



REVENUE CIRCULAR PTA070
Exemption from Payroll Tax for Approved Group Training Organisations <i>Payroll Tax Act 2011</i>
Issue Date: 30 June 2011
Status: Current – Effective 1 July 2011
Previous Circular: -PTX007

Preamble

The *Payroll Tax Act 2011* (the Act), which commenced on 1 July 2011, rewrites the *Payroll Tax Act 1987* (the 1987 Act) and harmonises the payroll tax legislation in the Australian jurisdictions.

1. The Act imposes a liability to ACT payroll tax on an employer for any wages paid or payable by the employer for services rendered or performed in, or partly in, the ACT.

Circular

2. This circular provides details of the exemption from ACT payroll tax for approved Group Training Organisations (GTOs).
3. Schedule 2, part 2.4, section 2.16 of the Act provides that an “approved group training organisation” is an organisation that is approved by the Commissioner for ACT Revenue (see point (7) below).
4. For the definition of an “approved training contract” see the *Training and Tertiary Education Act 2003* (TETA).
5. For the definition of “trainee” see the Dictionary in the TETA i.e. a person who undertakes training under a training contract, including an apprentice.

Application of Exemption

6. The exemption applies to wages paid by GTOs to “trainees” (including apprentices) for the full term of an “approved training contract” where the GTOs:
 - (a) are not-for-profit;
 - (b) provide training to trainees under approved training contracts; and
 - (c) make trainees available to work for other people.
7. Entities wishing to utilise the exemption are required to apply to the Commissioner for ACT Revenue to be recognised as an “approved group training organisation”

8. This exemption does not extend to wages paid to apprentices or trainees by employers who are not approved GTOs.
9. Wages paid by approved GTOs to employees other than trainees including apprentices are, and will remain, liable to payroll tax if they exceed the ACT threshold. In this case, the GTO will be required to register for payroll tax.
10. Advice on registration for payroll tax is provided in circular PTA071.

SIGNED

David Read
Commissioner for ACT Revenue
30 June 2011