

The JobKeeper Payment program ended **28 March 2021**.  
See the ATO's [key dates information](#).

# 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).

### 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 waived 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 JobKeeper fortnightly wage. Do not include the JobKeeper 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 JobKeeper fortnightly wage. Do not include the JobKeeper 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.

Complete each section of the AAR as shown below:

**A.** For your taxable wages\* :

- calculate 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. This means including 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 for which you are lodging.

**B.** 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.

**C.** 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.

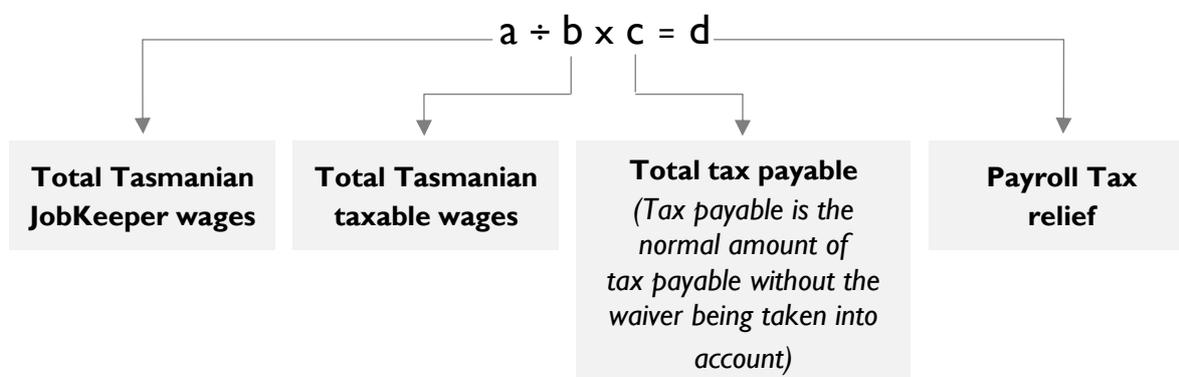
Requirements by other jurisdictions: Refer to the relevant jurisdiction's website for specific rules around the treatment of JobKeeper payments in that jurisdiction.

## Calculating payroll tax on JobKeeper amounts

It is important to note that payroll tax on JobKeeper wages paid in Tasmania has been waived, rather than made exempt.

This means that calculation of the taxation relief must incorporate the threshold entitlement, in the same way that the entitlement is included when the taxation is calculated.

Calculate **payroll tax relief** using the following formula:



## What happens if JobKeeper is paid back to the Commonwealth Government?

The waiver applies to JobKeeper wages your organisation was entitled to receive. If you received JobKeeper subsidy and subsequently paid it back to the Commonwealth, even though you are still entitled to it, you remain eligible for the waiver for the associated wages and need take no action in relation to your payroll tax return.

However, if the Commonwealth Government recalls the JobKeeper subsidy because you were not entitled to it, you must adjust your AAR to accurately reflect that wages paid were not JobKeeper wages.

### Contact the SRO

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