

# COVID-19 Payroll Tax Relief

In the midst of the unfolding COVID-19 pandemic, each state government have **separately** announced a payroll tax relief measure to help businesses impacted by the COVID-19. We understand that it can be difficult to distil and understand what is applicable to you, therefore, we have prepared a summary of the key features of each tax relief attributable to each relevant state below.

## Revenue NSW

The NSW government have announced the following tax relief, based on the grouped Australian wages for the 2020 financial year:

### Grouped Australian Wages **over** \$10 million

Businesses have the option of deferring the payment of payroll tax for up to 6 months, with the inclusion that the payment for the March 2020 payroll tax will not be required. More information will be provided on the deferral arrangement in the upcoming days.

### Grouped Australian Wages **under** \$10 million

Businesses under the wage threshold, will **not be required** to make payment of the March, April and May 2020 payroll tax, with the intention that they will receive a **25% reduction** on its annual tax liability which is still due on **28 July 2020**. You will still be required to provide wage details for the months of March 2020 – May 2020, to receive the reduction in the annual amount of tax you would have had to pay for the 2020 financial year.

## State Revenue Office VIC

The VIC government have announced the following tax relief, based on the grouped **Victorian** wages for the 2020 financial year:

### Grouped Victorian Wages **under** \$3 million

Payroll tax for the 2019-2020 financial year **is waived**. Businesses must continue to lodge returns but **do not need** to make further payments. State Revenue Office will directly contact eligible businesses in relation to reimbursement for payroll tax already paid in the

financial year. For more information on how to claim, please follow this link - <https://www.sro.vic.gov.au/payroll-tax/covid-19-payroll-tax-relief-claim-reimbursement>

## Business QLD

The QLD government have announced the following tax relief, based on the grouped Australian wages for the 2020 financial year:

### Grouped Australian Wages **over** \$6.5 million

Businesses can apply for **deferral** of payroll tax payments for the 2020 calendar year and can also **request a refund** of January and February 2020 **payroll tax paid**.

### Grouped Australian Wages **under** \$6.5 million

Businesses will receive a **refund** of November and December 2019 **payroll tax paid** and a **payroll tax holiday for 3 months** from January to March 2020 (no payment required). Eligible businesses are notified via email. An [Application Form](#) can be submitted **regardless** of your certainty about eligibility.

## Revenue SA

The SA government have announced the following tax relief, based on the grouped Australian wages for the 2020 financial year:

### Grouped Australian Wages **over** \$4 million

Payments due to be paid from April 2020 to September 2020 can be **deferred to October 2020** if the business can demonstrate that they have been significantly impacted by COVID-19.

### Grouped Australian Wages **under** \$4 million

Business will receive a **6 months payroll tax wavier** for the period from April 2020 to September 2020 (return period March 2020 to August 2020). No application will be required, Revenue SA will notify businesses through Revenue SA Online.

## Department of Finance WA

The WA government have announced the following tax relief, based on the grouped Australian wages for the 2020 financial year:

### Grouped Australian Wages **under** \$7.5 million

Payroll tax is waived for March 2020 to June 2020.

- Employers with **less than \$5 million** taxable wages at 29 February 2020 can automatically claim the waiver by declaring WA taxable wages as normal and record the value of WA taxable wages as **exempted wages** using the 'Other exempted wages' field.
- Employers with **over \$5 million** taxable wages at 29 February 2020 can apply to defer lodgement and payment of returns. Payroll tax for March to June 2020 will be **waived** at annual reconciliation if Group Australian taxable wages are **less than \$7.5 million** at 30 June 2020.

### Grouped Australian Wages between \$1 million and \$4 million

A one-off grant of **\$17,500** will be given to employers. Please note that you **do not** need to apply for the grant. Eligible taxpayers will automatically be paid by cheque from July 2020.

## State Revenue Office TAS

The TAS government have announced the following tax relief, based on the grouped Australian wages for the 2020 financial year:

### Grouped Australian Wages **under** \$5 million

Payroll tax is **waived** for the 2020 financial year for approved Tasmanian employers who can demonstrate that their operations have been affected by COVID-19. Monthly returns for March, April and May 2020 are not required. Annual Adjustment Return **must** still be lodged by **21 July 2020**.

### Hospitality, Tourism and Seafood Industries

Payroll tax is **waved** on relevant industry wages for the 2020 financial year. Monthly returns for March, April and May 2020 are not required. Annual Adjustment Return **must** still be lodged by **21 July 2020**.



### New Youth Employees aged **24 and under**

Payroll tax **rebates** are provided to employers for 12 months for new employees aged 24 and under employed between **1 April 2020 and 31 December 2020**.

### Revenue Office ACT

The ACT government have announced that the Payroll tax is **waived** from April to September 2020 for businesses affected by the [prohibited activities list](#). Businesses will need to complete an [online application](#) to confirm their **eligibility**.

### Territory Revenue Office (NT)

The NT government have announced that they will **extend** the existing payroll tax **exemption** for hiring Territory employees to **30 June 2021**.

#### **Disclaimer**

##### **General Advice Warning**

*The information contained on this document is general in nature and does not take into account your personal situation. You should consider whether the information is appropriate to your needs, and where appropriate, seek professional advice.*

*Taxation and other matters referred to in this document are of a general nature only and are based on Walker Wayland's interpretation of laws existing at the time and should not be relied upon in place of appropriate professional advice. Those laws may change from time to time.*

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