

New South Wales



ANNO VICESIMO QUINTO

**ELIZABETHÆ II REGINÆ**

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**Act No. 86, 1976.**

An Act to amend the Pay-roll Tax Act, 1971, with respect  
to deductions from taxable wages liable to pay-roll tax.  
[Assented to, 2nd December, 1976.]

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*Pay-roll Tax (Amendment).*


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**B**E it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows:—

**Short title.**     **1.** This Act may be cited as the "Pay-roll Tax (Amendment) Act, 1976".

**Commence-  
ment.**           **2.** (1) This section and section 1 shall commence on the date of assent to this Act.

(2) Except as provided in subsection (3), section 3, in its application to each provision of Schedule 1, shall commence on 1st January, 1977.

(3) Section 3, in its application to Schedule 1 (12), shall be deemed to have commenced on 1st September, 1971.

(4) Sections 4 and 5 shall commence on 1st January, 1977.

**Amendment  
of Act  
No. 22,  
1971.**           **3.** The Pay-roll Tax Act, 1971, is amended in the manner set forth in Schedule 1.

**Transitional  
provision.**     **4.** The power conferred on the Commissioner by section 12 (2) of the Pay-roll Tax Act, 1971, extends to authorising the Commissioner to cancel the registration of a person as an employer where that person was not, immediately before 1st January, 1977, an employer paying wages as referred to in section 12 (1) of that Act, as amended by the Pay-roll Tax (Amendment) Act, 1975, and this Act.

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*Pay-roll Tax (Amendment).*

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**5.** Without limiting the application of the Interpretation **Saving.** Act, 1897, the amendments and repeals effected by this Act do not, except where otherwise specifically provided, affect any duty, obligation, liability, benefit or right imposed, created, incurred or existing in respect of wages that were paid or payable before 1st July, 1976.

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SCHEDULE 1.

**Sec. 3.**

AMENDMENTS TO THE PAY-ROLL TAX ACT, 1971.

(1) Section 6 (1)—

Omit :—

New South Wales,

except wages that—

(d) are paid after the month of August, one thousand nine hundred and seventy-one, but were payable during or before that month; and

(e) have been included in a return made under the Commonwealth Act.

insert instead "New South Wales."

(2) Section 9—

Omit the section.

(3) Section 9A (2)—

After "return period" where secondly occurring, insert "but does not apply so as to authorise a deduction to be made for any return period that commences after the month of December, 1976".

SCHEDULE

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*Pay-roll Tax (Amendment).*


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 SCHEDULE 1—*continued.*

 AMENDMENTS TO THE PAY-ROLL TAX ACT, 1971—  
*continued.*

## (4) Section 9B—

After section 9A, insert :—

## 9B. (1) In this section—

“interstate wages” does not include interstate wages paid or payable by a member of a group;

“prescribed amount”—

(a) in relation to a return for a return period of one month, means \$4,000; and

(b) in relation to a return for a return period of two or more months, means the product ascertained by multiplying \$4,000 by the number of months in that return period;

“taxable wages” does not include taxable wages paid or payable by a member of a group.

(2) This section applies only so as to authorise a deduction to be made for a return period that is after the month of December, 1976, from the taxable wages included in a return or assessment relating to that return period.

(3) For the purpose of ascertaining the pay-roll tax payable by an employer who pays or is liable to pay taxable wages for the whole of a return period, but does not pay and is not liable to pay interstate wages during that return period, there shall be deducted, for that return period, from the amount of the taxable wages included in a return made by, or an assessment relating to, that employer (being a

SCHEDULE

Deduction  
from taxable  
wages after  
1st January,  
1977.

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*Pay-roll Tax (Amendment).*

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SCHEDULE 1—*continued.*

AMENDMENTS TO THE PAY-ROLL TAX ACT, 1971—  
*continued.*

return or an assessment relating to that return period) the prescribed amount, reduced by \$2 for each \$3 (disregarding any remainder) by which the amount of those taxable wages (in whole dollars) exceeds the prescribed amount.

(4) For the purpose of ascertaining the pay-roll tax payable by an employer who pays or is liable to pay wages during a return period and pays or is liable to pay taxable wages for part only of that return period, but does not pay and is not liable to pay interstate wages during that return period, there shall be deducted, for that return period, from the amount of the taxable wages included in a return made by, or an assessment relating to, that employer (being a return or an assessment relating to that return period) the amount that bears to the prescribed amount the same proportion as the number of days in that part of that return period bears to the total number of days in that return period, reduced by \$2 for each \$3 (disregarding any remainder) by which the amount of those taxable wages (in whole dollars) exceeds the same proportion of the prescribed amount.

(5) An employer who during any return period pays or is liable to pay taxable wages and interstate wages may, by notice in writing in the prescribed form containing the prescribed particulars, served on the Commissioner, nominate an amount, calculated in the prescribed manner, not exceeding the prescribed amount, as the deduction that he claims to be entitled to make for that return period and for subsequent return periods.

