

Guideline

Payroll Tax waiver

Taxpayers in the Hospitality, Tourism, and Seafood industries

Eligibility criteria

Tasmanian employers must meet the following eligibility criteria in the 2019-20 financial year to qualify for the waiver of payroll tax for wages paid or payable to eligible employees in that financial year. Eligible employees are only those employees who solely or predominantly work in one or more of the relevant industries:

- You must employ at least one employee who **solely or predominantly** works in one or more of the hospitality, tourism, or seafood industries; and
- One of the following must apply:
 1. you are not grouped and only pay wages in Tasmania; **or**
 2. you are not grouped and the Tasmanian portion of your wages will be 50 per cent or more of your total Australian Wages; **or**
 3. you are grouped and the Tasmanian portion of the Australian Group Wages will be 50 per cent or more of the group's Australian Group Wages.

Industry definitions

Hospitality

Hospitality industry means the provision of the following goods and services where those goods and services are primarily provided directly to the public:

- short-stay accommodation; **or**
- preparation **and** service of meals, cooked food or beverages.

For the purposes of the waiver, short-stay accommodation is a property that is:

- used or available for use, for monetary gain, as accommodation for a person who is away from their normal place of residence; **and**
- ordinarily intended to be used as accommodation by such a person for periods of not more than four weeks.

The definition of the “hospitality industry” intends to cover motels, restaurants, cafes, pubs and other similar providers. The definition does not generally extend to wholesale or service suppliers to the industry.

Tourism

Tourism industry means the provision of goods and services primarily directed to people who are visiting, or travelling in, Tasmania on holiday principally for the purposes of sightseeing or entertainment, or both.

Seafood

Seafood industry means the provision of goods and services that primarily relate to the taking, handling, farming or sale of seafood.

It does not include the:

- retail sale of seafood; or
- importing of seafood from other jurisdictions.

Applications

To apply for the payroll tax waiver, complete the [application form](#) and return it to the State Revenue Office (SRO).

If your application is approved:

- you will not be required to lodge monthly payroll tax returns for March, April or May 2020; and
- the SRO will liaise with you regarding the process for calculating your refund entitlement in respect of your monthly returns for July 2019 to February 2020.

JobKeeper Wages

Include JobKeeper payments when estimating wages in the application form.

Payroll tax for the portion of wages paid/payable to employees that are eligible to be subsidised by the Federal Government's JobKeeper Payment will be waived in accordance with [Payroll Tax \(Pandemic\) Order \(No. 2\) 2020](#).

For successful applicants for the industry waiver, the JobKeeper waiver will still apply to wages paid/payable to:

- employees whose wages are subsidised by JobKeeper Payments, but do not work in a relevant industry; and
- from July 2020 onwards, any employees whose wages are subsidised by JobKeeper Payments.

Annual Adjustment Return

Although payroll tax for eligible employees has been waived (which may comprise part or all of your annual wages), your **AAR must still be lodged by 21 July 2020**.

When completing your AAR:

- provide your wages figures for the financial year:
 - provide wages as you usually would, including payments to eligible industry employees; but
 - exclude from the figure above any wages for which you received JobKeeper payments; and
- separately provide the JobKeeper wages as per the information in the [Payroll Tax waiver for JobKeeper Payment guideline](#).

If all of your employees are eligible for the industry waiver

Based on the information you provide in the AAR, Tasmanian Revenue Online will calculate the waivers for JobKeeper and Industry as applicable.

Providing you continue to meet the eligibility criteria for Industry, no payroll tax will be payable for the 2019-20 financial year.

If some of your employees are eligible for the industry waiver

The payroll tax waiver only extends to wages paid or payable to your eligible employees that work **solely or predominantly** in one or more of the abovementioned industries. You may still need to pay payroll tax for your other employees in your AAR.

To determine the amount of payroll tax payable, the SRO will require you to confirm the split of wages between eligible and non-eligible employees separately to lodging your AAR. The SRO will write to you to obtain this information where relevant.

More information from the SRO

SRO staff are working remotely as a result of COVID-19 controls.

The preferred contact method is via email at: **taxhelp@treasury.tas.gov.au**