

**SOUTH AUSTRALIA**



**STATE TAXATION OFFICE**

**Pay-roll Tax**

**Circular No. 129**  
(Replaces Circular No. 104)  
**replaced by Circular No. 140**

**EXPORTERS PAY-ROLL TAX REBATE SCHEME**

This Circular has been issued to provide information regarding the continued operation of the rebate scheme for the 1995-96 financial year. It replaces Circular No. 104 which was issued on 2 March, 1994. Operation of the scheme after 1995-96 will be subject to annual review.

Employers who are or will be exporters of value added goods or services in 1995-96 may claim a rebate of 10% of pay-roll tax payable on wages of employees engaged in generating eligible export earnings. Rebate application forms will be issued on a six monthly basis.

The rebate which may be claimed is equal to 10% of the proportion of total pay-roll tax paid in South Australia which is attributable to South Australian export earnings in the rebate period.

Eligibility criteria are as follows:-

- 1 Employers who have South Australian export earnings from value added goods and services are eligible. Employers may be eligible for both the New Exports and Exporters Pay-roll Tax Rebate Schemes.
- 2 Value added goods are those which have been manufactured, produced or processed in their final form in South Australia. "Processed" does not include grading, packing or sorting. Processed minerals, petroleum products and unprocessed primary produce are also excluded.
- 3 South Australian export earnings mean the \$A FOB (Free On Board) sale value of value added goods to a purchaser outside Australia and/or South Australian component of the \$A consideration received in Australia for services supplied outside of Australia.

To be eligible the employer's name or that of the employer's agent must appear on the Bill of Lading for the goods concerned.

Sales to a purchaser outside Australia who subsequently exports the goods from Australia may be eligible.

The date of sale will be deemed to be the date shown on the Bill of Lading, or for services, the date on which payment was received in Australia.

- 4 Services provided by employees outside of Australia are eligible only where the employer can establish that South Australian employees made a significant contribution to the services supplied.
- 5 The Scheme applies only to the private sector.
- 6 Employers currently treated as a group for pay-roll tax purposes will be treated as a group for the purposes of this scheme. Only one application may be made by the Designated Group Employer on behalf of all members of that group of employers.
- 7 To be eligible for the rebate, employers must be up-to-date with their pay-roll tax obligations and must have paid the pay-roll tax for the rebate period.
- 8 Employers seeking a rebate must apply on the approved application form which will be sent to employers immediately before the close of each eligible six month period.

#### **CALCULATION OF REBATE**

- 1 The rebate for each six month period shall be calculated as follows:-

$$R = \frac{V \times P}{S} \times 10\%$$

where R = The rebate

V = \$A South Australian export earnings (per item 3 above) in the rebate period

S = \$A Total South Australian earnings in the rebate period

P = South Australian pay-roll tax payable for the rebate period after deducting any rebates from other Pay-roll Tax Rebate Schemes except the New Exports Pay-roll Tax Rebate Scheme

- 2 "\$A Total South Australian earnings" means the employer's total turnover or sales revenue attributable to South Australian operations.

3 Where services are supplied outside of Australia:-

V = The South Australian component of the consideration received in Australia for services supplied outside of Australia. That component shall bear to the total consideration received the same relationship as South Australian wages bears to the employer's total Australian wages.

Thus

$$V = \frac{\text{Total consideration} \times \text{South Australian Wages}}{\text{Australian Wages}}$$

## ENQUIRIES

### Location

State Taxation Office  
 Taxpayer Services  
 Ground Floor, State Administration Centre  
 Victoria Square East  
 ADELAIDE SA 5000

### Postal

Commissioner of Stamps  
 State Taxation Office  
 Box 2418 GPO  
 ADELAIDE SA 5001

### Telephone Enquiries

(08) 226 0869 or (08) 226 3793

26 September, 1995

**COMMISSIONER OF STATE TAXATION**