

# **PAY-ROLL TAX (AMENDMENT) ACT 1990 No. 65**

NEW SOUTH WALES



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# PAY-ROLL TAX (AMENDMENT) ACT 1990 No. 65

NEW SOUTH WALES



**Act No. 65,1990**

An Act to amend the Pay-roll Tax Act 1971 to make further provision with respect to the assessment and collection of pay-roll tax [Assented to 30 October 1990]

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See: also Stamp Duties (Further Amendment) Act 1990.

*Pay-roll Tax (Amendment) 1990*

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**The Legislature of New South Wales enacts:**

**Short title**

1. This Act may be cited as the Pay-roll Tax (Amendment) Act 1990.

**Commencement**

2. This Act is taken to have commenced on 1 October 1990.

**Amendment of Pay-roll Tax Act 1971 No. 22**

3. The Pay-roll Tax Act 1971 is amended as set out in Schedule 1.

**Saving**

4. Without limiting the application of the Interpretation Act 1987, an amendment effected by section 3 and Schedule 1 does not, except where otherwise expressly provided, affect any duty, obligation, liability, benefit or right imposed, created, incurred or existing in respect of wages paid or payable before 1 October 1990.

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**SCHEDULE 1—AMENDMENTS**

(Sec. 3)

- (1) Section 7 (Imposition of pay-roll tax on taxable wages):
  - (a) From section 7 (c), omit “and” where lastly occurring.
  - (b) In section 7 (d), after “the month of June 1989”, insert “and before the month of July 1990”.
  - (c) After section 7 (d), insert the following paragraphs:
    - (e) ascertained in accordance with Schedule 3 in respect of such of those wages as are paid or payable after the month of June 1990 and before the month of July 1991 and are not liable to pay-roll tax at the rate prescribed in paragraph (a), (b), (c) or (d); and
    - (f) ascertained in accordance with Schedule 4 in respect of such of those wages as are paid or payable after the month of June 1991 and are not liable to pay-roll tax at the rate prescribed in paragraph (a), (b), (c), (d) or (e).

*Pay-roll Tax (Amendment) 1990*

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SCHEDULE 1—AMENDMENTS—continued

(2) Section 11B (**Annual adjustments**):

Omit section 11B (1), insert instead:

(1) In this section:

**“annual amount of pay-roll tax”**, in relation to an employer, means:

- (a) the amount ascertained in accordance with Schedule 2 in respect of the employer for the financial year commencing on 1 July 1989; and
- (b) the amount ascertained in accordance with Schedule 3 in respect of the employer for the financial year commencing on 1 July 1990; and
- (c) the amount ascertained in accordance with Schedule 4 in respect of the employer for the financial year commencing on 1 July 1991 or any subsequent financial year.

(3) Section 11C (**Adjustment of pay-roll tax when employer ceases to be an employer etc. during a financial year**):

From section 11C (1), omit the definition of “total amount of pay-roll tax”, insert instead:

**“total amount of pay-roll tax”**, in relation to an employer, means:

- (a) the amount ascertained in accordance with Schedule 2 in respect of the employer for a prescribed period which falls within the financial year commencing on 1 July 1989; and
- (b) the amount ascertained in accordance with Schedule 3 in respect of the employer for a prescribed period which falls within the financial year commencing on 1 July 1990; and
- (c) the amount ascertained in accordance with Schedule 4 in respect of the employer for a prescribed period which falls within the financial year commencing on 1 July 1991 or any subsequent financial year;

## SCHEDULE 1—AMENDMENTS—continued

(4) Section 16K (**Annual adjustments**):

Omit section 16K (2), insert instead:

(2) A reference in this section to the annual amount of pay-roll tax paid or payable by a member of a group is a reference to:

- (a) the amount ascertained in accordance with Schedule 2 in respect of that member for the financial year commencing on 1 July 1989; or
- (b) the amount ascertained in accordance with Schedule 3 in respect of that member for the financial year commencing on 1 July 1990; or
- (c) the amount ascertained in accordance with Schedule 4 in respect of that member for the financial year commencing on 1 July 1991 or any subsequent financial year.

(5) Section 16L (**Adjustment of pay-roll tax when members of a group cease to pay taxable wages or interstate wages during a financial year**):

Omit section 16L (3), insert instead:

(3) A reference in this section to the total amount of pay-roll tax paid or payable for a prescribed period by a member of a group is a reference to:

- (a) the amount ascertained in accordance with Schedule 2 in respect of that member for a prescribed period which falls within the financial year commencing on 1 July 1989; or
- (b) the amount ascertained in accordance with Schedule 3 in respect of that member for a prescribed period which falls within the financial year commencing on 1 July 1990; or
- (c) the amount ascertained in accordance with Schedule 4 in respect of that member for a prescribed period which falls within the financial year commencing on 1 July 1991 or any subsequent financial year.

