

WESTERN AUSTRALIA

**REVENUE LAWS AMENDMENT
(TAXATION) ACT 1997**

No. 12 of 1997

AN ACT to amend the —

- *Debits Tax Act 1990;*
- *Land Tax Act 1976; and*
- *Pay-roll Tax Act 1971.*

[Assented to 25 June 1997]

The Parliament of Western Australia enacts as follows:

PART 1 — PRELIMINARY

Short title

1. This Act may be cited as the *Revenue Laws Amendment (Taxation) Act 1997*.

Commencement

2. (1) If this Act receives the Royal Assent on or before 1 July 1997 it comes into operation on 1 July 1997.

(2) If this Act receives the Royal Assent after 1 July 1997 it is deemed to have come into operation on 1 July 1997.

PART 2 — DEBITS TAX ACT 1990

Principal Act

3. In this Part the *Debits Tax Act 1990** is referred to as the principal Act.

[* *Act No. 56 of 1990.*]

Section 5 amended

4. Section 5 of the principal Act is amended —

- (a) by inserting after “Column 2” the following —
“ of the appropriate Division ”; and
- (b) by inserting after “Column 1” the following —
“ of that Division ”.

Schedule 1 repealed and a Schedule substituted

5. Schedule 1 to the principal Act is repealed and the following Schedule is substituted —

“

SCHEDULE 1 — AMOUNT OF TAX (Section 5)

Division 1 — Debits made before 1 July 1997

Column 1	Column 2
Range of amounts of taxable debits or eligible debits	Amount of tax
Not less than \$1 but less than \$100	15 cents
Not less than \$100 but less than \$500	35 cents
Not less than \$500 but less than \$5 000	75 cents
Not less than \$5 000 but less than \$10 000	\$1.50
\$10 000 or more	\$2.00

Division 2 — Debits made on or after 1 July 1997

Column 1	Column 2
Range of amounts of taxable debits or eligible debits	Amount of tax
Not less than \$1 but less than \$100	30 cents
Not less than \$100 but less than \$500	70 cents
Not less than \$500 but less than \$5 000	\$1.50
Not less than \$5 000 but less than \$10 000	\$3.00
\$10 000 or more	\$4.00

”.

PART 3 — LAND TAX ACT 1976

Principal Act

6. In this Part the *Land Tax Act 1976** is referred to as the principal Act.

[* *Act No. 13 of 1976.*

*For subsequent amendments see 1996 Index to
Legislation of Western Australia, Table 1, p. 126.]*

Section 9 amended

7. Section 9 of the principal Act is amended by deleting “, and for each year of assessment thereafter,”.

Section 10 added

8. After section 9 of the principal Act the following section is added —

“

Land tax rate from 1997

10. For the year of assessment commencing on 1 July 1997, and for each year of assessment thereafter, land tax is imposed, and shall be payable pursuant to the *Land Tax Assessment Act 1976*, at the rate shown in Schedule 6.

”.

Schedule 6 added

9. After Schedule 5 to the principal Act the following Schedule is added —

“

SCHEDULE 6

[Section 10]

Unimproved value of the land under the <i>Land Tax Assessment Act 1976</i>		Rate
Exceeding \$	Not exceeding \$	
0	10 000	Nil
10 000	75 000	\$15.00 plus 0.15 cent for each \$1 in excess of \$10 000
75 000	140 000	\$112.50 plus 0.25 cent for each \$1 in excess of \$75 000
140 000	210 000	\$275.00 plus 0.45 cent for each \$1 in excess of \$140 000
210 000	325 000	\$590.00 plus 0.80 cent for each \$1 in excess of \$210 000
325 000	700 000	\$1 510.00 plus 1.20 cents for each \$1 in excess of \$325 000
700 000	1 100 000	\$6 010.00 plus 1.60 cents for each \$1 in excess of \$700 000
1 100 000		\$12 410.00 plus 2 cents for each \$1 in excess of \$1 100 000

”.

PART 4 — PAY-ROLL TAX ACT 1971

Principal Act

10. In this Part the *Pay-roll Tax Act 1971** is referred to as the principal Act.

[* Reprinted as at 10 September 1992.
For subsequent amendments see 1996 Index to
Legislation of Western Australia, Table 1, p. 169.]

Section 5 amended

11. Section 5 of the principal Act is amended by repealing subsections (2) and (3) and substituting the following subsections —

“

(2) If the amount of taxable wages paid or payable by an employer for a month after the month of June 1997 is —

- (a) not more than \$225 000, the rate of pay-roll tax payable each month is 3.65%;
- (b) more than \$225 000 but less than \$375 000, the rate of pay-roll tax payable each month is R%, where —

$$R = \frac{8\,212.50 + 0.06025 (W - 225\,000)}{W} \times 100$$

(calculated to 4 decimal points)

W = amount of taxable wages paid or payable for the month;

- (c) not less than \$375 000 but less than \$468 750, the rate of pay-roll tax payable each month is R%, where —

$$R = \frac{17\,250.00 + 0.0940 (W - 375\,000)}{W} \times 100$$

(calculated to 4 decimal points)

W = amount of taxable wages paid or payable for the month;

- (d) \$468 750 or more, the rate of pay-roll tax payable each month is 5.56%.

