

Western Australia

Pay-roll Tax Act 2002

As at 20 Mar 2003

No. 47 of 2002

Extract from www.slp.wa.gov.au, see that website for further information

Pay-roll Tax Act 2002

CONTENTS

Part 1 — Preliminary		
1.	Short title	2
2.	Commencement	2
3.	Relationship with other Acts	2
4.	Meaning of terms	2
Part 2 — Imposition of pay-roll tax		
Division 1 — Imposition		
5.	Imposition of pay-roll tax	3
Division 2 — Local non-group employers		
6.	Monthly rate	3
7.	Annual rate	4
Division 3 — Interstate non-group employers		
8.	Annual rate	6
9.	Monthly rate based on estimates	7
Division 4 — Group employers		
10.	Annual rate	8
11.	Monthly rate based on estimates	10

Western Australia

Pay-roll Tax Act 2002

No. 47 of 2002

An Act to impose pay-roll tax.

[Assented to 20 March 2003]

The Parliament of Western Australia enacts as follows:

Part 1 — Preliminary

1. Short title

This Act may be cited as the *Pay-roll Tax Act 2002*.

2. Commencement

This Act comes into operation on the day on which the *Taxation Administration Act 2003* comes into operation.

3. Relationship with other Acts

The *Pay-roll Tax Assessment Act 2002* and the *Taxation Administration Act 2003* are to be read with this Act as if they formed a single Act.

4. Meaning of terms

The Glossaries at the ends of the *Pay-roll Tax Assessment Act 2002* and the *Taxation Administration Act 2003* define or affect the meaning of some of the words and expressions used in this Act and also affect the operation of other provisions.

Part 2 — Imposition of pay-roll tax

Division 1 — Imposition

5. Imposition of pay-roll tax

Pay-roll tax is imposed at the rates set out —

- (a) for local non-group employers — in Division 2;
- (b) for interstate non-group employers — in Division 3; and
- (c) for group employers — in Division 4.

Division 2 — Local non-group employers

6. Monthly rate

- (1) The rate of pay-roll tax payable for a month or part of a month by a local non-group employer is the rate set out, or determined under the subsection referred to, in the Table to this subsection according to the amount of WA taxable wages paid or payable by the employer during that month or part of a month.

Amount of WA taxable wages paid or payable during the month or part of a month (\$)	Rate
Not more than $\frac{225\ 000 \times D}{M}$	3.65%
More than $\frac{225\ 000 \times D}{M}$ but less than $\frac{375\ 000 \times D}{M}$	Rate determined under subsection (2)
Not less than $\frac{375\ 000 \times D}{M}$ but less than $\frac{468\ 750 \times D}{M}$	Rate determined under subsection (3)
$\frac{468\ 750 \times D}{M}$ or more	6.00%

Pay-roll Tax Act 2002

Part 2 Imposition of pay-roll tax
Division 2 Local non-group employers
s. 7

- (2) The rate determined under this subsection is R% in the formula —

$$R\% = \frac{\left(\frac{8\,212.50 \times D}{M} \right) + \left[0.06025 \times \left(W - \frac{225\,000 \times D}{M} \right) \right]}{W} \times 100$$

- (3) The rate determined under this subsection is R% in the formula —

$$R\% = \frac{\left(\frac{17\,250 \times D}{M} \right) + \left[0.116 \times \left(W - \frac{375\,000 \times D}{M} \right) \right]}{W} \times 100$$

- (4) The rates determined under subsections (2) and (3) are to be calculated to 4 decimal places.

- (5) In this section —

D is the number of days in the month, or part of the month, during which WA taxable wages were paid or payable by the employer;

M is the number of days in the month;

W is the total amount of WA taxable wages paid or payable by the employer during the month or part of the month.

7. Annual rate

- (1) The rate of pay-roll tax payable for a financial year or part of a financial year by a local non-group employer is the rate set out, or determined under the subsection referred to, in the Table to this subsection according to the amount of WA taxable wages paid or payable by the employer during that financial year or part of a year.

Amount of WA taxable wages paid or payable during the financial year or part of a year (\$)	Rate
Not more than $\frac{2\,700\,000 \times D}{Y}$	3.65%

Amount of WA taxable wages paid or payable during the financial year or part of a year (\$)	Rate
More than $\frac{2\,700\,000 \times D}{Y}$ but less than $\frac{4\,500\,000 \times D}{Y}$	Rate determined under subsection (2)
Not less than $\frac{4\,500\,000 \times D}{Y}$ but less than $\frac{5\,625\,000 \times D}{Y}$	Rate determined under subsection (3)
$\frac{5\,625\,000 \times D}{Y}$ or more	6.00%

- (2) The rate determined under this subsection is R% in the formula —

$$R\% = \frac{\left(\frac{98\,550 \times D}{Y} \right) + \left[0.06025 \times \left(W - \frac{2\,700\,000 \times D}{Y} \right) \right]}{W} \times 100$$

- (3) The rate determined under this subsection is R% in the formula —

$$R\% = \frac{\left(\frac{207\,000 \times D}{Y} \right) + \left[0.116 \times \left(W - \frac{4\,500\,000 \times D}{Y} \right) \right]}{W} \times 100$$

- (4) The rates determined under subsections (2) and (3) are to be calculated to 4 decimal places.

- (5) In this section —

D is the number of days in the financial year, or part of the year, during which WA taxable wages were paid or payable by the employer;

Y is the number of days in the financial year;

W is the total amount of WA taxable wages paid or payable by the employer during the financial year or part of the year.

