

Guideline

Payroll Tax waiver for 2019-20 Australian Wages of up to \$5.0 million annually

Eligibility criteria

Tasmanian employers must meet the following eligibility criteria in 2019-20 to qualify for the waiver:

- Australian Wages (or Australian Group Wages if part of a group) must be \$5 million or less; and
- One of the following three points 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; and
- Your business must have been adversely affected by COVID-19 during 2019-20.

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 and May 2020; and
- any of the above monthly returns you have lodged will be cancelled;
- you will need to lodge your Annual Adjustment Return for the 2019-20 financial year, as per the instructions below; and
- a refund will be issued to the bank account currently nominated by your business in Tasmanian Revenue Online (TRO) for any payroll tax paid for the 2019-20 financial year.

JobKeeper Payments

Include JobKeeper payments when estimating wages in the application form.

Payroll tax for the portion of wages paid/payable to employees that are 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 less than \$5 million waiver, the JobKeeper waiver will still apply to payments made to any employees whose wages are subsidised by JobKeeper Payment from July 2020 onwards.

Annual Adjustment Return for 2019-20

Although payroll tax has been waived for the 2019-20 financial year, 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; 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](#).

- Based on the information you provide in the AAR, Tasmanian Revenue Online will calculate the relevant waivers for JobKeeper as well as the waiver for Australian Wages up to \$5 million as applicable.

Providing you continue to meet the eligibility criteria for Australian Wages up to \$5 million, no payroll tax will be payable for the 2019-20 financial year.

What if the wages estimate on my application is incorrect?

If you estimated that total wages would be \$5 million or less, but wages in your AAR (either individually or as part of a group) are greater than \$5 million, it is likely that the payroll tax waiver will not apply and you will be required to pay payroll tax for the 2019-20 financial year.

The Commissioner of State Revenue has discretion to maintain a waiver of payroll tax if total wages for the year were over \$5 million. It is likely that the discretion will only be applied where total wages are only marginally over \$5 million, and the original estimation of wages was undertaken with a reasonable expectation that wages would be below \$5 million.

Contacting the State Revenue Office

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

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