*Pay-roll Tax (Amendment) 1990*

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## SCHEDULE 1—AMENDMENTS—continued

## (6) Schedule 2:

- (a) Omit the heading, insert instead:

**SCHEDULE 2—CALCULATION OF PAY-ROLE  
TAX LIABILITY FOR THE FINANCIAL YEAR  
COMMENCING ON 1 JULY 1989**

- (b) From the definition of “financial year” in clause 1, omit “or any subsequent financial year commencing on 1 July”.
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- (c) From the definition of “financial year” in clause 6, omit “or any subsequent financial year commencing on 1 July”.

## (7) Schedules 3 and 4:

After Schedule 2, insert:

**SCHEDULE 3—CALCULATION OF PAY-ROLL  
TAX LIABILITY FOR THE FINANCIAL YEAR  
COMMENCING ON 1 JULY 1990**

(Secs. 7, 11B, 11C, 16K, 16L)

**PART 1—EMPLOYERS WHO ARE NOT  
MEMBERS OF A GROUP****Definitions**

1. In this Part:

**“financial year”** means the financial year commencing on 1 July 1990;**“TW”**, in relation to the calculation of pay-roll tax for an employer who is not a member of a group, represents the total taxable wages paid or payable by the employer during the financial year;**“IW”**, in relation to the calculation of pay-roll tax for an employer who is not a member of a group, represents the total interstate wages paid or payable by the employer during the financial year.**Pay-roll of employer under \$483,000**

2. If the total of the taxable wages and interstate wages paid or payable by an employer (other than a member of a group) during the financial year is less than \$483,000, the amount of pay-roll tax payable by the employer for the financial year is nil.

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SCHEDULE: 1—AMENDMENTS—continued

**Pay-roll of employer between \$483,000 and \$1,512,000**

3. If the total of the taxable wages and interstate wages paid or payable by an employer (other than a member of a group) during the financial year is \$483,000 or more but less than \$1,512,000, the amount of pay-roll tax payable by the employer for the financial year is the amount calculated in accordance with the formula:

$$\frac{\text{TW}}{\text{TW} + \text{IW}} \times \frac{7}{100} \left\{ \text{TW} + \text{IW} - 483,000 \right\}$$

**Pay-roll of employer between \$1,512,000 and \$2,268,000**

4. If the total of the taxable wages and interstate wages paid or payable by an employer (other than a member of a group) during the financial year is \$1,512,000 or more but less than \$2,268,000, the amount of pay-roll tax payable by the employer for the financial year is the amount calculated in accordance with the formula:

$$\frac{\text{TW}}{\text{TW} + \text{IW}} \left[ 72,030 + \frac{7.25}{100} \left\{ \text{TW} + \text{IW} - 1,512,000 \right\} \right]$$

**Pay-roll of employer \$2,268,000 or more**

5. If the total of the taxable wages and interstate wages paid or payable by an employer (other than a member of a group) during the financial year is \$2,268,000 or more, the amount of pay-roll tax payable by the employer for the financial year is the amount calculated in accordance with the formula:

$$\frac{\text{TW}}{\text{TW} + \text{IW}} \left[ 126,840 + \frac{6.75}{100} \left\{ \text{TW} + \text{IW} - 2,268,000 \right\} \right]$$

*Pay-roll Tax (Amendment) 1990*

## SCHEDULE 1—AMENDMENTS—continued

**PART 2—EMPLOYERS WHO ARE MEMBERS OF A GROUP****Definitions**

6. In this Part:

“**financial year**” means the financial year commencing on 1 July 1990;

“**TW**”, in relation to the calculation of pay-roll tax for an employer who is a member of a group, represents the total taxable wages paid or payable by the employer during the financial year;

“**GTW**”, in relation to the calculation of pay-roll tax for an employer who is a member of a group, represents the total taxable wages paid or payable by the group during the financial year;

“**GIW**”, in relation to the calculation of pay-roll tax for an employer who is a member of a group, represents the total interstate wages paid or payable by the group during the financial year.

**Pay-roll of group under \$483,000**

7. If the total of the taxable wages and interstate wages paid or payable by a group during the financial year is less than \$483,000, the amount of pay-roll tax payable by each member of the group for the financial year is nil.