SCHEDULE

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*Pay-roll Tax (Amendment).*

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SCHEDULE 1—*continued.*AMENDMENTS TO THE PAY-ROLL TAX ACT, 1971—  
*continued.*

(6) For the purpose of ascertaining the pay-roll tax payable by an employer who has served on the Commissioner a notice under subsection (5), there shall, subject to subsection (7), be deducted, for a return period (being the return period ending last before the day on which he served that notice on the Commissioner or any subsequent return period), from the amount of the taxable wages included in a return made by, or an assessment relating to, that employer (being a return or an assessment relating to any such return period) the amount nominated in that notice.

(7) The Commissioner may, on an application made to him in writing by an employer who pays or is liable to pay taxable wages and interstate wages during any return period or of his own motion in relation to such an employer, at any time, make a determination specifying an amount, not exceeding the prescribed amount, that may be deducted for any return period specified or referred to in the determination (being a return period commencing before, but not before 1st January, 1977, or after, or the return period in which, the determination is made) from the taxable wages included in a return made by, or an assessment relating to, that employer (being a return or an assessment relating to any such return period) and there shall be deducted, for any such return period, from the amount of the taxable wages included in a return made by, or an assessment relating to, that employer (being a return or an assessment relating to any such return period) the amount so specified.

SCHEDULE

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*Pay-roll Tax (Amendment).*

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SCHEDULE 1—*continued.*

AMENDMENTS TO THE PAY-ROLL TAX ACT, 1971—  
*continued.*

(8) The Commissioner may, at any time, by instrument in writing, revoke a determination made under subsection (7) and any such revocation shall have effect as on and from the first day of the return period specified in the instrument, whether that return period is before, but not before the date of the determination, or after, or the return period in which, the instrument is executed by him.

(9) The Commissioner shall, as soon as practicable after making a determination under subsection (7) or a revocation under subsection (8), serve notice of the determination or revocation on the employer concerned.

(5) Section 11—

Omit the section.

(6) (a) Section 11A, definition of “financial year”—

Omit the definition.

(b) Section 11A (1A)—

After section 11A (1), insert :—

(1A) In sections 11B and 11C, “financial year” means the financial year commencing on 1st July, 1976, and each financial year thereafter.

SCHEDULE

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*Pay-roll Tax (Amendment).*


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SCHEDULE 1—*continued.*AMENDMENTS TO THE PAY-ROLL TAX ACT, 1971—  
*continued.*

(c) Section 11A (2), (2A)—

Omit section 11A (2), insert instead :—

(2) For the purposes of the financial year commencing on 1st July, 1976, a reference in sections 11B and 11C to the “prescribed amount” is, in relation to an employer, a reference to the amount calculated in accordance with the following formula :—

$$\frac{\text{TW}}{\text{TW} + \text{IW}} \left[ \left\{ \frac{20800\text{A}}{184} + \frac{24000\text{B}}{181} \right\} - \frac{2}{3} \left\{ (\text{TW} + \text{IW}) - \left\{ \frac{20800\text{A}}{184} + \frac{24000\text{B}}{181} \right\} \right\} \right]$$

where—

TW is the total of the taxable wages paid or payable by the employer during the financial year commencing on 1st July, 1976;

IW is the total of the interstate wages paid or payable by the employer during the financial year commencing on 1st July, 1976;

A is the number of days in respect of which wages (disregarding foreign wages) were paid or payable by the employer during the period commencing on 1st July, 1976, and ending on 31st December, 1976; and

B is the number of days in respect of which wages (disregarding foreign wages) were paid or payable by the employer during the period commencing on 1st January, 1977, and ending on 30th June, 1977.

SCHEDULE



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*Pay-roll Tax (Amendment).*


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SCHEDULE 1—*continued.*AMENDMENTS TO THE PAY-ROLL TAX ACT, 1971—  
*continued.*

(2A) For the purposes of the financial year commencing on 1st July, 1977, and each financial year thereafter, a reference in sections 11B and 11C to the “prescribed amount” is, in relation to an employer, a reference to the amount calculated in accordance with the following formula :—

$$\frac{TW}{TW + IW} \left[ \frac{48000C}{D} - \frac{2}{3} \left\{ (TW + IW) - \frac{48000C}{D} \right\} \right]$$

where—

TW is the total of the taxable wages paid or payable by the employer during the financial year;

IW is the total of the interstate wages paid or payable by the employer during the financial year;

C is the number of days in the financial year in respect of which wages (disregarding foreign wages) were paid or payable by the employer; and

D is the number of days in the financial year.

(d) Section 11A (4)—

Omit the subsection.

(7) Section 11B (2)—

Omit “commencing on or after 1st January, 1976”.

