

SOUTH AUSTRALIA



STATE TAXATION OFFICE

Pay-roll Tax

Circular No. 131
(Replaces Circular No. 128)
replaced by Circular No. 144

PAY-ROLL TAX TRAINEE WAGES REBATE SCHEME

This circular has been issued as a result of a review of the Scheme's operation. The Scheme has been revised and will now also apply to the State Public Sector. This circular replaces Circular No. 128 issued on 9 June, 1995.

In the 1995-96 Budget the Government introduced a Pay-roll Tax Rebate Scheme to assist employers who pay wages to employees engaged as apprentices or as trainees under an approved training scheme pursuant to a Contract of Training, as defined in the industrial and Commercial Training Act, 1981. The rebate scheme will operate for the 1995-96 and 1996-97 financial years and its continuation thereafter will be subject to annual review.

The following are approved training schemes for the purposes of the Pay-roll Tax Trainee Wages Rebate Scheme:-

- The Australian Vocational Training Scheme;
- The Career Start Training Scheme;
- The Australian Traineeship System; and,
- The National Training Wage Traineeship Scheme.

Prior to 1 July, 1995 a pay-roll tax exemption applied in respect of wages paid to trainees engaged under the now displaced Australian Traineeship System. The new rebate scheme recognises the changes that have been made in training arrangements. This rebate scheme replaces the Australian Traineeship Scheme exemption and extends pay-roll tax relief to include all apprentices and trainees engaged under the approved training schemes.

Claims for a rebate of pay-roll tax paid in respect of trainees are to be made on an annual basis after the end of the relevant financial year. The amount to be rebated under the scheme will be equal to 98% of the pay-roll tax paid in respect of wages paid to trainees engaged pursuant to the approved training schemes.

Eligibility criteria for 1995-96 and 1996-97 are as follows:-

- 1 The scheme applies only to South Australian trainees for whom a pay-roll tax liability arises in the State.
- 2 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.
- 3 The maximum rebate payable under the scheme cannot exceed 98% of the pay-roll tax paid in respect of wages paid or payable in the rebate period.
- 4 Employers seeking a rebate must apply on the approved application form which will be sent to registered employers immediately before the end of each eligible financial year. Applications may be made by the individual employers concerned or on a group basis.
- 5 Applications are to be lodged within six months after the close of the eligible financial year. Any application lodged after the closure date for a particular financial year will be excluded from the operation of the rebate scheme.

ENQUIRIES

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

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