

Revenue Ruling

Payroll Tax Act 2009

PTA024

OVERNIGHT ACCOMMODATION ALLOWANCES PAID TO TRUCK DRIVERS

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The *Payroll Tax Act 2009* (the "Act"), which commenced on 1 July 2009, rewrote and repealed the *Pay-roll Tax Act 1971* and provides fully harmonised legislation with New South Wales, Victoria, Tasmania and Northern Territory.

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 PTA005](#) Exempt Allowances: Motor Vehicle and Accommodation).

Under the *Transport Workers (Long Distance Drivers) Award 2000* (Cwlth) (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.

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

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 PTA005](#)).

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.

Mike Walker
COMMISSIONER OF STATE TAXATION
1 July 2009