**SCHEDULE**

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*Pay-roll Tax (Amendment).*

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SCHEDULE 1—*continued.*AMENDMENTS TO THE PAY-ROLL TAX ACT, 1971—  
*continued.*

## (8) (a) Section 12 (1), (2A)—

Omit “\$800” wherever occurring, insert instead “\$900”.

## (b) Section 12 (2) (a)—

Omit “or”.

## (c) Section 12 (2) (b) (ii)—

Omit “(1).”, insert instead “(1); or”.

## (d) Section 12 (2) (c)—

After section 12 (2) (b), insert :—

(c) that person, although remaining a member of a group, does not pay and is not liable to pay wages as referred to in subsection (1).

## (9) (a) Section 16i (1)—

Omit “an amount, calculated in the prescribed manner, not exceeding the prescribed amount as defined in section 9A (1), as the deduction to be made for any return period in relation to which that designated group employer is required to furnish returns under this Act”, insert instead :—

, as the deduction to be made for any return period in relation to which that designated group employer is required to furnish returns under this Act, an

SCHEDULE

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*Pay-roll Tax (Amendment).*


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SCHEDULE 1—*continued.*AMENDMENTS TO THE PAY-ROLL TAX ACT, 1971—  
*continued.*

amount, calculated in the prescribed manner, not exceeding—

- (a) where the return period ends not later than 31st December, 1976, the prescribed amount as defined in section 9A (1); or
- (b) where the return period commences on or after 1st January, 1977, the prescribed amount as defined in section 9B (1).

## (b) Section 16I (4)—

Omit “the prescribed amount as defined in section 9A (1)”, insert instead “the appropriate prescribed amount referred to in subsection (1) (a) or (b)”.

## (c) Section 16I (4)—

Omit “, but not before 1st January, 1976,”.

## (10) Section 16J—

Omit the section, insert instead :—

16J. (1) In sections 16K and 16L, “financial year” means the financial year commencing on 1st July, 1976, and each financial year thereafter.

“Prescribed amount” for purposes of sections 16K and 16L.

(2) For the purposes of the financial year commencing on 1st July, 1976, a reference in sections 16K and 16L to the “prescribed amount” is, in relation to a designated group employer, a reference to the amount calculated in accordance with the following formula :—

$$\frac{TW}{TW + IW} \left[ \left\{ \frac{20800A}{184} + \frac{24000B}{181} \right\} - \frac{2}{3} \left\{ (TW + IW) - \left\{ \frac{20800A}{184} + \frac{24000B}{181} \right\} \right\} \right]$$

SCHEDULE

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*Pay-roll Tax (Amendment).*

---

SCHEDULE 1—*continued.*AMENDMENTS TO THE PAY-ROLL TAX ACT, 1971—  
*continued.*

where—

TW is the total of the taxable wages paid or payable by the members of the group, in respect of which that designated group employer is the designated group employer, during the financial year commencing on 1st July, 1976;

IW is the total of the interstate wages paid or payable by the members of that group during the financial year commencing on 1st July, 1976;

A is the number of days in that part of the period commencing on 1st July, 1976, and ending on 31st December, 1976, for which that designated group employer was the designated group employer in respect of that group, reduced by the number of days, if any, during that part in respect of which no wages (disregarding foreign wages) were paid or payable by any member of that group; and

B is the number of days in that part of the period commencing on 1st January, 1977, and ending on 30th June, 1977, for which that designated group employer was the designated group employer in respect of that group, reduced by the number of days, if any, during that part in respect of which no wages (disregarding foreign wages) were paid or payable by any member of that group.

SCHEDULE

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*Pay-roll Tax (Amendment).*


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SCHEDULE 1—*continued.*AMENDMENTS TO THE PAY-ROLL TAX ACT, 1971—  
*continued.*

(3) For the purposes of the financial year commencing on 1st July, 1977, and each financial year thereafter, a reference in sections 16K and 16L to the “prescribed amount” is, in relation to a designated group employer, a reference to the amount calculated in accordance with the following formula :—

$$\frac{TW}{TW + IW} \left[ \frac{48000C}{D} - \frac{2}{3} \left( (TW + IW) - \frac{48000C}{D} \right) \right]$$

where—

TW is the total of the taxable wages paid or payable by the members of the group, in respect of which that designated group employer is the designated group employer, during the financial year;

IW is the total of the interstate wages paid or payable by the members of that group during the financial year;

C is the number of days in that part of the financial year for which that designated group employer was the designated group employer in respect of that group, reduced by the number of days, if any, during that part in respect of which no wages (disregarding foreign wages) were paid or payable by any member of that group; and

D is the number of days in the financial year.

SCHEDULE

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*Pay-roll Tax (Amendment).*

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SCHEDULE 1—*continued.*AMENDMENTS TO THE PAY-ROLL TAX ACT, 1971—  
*continued.*

(11) Section 16K (4), (5)—

Omit “commencing on or after 1st January, 1976,”.

(12) Section 19—

Omit “two”, insert instead “six”.

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