

Frequently Asked Questions

Payroll Tax Rebate (Apprentices, Trainees and Youth Employees) Scheme

1. What is the Payroll Tax Rebate Scheme?

The Payroll Tax Rebate (Apprentices, Trainees and Youth Employees) Scheme provides a payroll tax incentive for Tasmanian employers to help create additional employment for apprentices, trainees and youth employees.

For the period 1 July 2017 to 30 June 2019 (inclusive), the Payroll Tax Rebate Scheme provided a rebate to employers who i) paid payroll tax, and ii) commenced employment of eligible apprentices, trainees and youth employees.

Between 1 July 2019 and 30 June 2021 (inclusive), the Scheme remains available for employers in the building and construction, tourism and hospitality and manufacturing industries. The employers must be registered for and paying payroll tax, and commenced employing eligible apprentices and trainees during this period.

Youth employees who commence employment from 1 July 2019 onwards are not eligible employees; therefore, the rebate will not apply.

Governing legislation: [Payroll Tax Rebate \(Apprentices, Trainees and Youth Employees\) Act 2017](#).

2. Who is eligible for the rebate?

Eligible employers are registered for payroll tax in Tasmania who commence employment or engage eligible apprentices, trainees and youth employees within the relevant eligible period as described above.

The rebate is payable for either the amount of payroll tax paid in relation to the employee's wages, or the overall payroll tax paid for the period, whichever is the lower.

3. What businesses are eligible for the scheme after 1 July 2019?

Eligible businesses must fall within one of the following Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006 groups:

- Construction Division (Division E);
- Tourism and Hospitality Division (Division H); or
- Manufacturing Division (Division C).

4. Is there any other way that a business could be eligible for the scheme after 1 July 2019?

Trainees and apprentices may still fit within a group of a division because of:

- the workplace where they are employed;
- the title of qualification they will obtain; or
- the industry, or principal activity as specified in the training contract.

5. Will current apprentices, trainees and youth employees still be paid after 30 June 2019?

For eligible youth employees, apprentices and trainees who commenced employment between 1 July 2017 and 30 June 2019, the rebate will continue to be paid for a maximum of:

- two (2) years from the day that the employee's training contract takes effect under the [Training and Workforce Development Act 2013](#) for an apprentice or trainee; or
- twelve (12) months from the date that the youth employee commenced the employment or engagement for a youth employee.

6. Who is considered an eligible employee?

Apprentices and trainees

Apprentices and trainees are considered to be eligible employees if they:

- are an apprentice or trainee as defined under the [Training and Workforce Development Act 2013](#); and
- are employed or engaged on a training contract that takes effect under the [Training and Workforce Development Act 2013](#) within the eligible period, being between 1 July 2017 and 30 June 2021. *For the period 1 July 2019 to 30 June 2021, the employer must be in one or more of the building and construction, tourism and hospitality and manufacturing industries.*

Youth employees

Youth employees are considered eligible employees if they:

- are employed or engaged by the employer within the eligible period, being between 1 July 2017 and 30 June 2019 (inclusive);
- at the date of employment, have attained the age of 15 years, but have not attained the age of 25 years;
- are employed on a part time or full time basis;
- are not an apprentice or trainee; and
- were not employed or engaged by the employer on 25 May 2017 or previously within the eligible period.

7. Are casual employees eligible under the Scheme?

No. Only part time and full time employees are eligible.

8. Can a youth employee who is working for two employers be an eligible employee for both of those employers?

Yes, if the youth employee is working for two employers simultaneously, and meets the criteria for an eligible employee with each employer, both employers can claim the rebate for the employee.

9. What are some of the instances where an employee would not be eligible under the Scheme?

An employer is not able to claim a rebate for an employee in certain circumstances including (but may not be limited to) when the employee:

- is a casual employee;
- is a youth employee who was working for the employer as at 25 May 2017 (even if the employment as at that date was of a casual nature);
- is a youth employee who has previously worked for the employer between 1 July 2017 and 30 June 2019, unless that youth employee begins an apprenticeship or traineeship and therefore becomes eligible as an apprentice or trainee;
- was an apprentice or trainee but is no longer employed or engaged on a valid training contract with the employer; or
- is a trainee or apprentice who is employed or engaged on a training contract outside the eligible period (e.g. prior to 1 July 2017)*;
- is a youth employee and is employed after 1 July 2019;
- is a trainee or apprentice who is employed from 1 July 2019 by a business that does **not** have an ANZSIC 2006 code (fitting within Division C, E or H or meet any of the other ways for a business to be eligible).

* If an existing employee, who is **not** a trainee or apprentice, becomes a trainee or apprentice within the eligible period by entering into a valid training contract with the employer, they would be eligible under the scheme.