**Pay-roll of group between \$483,000 and \$1,512,000**

8. If the total of the taxable wages and interstate wages paid or payable by a group during the financial year is \$483,000 or more but less than \$1,512,000, the amount of pay-roll tax payable by each member of the group for the financial year is the amount calculated in accordance with the formula:

$$\frac{\text{TW}}{\text{GTW} + \text{GIW}} \times \frac{7}{100} \left\{ \text{GTW} + \text{GIW} - 483,000 \right\}$$

**Pay-roll of group between \$1,512,000 and \$2,268,000**

9. If the total of the taxable wages and interstate wages paid or payable by a group during the financial year is



*Pay-roll Tax (Amendment) 1990*

## SCHEDULE 1—AMENDMENTS—continued

\$1,512,000 or more but less than \$2,268,000, the amount of pay-roll tax payable by each member of the group for the financial year is the amount calculated in accordance with the formula:

$$\frac{\text{TW}}{\text{GTW} + \text{GIW}} \left[ 72,030 + \frac{7.25}{100} \left\{ \text{GTW} + \text{GIW} - 1,512,000 \right\} \right]$$

**Pay-roll of group \$2,268,000 or more**

10. If the total of the taxable wages and interstate wages paid or payable by a group during the financial year is \$2,268,000 or more, the amount of pay-roll tax payable by each member of the group for the financial year is the amount calculated in accordance with the formula:

$$\frac{\text{TW}}{\text{GTW} + \text{GIW}} \left[ 126,840 + \frac{6.75}{100} \left\{ \text{GTW} + \text{GIW} - 2,268,000 \right\} \right]$$

**SCHEDULE 4—CALCULATION OF PAY-ROLL TAX LIABILITY FROM 1 JULY 1991**

(Secs. 7, 11B, 11C, 16K, 16L)

**PART 1—EMPLOYERS WHO ARE NOT MEMBERS OF A GROUP****Definitions**

1. In this Part:

“**financial year**” means the financial year commencing on 1 July 1991 or any subsequent financial year commencing on 1 July;

“**TW**” in relation to the calculation of pay-roll tax for an employer who is not a member of a group, represents the total taxable wages paid or payable by the employer during the financial year to which the calculation relates;

“**IW**”, in relation to the calculation of pay-roll tax for an employer who is not a member of a group, represents the total interstate wages paid or payable by the employer during the financial year to which the calculation relates.

## Pay-roll Tax (Amendment) 1990

## SCHEDULE 1—AMENDMENTS—continued

**Pay-roll of employer under \$500,000**

2. If the total of the taxable wages and interstate wages paid or payable by an employer (other than a member of a group) during a financial year is less than \$500,000, the amount of pay-roll tax payable by the employer for that financial year is nil.

**Pay-roll of employer \$500,000 or more**

3. If the total of the taxable wages and interstate wages paid or payable by an employer (other than a member of a group) during a financial year is \$500,000 or more, the amount of pay-roll tax payable by the employer for that financial year is the amount calculated in accordance with the formula:

$$\frac{\text{TW}}{\text{TW} + \text{IW}} \times \frac{7}{100} \left\{ \text{TW} + \text{IW} - 500,000 \right\}$$

**PART 2—EMPLOYERS WHO ARE MEMBERS OF A GROUP****Definitions**

4. In this Part:

“**financial year**” means the financial year commencing on 1 July 1991 or any subsequent financial year commencing on 1 July;

“**TW**”, in relation to the calculation of pay-roll tax for an employer who is a member of a group, represents the total taxable wages paid or payable by the employer during the financial year to which the calculation relates;

“**GTW**”, in relation to the calculation of pay-roll tax for an employer who is a member of a group, represents the total taxable wages paid or payable by the group during the financial year to which the calculation relates;

“**GIW**”, in relation to the calculation of pay-roll tax for an employer who is a member of a group, represents the total interstate wages paid or payable by the group during the financial year to which the calculation relates.

*Pay-roll Tax (Amendment) 1990*

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## SCHEDULE 1—AMENDMENTS—continued

**Pay-roll of group under \$500,000**

5. If the total of the taxable wages and interstate wages paid or payable by a group during a financial year is less than \$500,000, the amount of pay-roll tax payable by each member of the group for that financial year is nil.

**Pay-roll of group \$500,000 or more**

6. If the total of the taxable wages and interstate wages paid or payable by a group during a financial year is \$500,000 or more, the amount of pay-roll tax payable by each member of the group for that financial year is the amount calculated in accordance with the formula:

$$\frac{\text{TW}}{\text{GTW} + \text{GIW}} \times \frac{7}{100} \left\{ \text{GTW} + \text{GIW} - 500,000 \right\}$$

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*[Minister's second reading speech made in—  
Legislative Assembly on 11 October 1990  
Legislative Council on 24 October 1990]*

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