



New South Wales

Payroll Tax Rebate Scheme (Jobs Action Plan) Amendment (Fresh Start Support) Bill 2014 (No 2)

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The object of this Bill is to amend the *Payroll Tax Rebate Scheme (Jobs Action Plan) Act 2011* to implement the Government's proposed support scheme to provide for an additional payroll tax rebate in respect of the employment of persons whose employment with particular employers has been terminated because of redundancy. The additional rebate amount of \$1,000 is to apply in relation to the first year of eligible employment under the Act of a person who has been made redundant.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on the date of assent to the proposed Act.

Schedule 1 **Amendment of Payroll Tax Rebate Scheme (Jobs Action Plan) Act 2011 No 19**

Schedule 1 [1] inserts a reference to the definitions of *designated employer* and *fresh start employee* for the purposes of the proposed support scheme.

Schedule 1 [2] provides that the Minister may, by notice published in the Gazette, designate an employer as a designated employer, and must have regard to the matters prescribed by the regulations in making a designation. This amendment further provides that the designation of an

employer may have retrospective effect, for the purposes of the proposed support scheme, to a day not earlier than 1 January 2014.

Schedule 1 [3] provides that the annual rebate amount for the first year of eligible employment in respect of fresh start employees under the proposed support scheme is \$3,000. This amount is \$1,000 more than the rebate amount otherwise applying in relation to a person's first year of eligible employment under the Act.

Schedule 1 [4] defines *fresh start employee* and *prescribed redundancy* for the purposes of the proposed support scheme.

Schedule 1 [5] provides that a regulation may prescribe a date to extend the scheme closure date in respect of the employment of any employees or any class of employees. An extension of the scheme closure date in respect of the employment of particular employees would extend the application of the rebate scheme to those employees beyond the current scheme closure date under the Act (30 June 2015). The proposed amendment also states how particular provisions of the Act would apply in relation to such employees, and provides that a regulation may apply provisions of the Act, with any necessary modifications, in relation to an extension of the rebate scheme.

Schedule 1 [6] extends the date on which the Act will be repealed by one year to 1 July 2019.

Schedule 1 [7] provides that an application under section 20 of the Act for registration as a claimant in respect of a fresh start employee may be made within 30 days after the day the notice designating the employee's former employer as a designated employer is published.



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No , 2014

A Bill for

An Act to amend the *Payroll Tax Rebate Scheme (Jobs Action Plan) Act 2011* to make further provision in relation to the rebate scheme under that Act.

The Legislature of New South Wales enacts:

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1 Name of Act

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This Act is the *Payroll Tax Rebate Scheme (Jobs Action Plan) Amendment (Fresh Start Support) Act 2014*.

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2 Commencement

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This Act commences on the date of assent to this Act.

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Schedule 1	Amendment of Payroll Tax Rebate Scheme (Jobs Action Plan) Act 2011 No 19	1
		2
[1] Section 4 Definitions		3
Insert in alphabetical order in section 4 (1):		4
	<i>designated employer</i> —see section 8A (1).	5
	<i>fresh start employee</i> —see section 15 (6).	6
[2] Section 8A		7
Insert after section 8:		8
8A Who is a designated employer		9
(1)	The Minister may, by notice published in the Gazette, designate an employer as a <i>designated employer</i> for the purposes of this Act.	10 11
(2)	In designating an employer under subsection (1), the Minister must have regard to the matters prescribed by the regulations for making a designation.	12 13
(3)	An employer who is designated under subsection (1) becomes a designated employer on the day stated for that purpose in the notice.	14 15
(4)	The stated day may be a day that is before the day the notice is published, but not earlier than 1 January 2014.	16 17
[3] Section 15 Amount of rebate		18
Insert after section 15 (1A):		19
(1B)	However, if the eligible employment:	20
(a)	is in respect of a fresh start employee, and	21
(b)	is with an employer who is not a designated employer, and	22
(c)	commenced before 1 July 2015,	23
	the annual rebate amount for the first year of eligible employment in relation to that employee is \$3,000.	24 25
[4] Section 15 (6)		26
Insert after section 15 (5):		27
(6)	In this section:	28
	<i>fresh start employee</i> means a person:	29
(a)	who, on or after 1 January 2014 and before 1 July 2015, had his or her employment with a designated employer (the <i>former employer</i>) terminated because of a prescribed redundancy, and	30 31 32
(b)	whose employment in eligible employment commenced after the day the former employer becomes a designated employer.	33 34
	<i>prescribed redundancy</i> means a retrenchment or redundancy, in relation to an employee, of a kind prescribed by the regulations.	35 36

[5] Section 62A	1
Insert after section 62:	2
62A Extension of rebate scheme	3
(1) A regulation may prescribe a date that is later than 30 June 2015 to extend the scheme closure date in respect of the employment of any employees or any class of employees.	4 5 6
(2) If a regulation prescribes a date to extend the scheme closure date in respect of the employment of employees:	7 8
(a) for the purposes of this Act, the scheme closure date in respect of the employees is the prescribed date, and	9 10
(b) each of the following provisions applies in respect of the employees as if a reference in the provision to 1 July 2015 were a reference to the prescribed date:	11 12 13
(i) section 7 (b),	14
(ii) section 15 (1B) (c),	15
(iii) paragraph (a) of the definition of <i>fresh start employee</i> in section 15 (6), and	16 17
(c) section 13 does not apply in respect of the employees, and	18
(d) section 21 (1) (a) applies in respect of the employment of the employees as if the reference in that paragraph to 30 September 2015 were a reference to the day that is 3 months after the prescribed date.	19 20 21
(3) A regulation may apply, with any necessary modifications, any of the provisions of this Act in relation to an extension of the rebate scheme under this section.	22 23 24
(4) This Act applies subject to a regulation made under this section.	25
[6] Section 63 Repeal of Act	26
Omit “1 July 2018”. Insert instead “1 July 2019”.	27
[7] Schedule 1 Savings, transitional and other provisions	28
Insert after clause 3:	29
Part 3 Payroll Tax Rebate Scheme (Jobs Action Plan) Amendment (Fresh Start Support) Act 2014	30 31
4 Application for registration relating to fresh start employees	32
(1) This clause applies in relation to an application for registration as a claimant in respect of a fresh start employee.	33 34
(2) Despite section 20 (4), the application may be made under section 20 within 30 days after the day the notice designating the employee’s former employer as a designated employer is published in the Gazette (if that would allow the	35 36 37

application to be made later than section 20 (4) would otherwise require it to be made).

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