(3) If the amount of taxable wages paid or payable by an employer for a financial year commencing on 1 July 1997 or 1 July of a subsequent year is —

- (a) not more than \$2 700 000, the rate of pay-roll tax for the year is 3.65%;

- (b) more than \$2 700 000 but less than \$4 500 000, the rate of pay-roll tax for the year is R%, where —

$$R = \frac{98\,550 + 0.06025 (W - 2\,700\,000)}{W} \times 100$$

(calculated to 4 decimal points)

W = amount of taxable wages paid or payable for the year;

- (c) not less than \$4 500 000 but less than \$5 625 000, the rate of pay-roll tax for the year is R%, where —

$$R = \frac{207\,000 + 0.0940 (W - 4\,500\,000)}{W} \times 100$$

(calculated to 4 decimal points)

W = amount of taxable wages paid or payable for the year;

- (d) \$5 625 000 or more, the rate of pay-roll tax for the year is 5.56%.

”.

Section 6 amended

12. Section 6 of the principal Act is amended by repealing subsections (6) and (7) and substituting the following subsections —

“

(6) If the estimated total interstate wages and taxable wages paid or payable by an employer for a financial year commencing on 1 July 1997 or 1 July of a subsequent year is —

- (a) not more than \$2 700 000, the rate of pay-roll tax payable each month for the year shall be determined as 3.65%;
- (b) more than \$2 700 000 but less than \$4 500 000, the rate of pay-roll tax payable each month for the year shall be determined as R%, where —

$$R = \frac{98\,550 + 0.06025 (E - 2\,700\,000)}{E} \times 100$$

(calculated to 2 decimal points)

E = amount of total interstate wages and taxable wages estimated by the employer to be paid or payable for the year;

- (c) not less than \$4 500 000 but less than \$5 625 000, the rate of pay-roll tax payable each month for the year shall be determined as R%, where —

$$R = \frac{207\,000 + 0.0940 (E - 4\,500\,000)}{E} \times 100$$

(calculated to 2 decimal points)

E = amount of total interstate wages and taxable wages estimated by the employer to be paid or payable for the year;

- (d) \$5 625 000 or more, no determination shall be made under this subsection.

(7) Subject to subsection (11), if the amount of total interstate wages and taxable wages paid or payable by an employer for a financial year commencing on 1 July 1997 or 1 July of a subsequent year is —

- (a) not more than \$2 700 000, the rate of pay-roll tax for the year is 3.65%;
- (b) more than \$2 700 000 but less than \$4 500 000, the rate of pay-roll tax for the year is R%, where —

$$R = \frac{98\,550 + 0.06025 (W - 2\,700\,000)}{W} \times 100$$

(calculated to 4 decimal points)

W = amount of total interstate wages and taxable wages paid or payable for the year;

- (c) not less than \$4 500 000 but less than \$5 625 000, the rate of pay-roll tax for the year is R%, where —

$$R = \frac{207\,000 + 0.0940 (W - 4\,500\,000)}{W} \times 100$$

(calculated to 4 decimal points)

W = amount of total interstate wages and taxable wages paid or payable for the year;

- (d) \$5 625 000 or more, the rate of pay-roll tax for the year is 5.56%.

”.

Section 7 amended

13. Section 7 of the principal Act is amended by repealing subsections (7) and (8) and substituting the following subsections —

“

(7) If the estimated total interstate wages and taxable wages paid or payable by all members of a group that pay taxable wages in Western Australia for a financial year commencing on 1 July 1997 or 1 July of a subsequent year is —

- (a) not more than \$2 700 000, the rate of pay-roll tax payable each month by each member of the group for the year shall be determined as 3.65%;
- (b) more than \$2 700 000 but less than \$4 500 000, the rate of pay-roll tax payable each month by each member of the group for the year shall be determined as R%, where —

$$R = \frac{98\,550 + 0.06025 (E - 2\,700\,000)}{E} \times 100$$

(calculated to 2 decimal points)

E = amount of total interstate wages and taxable wages estimated to be paid or payable for the year by all members of the group that pay taxable wages in Western Australia;

- (c) not less than \$4 500 000 but less than \$5 625 000, the rate of pay-roll tax payable each month by each member of the group for the year shall be determined as R%, where —

$$R = \frac{207\,000 + 0.0940 (E - 4\,500\,000)}{E} \times 100$$

(calculated to 2 decimal points)

E = amount of total interstate wages and taxable wages estimated to be paid or payable for the year by all members of the group that pay taxable wages in Western Australia;

- (d) \$5 625 000 or more, no determination shall be made under this subsection.

(8) Subject to subsection (12), if the amount of total interstate wages and taxable wages paid or payable by all members of a group that pay taxable wages in Western Australia for a financial year commencing on 1 July 1997 or 1 July of a subsequent year is —

- (a) not more than \$2 700 000, the rate of pay-roll tax for the year is 3.65%;
- (b) more than \$2 700 000 but less than \$4 500 000, the rate of pay-roll tax for the year is $R\%$, where —

$$R = \frac{98\,550 + 0.06025 (W - 2\,700\,000)}{W} \times 100$$

(calculated to 4 decimal points)

W = amount of total interstate wages and taxable wages paid or payable for the year by all members of the group that pay taxable wages in Western Australia;

- (c) not less than \$4 500 000 but less than \$5 625 000, the rate of pay-roll tax for the year is $R\%$, where —

$$R = \frac{207\,000 + 0.0940 (W - 4\,500\,000)}{W} \times 100$$

(calculated to 4 decimal points)

W = amount of total interstate wages and taxable wages paid or payable for the year by all members of the group that pay taxable wages in Western Australia;

- (d) \$5 625 000 or more, the rate of pay-roll tax for the year is 5.56%.

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Existing rates and liabilities not affected

14. Without limiting the operation of the *Interpretation Act 1984*, the provisions of the principal Act as in force immediately before the commencement of this Act, insofar as they apply to a period before that commencement, continue to have effect in relation to the imposition of pay-roll tax under the principal Act in respect of wages paid or payable for that period and the assessment, collection and payment of any pay-roll tax imposed in respect of such wages.