

Revenue Ruling

Payroll Tax Act 2009

PTA030

PENALTY CHARGES UNDER SUPERANNUATION GUARANTEE CHARGE

Preamble

The *Payroll Tax Act 2009* (the “Act”), which commenced on 1 July 2009, rewrote and repealed the *Pay-roll Tax Act 1971* and provides fully harmonised legislation with New South Wales, Victoria, Tasmania and Northern Territory.

Under **Section 17(1)** of the Act, wages include superannuation contributions that employers pay, or are liable to pay, in respect of their employees, deemed employees and directors. Therefore, superannuation contributions are subject to payroll tax.

One of the items listed in the definition of superannuation contributions in **Section 17** of the Act is superannuation guarantee charge within the meaning of the *Superannuation Guarantee (Administration) Act 1992* (Cwth) (the “SGA Act”).

The purpose of this Revenue Ruling is to clarify which components of a superannuation guarantee charge are subject to payroll tax.

Ruling

Superannuation guarantee charge is made up of:

- (i) the total of the employer’s individual superannuation guarantee charge shortfalls for the year;
- (ii) the employer’s nominal interest component for the year; and
- (iii) the employer’s administration component for the year.

The sum of these three components is subject to payroll tax.

An employer’s superannuation guarantee charge may also include a penalty component. Any penalty component of a superannuation guarantee charge imposed under Sections 49 or 59 of the SGA Act is not subject to payroll tax.

Further Information

Further information can be obtained from RevenueSA.

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History

This Revenue Ruling is effective from 1 July 2009.

This is the first Revenue Ruling issued on this topic.

COMMISSIONER OF STATE TAXATION

1 July 2009