annual reconciliation, which is due on 28 July | Immediate to 30 June 2020 | - Businesses with total grouped Australian wages for the 2019/20 financial year that are no more than \$10 million . | Effectively a 25% reduction in payroll tax liability for the 2019-20 financial year Wage details will still need to be provided in the annual reconciliation for the waived months. |
| | <u>PAYROLL TAX THRESHOLD LIMIT INCREASED</u> - Payroll tax tax-free threshold limit increased from \$900k to \$1 million | 1 July 2020 for the 2020/21 financial year | - All businesses | N/A |

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|-------------------|--|--|---|--|
| QUEENSLAND | <u>PAYROLL TAX RELIEF</u> - A refund of payroll tax for 2 months - Payroll tax payment relief (no payroll tax to be paid) for 3 months | Immediate | - Employers (or part of a group of employers) who pays \$6.5 million or less in Australian taxable wages | You must apply the reliefs online on the QLD SRO website before 31 May 2020 . |
| | <u>PAYROLL TAX DEFERRAL</u> - Deferral of payment of payroll tax for the 2020 calendar year until 14 January 2021 - Must continue to lodge returns by the due date (without paying them) during this time. | Immediate to 31 December 2020 | - Applies to all businesses negatively affected (directly or indirectly) by COVID-19 | You must apply for the deferral online on the QLD SRO website. <i>(a business is directly or indirectly affected by if current turnover, profit, sales or other factors are negatively affected compared with normal operating conditions)</i> |
| WESTERN AUSTRALIA | <u>PAYROLL TAX GRANT</u> - One-off grant of \$17,500 automatically be paid by cheque from July 2020. | July 2020 | - Employers (or groups of employers) whose annual Australian taxable wages are more than \$1 million and up to \$4 million - For a group of employers, a single grant will be payable to the designated group employer. | Do not need to apply for the grant. Ensure postal address is correct. |
| | <u>PAYROLL TAX DEFERRAL</u> - Deferral of payment of payroll tax until 21 July 2020 - May continue to lodge returns (without paying them) during this time. - For all deferred months, your returns must be lodged and your liability paid by 21 July 2020 | From the March 2020 return (due 7 April 2020) or the first return period after that date in which you are affected | - Employers (or groups of employers) who pays \$7.5 million or less in Australian taxable wages and have been directly or indirectly impacted by COVID-19 | You must apply for the deferral online on the WA SRO website. <i>(a business is directly or indirectly affected by if current turnover, profit, sales or other factors are negatively affected compared with normal operating conditions)</i> |
| | <u>PAYROLL TAX THRESHOLD LIMIT INCREASED</u> - Payroll tax tax-free threshold limit increased from \$950k to \$1 million | 1 July 2020 | - All businesses | N/A |

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|----------|--|---|---|---|
| TASMANIA | <u>PAYROLL TAX RELIEF</u> - Not required to lodge payroll tax returns for for the months of March, April, May and June 2020 - Still required to lodge annual payroll tax reconciliation by 21 July 2020. - However, waivers of payroll tax for relevant wages for the months of March, April, May and June 2020 will apply. | Immediate | - All employers in hospitality, tourism and seafood industry businesses - Other affected small and medium businesses with annual Australian Group Wages of up to \$5 million (need to demonstrate business affected by Coronavirus) | Details for the three measures and the application process will be published to the SRO website shortly. |
| | <u>PAYROLL TAX REBATE FOR EMPLOYING YOUTH</u> - One-year payroll tax rebate for employing youth | 1 April 2020 | - Employers that pay payroll tax and employ youth employees aged 24 years and under | More details, including eligibility criteria and the application process, to be issued in due course. |
| ACT | <u>PAYROLL TAX RELIEF</u> - Six-month waiver of payroll tax from March to August 2020 | - Monthly lodgers: applied from March payroll tax return - Annual lodgers: credit applied when annual return is received at end of the 2019-20 financial year | - All businesses in the hospitality (cafes, pubs, hotels, clubs and restaurants), creative arts and entertainment industries | Need to complete an online application form through the ACT Revenue Office website (form available soon). |
| | <u>PAYROLL TAX DEFERRAL</u> - Deferral of 2020-21 payroll tax payments, interest free until 1 July 2022 - Will need to lodge payroll tax returns as normal but not required to make payments until 1 July 2020 | - Monthly lodgers: deferral commences for July 2020 payroll tax liability, which is usually payable by 7 August 2020 - Annual lodgers: deferral of payment of their full 2020-21 payroll tax liability, which is usually payable in July 2021 | - All ACT businesses with Group Australia-wide wages of up to \$10 million | Need to complete an online application form through the ACT Revenue Office website (form available soon). Interest applied to any outstanding deferred amounts from 1 July 2022. |

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|---------------------------|--|--------------------------|---|--|
| NORTHERN TERRITORY | <u>EXTENSION TO PAYROLL TAX EXEMPTION</u> - Extension to hiring resident employee exemption to new hires up to 1 July 2021. | Immediate to 1 July 2021 | - Original eligibility criteria can be found on the NT Territory Revenue Office website | All other criteria and conditions remain the same for the extended period. |
| SOUTH AUSTRALIA | Awaiting further details of South Australian Government's \$350 million stimulus package. | | | |

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