10. Can an employment agent claim the rebate?

For the purposes of the Scheme, if an eligible employee is employed or engaged within the eligible period by an employment agent (i.e. the employee is a service provider within the meaning of [section 37 of the Payroll Tax Act 2008](#)), the employment agent is taken to be the employer of the person. As with any other employer, the employment agent can then claim the rebate for the employee if they are eligible under the conditions of the Scheme.

11. Do employees employed or engaged as part of a merger, takeover etc. or who transfer from another employer, qualify as eligible employees?

No, the employee is not be an eligible employee for the Scheme if the employee was employed or engaged as a result of a business merger, takeover, acquisition, transfer or similar transaction and as part of that process, the new employer takes responsibility for any of the employee's entitlements.

An exception occurs where, immediately before the new employer employed or engaged the person, the person was an eligible employee under the *Payroll Tax Rebate (Apprentices, Trainees and Youth Employees) Act 2017* for his or her previous employer. The employee's eligibility for the rebate can continue from the previous employer. This means that rather than the time being re-set, the rebate will be payable only for the period remaining until the maximum duration of the rebate is reached.

12. How do I access the rebate?

Registered payroll tax taxpayers in Tasmania can register for the rebate by completing the [Application to register](#) form, available at www.sro.tas.gov.au.

Successful registrants for the Scheme will receive a claim form.

Employers yet to register for payroll tax in Tasmania will first need to register for payroll tax. Once notified of successful registration, the employer can register for the Scheme.

Should you need assistance with your registration, please email the State Revenue Office at taxhelp@treasury.tas.gov.au.

13. Is any supporting information required with my registration?

Yes. You will need to provide a printout from your payroll system of all employees employed with you as at 1 July 2019.

14. How do I lodge a claim for the rebate?

To lodge a claim for the rebate simply complete the claim form forwarded to you after you registered, and return it to the State Revenue Office by email or through your TRO payroll tax portal, together with any required supporting documentation.

Employers must lodge their returns and pay their payroll tax by the due date to be eligible for the rebate for the same period. If you need any assistance with a claim, please email the State Revenue Office at taxhelp@treasury.tas.gov.au.

15. What supporting information do I need to lodge with each claim?

For each claim, you will need to provide the following supporting information for each employee:

- **apprentices and trainees:** a copy of the training contract lodged with the Tasmanian Traineeships and Apprenticeships Committee through Skills Tasmania;
- **youth employees:** proof of age, such as a birth certificate, passport, drivers licence, proof-of-age card or similar.

This supporting documentation is needed only for the first claim that includes each employee. It is not necessary for subsequent claims for that employee.

16. I was registered for a previous payroll tax incentive scheme. Do I need re-register for this Scheme?

Yes. This Scheme is not related to any previous payroll tax incentive schemes. You will need to register for the Scheme through the standard registration process referred to at the top of this page.

17. When will the rebate be paid?

Payment of the rebate will be made once the claim has been assessed by the State Revenue Office. For the rebate to be paid, the employer must have met all prerequisite conditions for the Scheme (see next question).

18. What conditions need to be met before an employer will receive payment of the rebate?

To receive payment of the rebate, employers must:

- have lodged their returns and paid their payroll tax by the due date to be eligible for the rebate for the same period;
- comply with all legislative requirements of the [Payroll Tax Act 2008](#) and the [Payroll Tax Rebate \(Apprentices, Trainees and Youth Employees\) Act 2017](#);
- provide any information requested by the Commissioner of State Revenue and cooperate with any compliance checks made by the State Revenue Office within the time permitted, and/or repay any rebate payment received when demanded;
- not be the subject of any incomplete investigations in relation to payroll tax;
- not have any unpaid payroll tax liabilities; and
- not have any other outstanding tax liabilities due and owing to the Crown.

19. What happens if I am late lodging a claim for the rebate?

In accordance with [section 8\(2\)\(c\) of the Payroll Tax Rebate \(Apprentices, Trainees and Youth Employees\) Act 2017](#):

- a claim must be made within the nine-month period immediately after the financial year that includes the claim period, unless otherwise specified by the Commissioner; or
- if, before the expiry of the nine-month period a State Revenue Office investigation has been commenced about the claimant and has not been completed before that period expires, a claim must be made within two months immediately after the investigation has concluded.

Claims cannot be accepted outside of these periods.

20. What can I do if my claim is denied but I disagree with the decision?

A claimant who is dissatisfied with a decision made in relation to the Scheme may lodge a written objection with the Commissioner of State Revenue.

To be valid an objection must:

- a) be in writing; and
- b) state in full the grounds for the objection; and
- c) be lodged with the State Revenue Office within 60 days of the date you received notification of the decision.

Before lodging an objection it is recommended that you refer to the [Objections Reviews and Appeals Guideline](#) at www.sro.tas.gov.au. The guideline explains 'valid' objections and how the objection process works.

State Revenue Office

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