

SOUTH AUSTRALIA



STATE TAXATION OFFICE

Pay-roll Tax

Circular No. 108

PAY-ROLL TAX (MISCELLANEOUS) AMENDMENT ACT, 1994

Your attention is drawn to the above Act which was assented to on 14 April, 1994.

The Act revises various aspects of the principal Act which have become outdated, uncertain in application or require harmonisation with corresponding laws enacted by other jurisdictions which also collect pay-roll tax.

The information set out below is of necessity brief and the precise nature and scope of the changes must be taken from the reading of the provisions as set out in full in the amending Act in conjunction with the Pay-roll Tax Act, 1971.

DATE OF OPERATION

The amendments to the principal Act, have been proclaimed to operate with effect from 1 May, 1994.

SUMMARY OF AMENDMENTS

1 Taxable wages

Wages liable to pay-roll tax in South Australia are wages that are paid or payable anywhere by an employer to an employee in a particular month ("the relevant month") provided that those wages:-

- (a) are paid or payable in South Australia in the relevant month and relate in their entirety to services performed or rendered (or to be performed or rendered) wholly or partly in the State; or
- (b) - are paid or payable in South Australia in the relevant month and are related in their entirety to services performed or rendered (or to be performed or rendered) outside Australia; and
- the employee has during the six months preceding the relevant month, performed or rendered services for the employer in the State; or
- (c) are paid or payable in Australia (but outside South Australia) in the relevant month and relate in their entirety to services performed or rendered (or to be performed or rendered) wholly in the State; or
- (d) are paid or payable outside Australia and relate in their entirety to services performed or rendered (or to be performed or rendered) mainly in the State; and
- (e) **are not** exempt from pay-roll tax under Section 12 of the Act.

2 Joint and several liability of group members

Recently doubts have arisen regarding the longstanding interpretation that the pay-roll tax liability of a group is to be determined upon annual adjustment as if the wages paid or payable by the respective group members were paid by a single employer.

The amendment removes any doubts that may have arisen and provides that any tax payable under the Act by a member or members of a group is a debt due jointly and severally by every person who was a member of the group during the period in which the tax became due.

3 Other amendments

The general revision amendments include:-

- changes in various references to reflect the enactment of the new Corporations Law;
- extension of the definition of "record" to include all kinds of records whether made by an electronic, electromagnetic, photographic process or any other means;

- recognition of the Australian Capital Territory and the Northern Territory as separate taxing jurisdictions; and
- the updating of penalty amounts and associated expiation fees applying to offences under the Act by increasing them in line with current monetary values.

ENQUIRIES

Enquiries regarding this amendment Act may be made in person or by post at the following addresses:-

Location

State Taxation Office
Enquiry and Payments Centre
Ground Floor, State Administration Centre
Victoria Square East
ADELAIDE SA 5000

Postal

Commissioner of Stamps
Pay-roll Tax Office
Box 2418 GPO
ADELAIDE SA 5001

Telephone Enquiries

Ms Susan Hope or Mr Ross Lewcock

(08) 226 3795

29 April, 1994

COMMISSIONER OF STATE TAXATION