

**ACT REVENUE OFFICE**

ACT Revenue Office

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| **REVENUE CIRCULAR PTA076** |
| Wages paid to certain public sector employees – *Payroll Tax Act 2011* |
| Issue Date: 30 June 2011 |
| Status: Current – 1 July 2011 |
| Previous Circular: -PTX025 |

# 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.

2. This circular clarifies the application of the Act to wages paid to certain public sector employees and from certain bank accounts.

**Circular**

3. Part 2.9 (schedule 2) of the Act states that wages are exempt wages if they are paid or payable by a territory authority funded solely by money appropriated from the public money of the Territory by an Act unless—

(a) the wages are paid or payable by a territory authority prescribed for the *Taxation (Government Business Enterprises) Act 2003,* section 9; or

(b) the wages are paid or payable by a territory authority to which a direction under the *Taxation (Government Business Enterprises) Act 2003*, section 10 applies to make the authority liable to tax under the *Payroll Tax Act 2011.*

4. Wages are exempt if they are paid or payable from a bank account (part 2.8, schedule 2) of the Act kept under the *Financial Management Act 1996*, part 5, unless—

(a) the bank account is nominated by the Minister for this paragraph; or

(b) the wages are paid or payable by an entity prescribed for the *Taxation (Government Business Enterprises) Act 2003*, section 9; or

(c) the wages are paid or payable by an entity to which a direction under the *Taxation (Government Business Enterprises) Act 2003*, section 10 applies to make the entity liable to tax under the *Payroll Tax Act 2011*.

5 A nomination under 4(a) is a disallowable instrument.

SIGNED

David Read

Commissioner for ACT Revenue

30 June 2011