

Revenue Ruling

Ruling Number	PTA024v2
Title	Overnight accommodation allowances paid to truck drivers
Tax Line	Payroll Tax
Legislative Reference	<i>Payroll Tax Act 2008</i>
Previous Ruling	PTA024
Date of Ruling	15 April 2019

This ruling replaces PTA024 to remove obsolete terms and to include a link to [PTA005v3](#) (which replaces PTA005v2).

Preamble

The [Payroll Tax Act 2008](#) (the Act), which commenced on 1 July 2008, rewrote the *Pay-roll Tax Act 1971* and harmonised payroll tax legislation in Tasmania with Victoria and New South Wales. A summary of the jurisdictions that have adopted this Revenue Ruling is available at <http://payrolltax.gov.au/revenue>.

This Revenue Ruling clarifies the payroll tax treatment of overnight allowances paid to truck drivers.

Section 30 of the Act imposes payroll tax on accommodation allowances paid or payable to an employee in respect of a night's absence from the employee's usual place of residence to the extent that those allowances exceed the exempt rate. Generally, accommodation allowances are paid to an employee to cover temporary accommodation costs necessarily incurred while the employee is required to travel for work purposes (see Revenue Ruling [PTA005v3](#) Exempt allowances: Motor vehicle and accommodation).

Under the Transport Workers (Long Distance Drivers) Award 2000 (the Award), where a long-distance truck driver is unable to return home at night, the employer is required to pay the driver an allowance to cover the necessary personal expenses reasonably incurred in travelling. Further, the Award states that where the employer provides suitable accommodation acceptable to the union, the truck driver will not be entitled to the allowance. Under general circumstances, truck drivers do not incur accommodation expenses when travelling for work as they sleep in their trucks.

Ruling

Overnight allowances paid to long distance truck drivers are exempt from payroll tax if the following criteria are satisfied:

1. The allowance is paid according to the terms of the Award; and
2. The amount is no more than the exempt rate for accommodation allowances under section 30 of the Act.

If an overnight allowance exceeds the exempt rate, the difference between the allowance and the exempt rate is subject to payroll tax (Revenue Ruling [PTA005v3](#)).

Please note that rulings do not have the force of law. Each decision made by the Commissioner of State Revenue is made on the merits of each individual case having regard to any relevant ruling.

More information

For more information, please contact the Legislation, Communication and Review Section by phoning (03) 6166 4400 or emailing revenuereview@treasury.tas.gov.au.

All rulings must be read subject to Revenue Ruling, PUB-GEN-2014-5, "[Explanation and Status of Revenue Rulings](#)".



J C Root
COMMISSIONER OF STATE REVENUE