

# Guideline

## Payroll Tax waiver for JobKeeper Payment

*(For the purposes of this guideline JobKeeper Payment is referred to as JobKeeper Wages)*

### Introduction

Payroll tax is waived for JobKeeper Wages in Tasmania.

The payroll tax treatment for the JobKeeper Wages in each other Australian State and Territory will alter the threshold calculations (if you or a group member pay wages in another state or territory).

As all jurisdictions had not yet determined their payroll tax treatment of the JobKeeper Wages at the time the waiver was announced in Tasmania, the Tasmanian Commissioner of State Revenue determined these Wages should **not** be included in relevant **monthly** returns.

This applies to both Tasmanian and Interstate wages (and for all members of a group where relevant). This continues to be the case for monthly returns for the 2020-21 financial year.

### Your taxable wages

Refer to the following instructions to determine the amount of wages to include in taxable wages (that is wages paid in Tasmania) for both the monthly and annual adjustment return.

#### **A. Employees with wages higher than the JobKeeper Wages**

Where an employee receives a higher fortnightly wage than the JobKeeper Wages, tax must be paid on the amount of the wage that exceeds the JobKeeper Wages. Payroll tax is not payable on the portion of the wage that is the JobKeeper Wages.

For example, an employee is receiving wages of \$2 000 per fortnight. Payroll Tax is waived on \$1 500 JobKeeper Wages but is payable on \$500. Only include \$500 in your taxable wages on your return.

#### **B. Employees with usual wages lower than the JobKeeper Wages**

Where an employee usually receives a fortnightly wage lower than the JobKeeper Wages, and is now paid an amount equivalent to the JobKeeper Wages, payroll tax is not payable on the full amount of their \$1 500 fortnightly wage. Do not include the \$1 500 payment in your taxable wages on your return.

#### **C. Employees who have been stood down**

Where an employee usually receives a higher fortnightly wage than the JobKeeper Wages but now is only paid the amount equivalent to the JobKeeper Wages, tax is not payable on the full amount of their \$1 500 fortnightly wage. Do not include the \$1 500 payment in your taxable wages on your return.

### Annual Adjustment Return

In preparing the AAR you will be required to provide information on all JobKeeper Wages for both Tasmanian and Interstate wages (and for all group members where relevant). Therefore, accurate records should continue to be maintained.

To complete the AAR complete each section as detailed below:

For your taxable wages\*:

- your wage figures as you would usually do. For employees who received JobKeeper payments refer to the instructions marked A, B and C above to determine declarable taxable wages; and
- separately complete the total of Tasmanian JobKeeper wages in the 'Your JobKeeper' field. That is, include any amount received for JobKeeper for Tasmanian employees that is not included in your taxable wages.

\*Where you are the designated group employer, your taxable wages include all wages for each member you lodge for.

For Tasmanian wages for other group members who lodge separately;

- complete the Total Tasmanian taxable wages for other group members **excluding** waived JobKeeper amounts (refer to instructions marked A, B and C above to determine waived wages; and
- list the Tasmanian JobKeeper wages in the Other Tas Group Member JobKeeper field. Include any amount received for JobKeeper for Tasmanian employees that is not included in Total Tasmanian taxable wages.

For Interstate wages for both your business and other group members, the following applies:

- Waived Wages - all interstate wages, including JobKeeper must be declared;
- Exempt Wages - do not include exempt wages in the JobKeeper wages in the interstate wages figure.

Please refer to the relevant jurisdiction's website for specific rules around the treatment of JobKeeper payments in that jurisdiction.

## Contacting the State Revenue Office

State Revenue Office staff are working remotely as a result of COVID-19 controls.

The preferred contact is by email to [taxhelp@treasury.tas.gov.au](mailto:taxhelp@treasury.tas.gov.au)