Division 3 — Interstate non-group employers

8. Annual rate

- (1) The rate of pay-roll tax payable for a financial year or part of a year by an interstate non-group employer is the rate set out, or determined under the subsection referred to, in the Table to this subsection according to the amount of WA taxable wages and interstate taxable wages paid or payable by the employer during the financial year or part of a year.

Amount of WA taxable wages and interstate taxable wages paid or payable during the financial year or part of a year (\$)	Rate
Not more than $\frac{2\,700\,000 \times D}{Y}$	3.65%
More than $\frac{2\,700\,000 \times D}{Y}$ but less than $\frac{4\,500\,000 \times D}{Y}$	Rate determined under subsection (2)
Not less than $\frac{4\,500\,000 \times D}{Y}$ but less than $\frac{5\,625\,000 \times D}{Y}$	Rate determined under subsection (3)
$\frac{5\,625\,000 \times D}{Y}$ or more	6.00%

- (2) The rate determined under this subsection is R% in the formula —

$$R\% = \frac{\left(\frac{98\,550 \times D}{Y} \right) + \left[0.06025 \times \left((W + I) - \frac{2\,700\,000 \times D}{Y} \right) \right]}{(W + I)} \times 100$$

- (3) The rate determined under this subsection is R% in the formula —

$$R\% = \frac{\left(\frac{207\,000 \times D}{Y} \right) + \left[0.1160 \times \left((W + I) - \frac{4\,500\,000 \times D}{Y} \right) \right]}{(W + I)} \times 100$$

- (4) The rates determined under subsections (2) and (3) are to be calculated to 4 decimal places.
- (5) However if an employer fails to comply with section 27 of the *Pay-roll Tax Assessment Act 2002* for a financial year or part of a year, the rate of pay-roll tax payable for the financial year or part of a year by the employer is 6.00%.
- (6) In this section —
- D is the number of days in the financial year, or part of the year, during which WA taxable wages or interstate taxable wages were paid or payable by the employer;
 - Y is the number of days in the financial year;
 - W is the total amount of WA taxable wages paid or payable by the employer during the financial year or part of the year;
 - I is the total amount of interstate taxable wages paid or payable by the employer during the financial year or part of the year.

9. Monthly rate based on estimates

The rate of pay-roll tax payable for each month or part of a month in a financial year or part of a year by an interstate non-group employer is —

- (a) 6.00%; or
- (b) if a determination under section 9 of the *Pay-roll Tax Assessment Act 2002* is in force in relation to the employer — the rate determined in accordance with

section 8 calculated (to 2 decimal places) on the basis of —

- (i) the estimated total amount of WA taxable wages and interstate taxable wages that will be payable by the employer during the financial year or part of the year; and
- (ii) the estimated number of days in the financial year, or part of the year, during which WA taxable wages or interstate taxable wages will be payable by the employer.

Division 4 — Group employers

10. Annual rate

- (1) The rate of pay-roll tax payable for a financial year or part of a year by each member of a group is the rate set out, or determined under the subsection referred to, in the Table to this subsection according to the amount of WA taxable wages and interstate taxable wages paid or payable by all members of the group during the financial year or part of a year.

Amount of WA taxable wages and interstate taxable wages paid or payable during the financial year or part of a year (\$)	Rate
Not more than $\frac{2\,700\,000 \times D}{Y}$	3.65%
More than $\frac{2\,700\,000 \times D}{Y}$ but less than $\frac{4\,500\,000 \times D}{Y}$	Rate determined under subsection (2)
Not less than $\frac{4\,500\,000 \times D}{Y}$ but less than $\frac{5\,625\,000 \times D}{Y}$	Rate determined under subsection (3)
$\frac{5\,625\,000 \times D}{Y}$ or more	6.00%

- (2) The rate determined under this subsection is R% in the formula —

$$R\% = \frac{\left(\frac{98\,550 \times D}{Y} \right) + \left[0.06025 \times \left((W + I) - \frac{2\,700\,000 \times D}{Y} \right) \right]}{(W + I)} \times 100$$

- (3) The rate determined under this subsection is R% in the formula —

$$R\% = \frac{\left(\frac{207\,000 \times D}{Y} \right) + \left[0.1160 \times \left((W + I) - \frac{4\,500\,000 \times D}{Y} \right) \right]}{(W + I)} \times 100$$

- (4) The rates determined under subsections (2) and (3) are to be calculated to 4 decimal places.

- (5) However if a member of the group fails to comply with section 27 of the *Pay-roll Tax Assessment Act 2002* for a financial year or part of a year, the rate of pay-roll tax payable for the financial year or part of a year by each member of a group is 6.00%.

- (6) In this section —

D is the number of days in the financial year, or part of the year, during which WA taxable wages or interstate taxable wages were paid or payable by a member of the group;

Y is the number of days in the financial year;

W is the total amount of WA taxable wages paid or payable by all members of the group during the financial year or part of the year;

I is the total amount of interstate taxable wages paid or payable by all members of the group during the financial year or part of the year.

11. Monthly rate based on estimates

The rate of pay-roll tax payable for each month or part of a month in a financial year or part of a year by each member of a group is —

- (a) 6.00%; or
- (b) if a determination under section 9 of the *Pay-roll Tax Assessment Act 2002* is in force for the members of the group — the rate determined in accordance with section 10 calculated (to 2 decimal places) on the basis of —
 - (i) the estimated total amount of WA taxable wages and interstate taxable wages that will be payable by all members of the group during the financial year or part of the year; and
 - (ii) the estimated number of days in the financial year, or part of the year, during which WA taxable wages or interstate taxable wages will be payable by a member of the group.

=====