

Revenue Ruling

Payroll Tax Act 2009

PTA024 [V2]

OVERNIGHT ACCOMMODATION ALLOWANCES PAID TO TRUCK DRIVERS

Preamble

The *Payroll Tax Act 2009* (the “Act”), which commenced on 1 July 2009, harmonises certain payroll tax legislation amongst the states and territories. One of the areas that has been harmonised is exempt allowances.

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

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 PTA-005 Exempt allowances: Motor vehicle and accommodation](#)).

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

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 2016 and replaces:

Document	Issue Date
PTA024 [V1]	1 July 2009

Please note: Rulings do not have the force of law. Each decision made by RevenueSA is made on the merits of each individual case having regard to any relevant ruling

Julie Holmes
COMMISSIONER OF STATE TAXATION

15 April 2019