

PAY-ROLL TAX.

No. 82 of 1985.

AN ACT to amend the Pay-roll Tax Act 1971.

[Assented to 4 December 1985.]

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and the Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

1. (1) This Act may be cited as the *Pay-roll Tax Amendment Act 1985*.

Short title
and principal
Act.

(2) In this Act, the Pay-roll Tax Act 1971 is referred to as the principal Act.

Act No. 11 of
1971 as
amended by
Acts Nos. 53
of 1973,
2 of 1974
and 96 of
1984.

Commence-
ment.

2. This Act shall come into operation on 1 January 1986.

Section 3
amended.

3. Section 3 of the principal Act is amended by deleting "section 4 of".

Section 4
amended.

4. Section 4 of the principal Act is amended in paragraph (d) by inserting after "1984" the following—

“ but during or before the month of December 1985 ”.

Sections 5 to
7 added.

5. After section 4 of the principal Act the following sections are added—

Rates for
employers
other than
group
employers or
payers of
interstate
wages.

“ 5. (1) This section applies in respect of every employer who—

(a) is not a member of a group; and

(b) does not pay interstate wages,

and declares the rate of pay-roll tax payable by every such employer to be the appropriate rate ascertained in accordance with this section.

(2) Where the amount of taxable wages paid or payable by an employer for a month after the month of December 1985 is—

(a) not more than \$73 333, the rate of pay-roll tax payable each month is 4%;

- (b) more than \$73 333 but less than \$117 333, the rate of pay-roll tax payable each month is to be ascertained in accordance with the following formula—

$$\frac{2\,933.33 + \frac{3}{50}(A - 73\,333)}{A} \times 100$$

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

- (c) \$117 333 or more, the rate of pay-roll tax payable each month is 4.75%.

(3) Where the amount of taxable wages paid or payable by an employer for the period commencing on 1 January 1986 and ending on 30 June 1986 is—

- (a) not more than \$440 000, the rate of pay-roll tax for the period is 4%;
- (b) more than \$440 000 but less than \$704 000, the rate of pay-roll tax for the period is to be ascertained in accordance with the following formula—

$$\frac{17\,600 + \frac{3}{50}(B - 440\,000)}{B} \times 100$$

B = amount of taxable wages paid or payable for the period;

- (c) \$704 000 or more, the rate of pay-roll tax for the period is 4.75%.

(4) Where the amount of taxable wages paid or payable by an employer for a financial year commencing on 1 July 1986 or 1 July of a subsequent year is—

- (a) not more than \$880 000, the rate of pay-roll tax for the year is 4%;
- (b) more than \$880 000 but less than \$1 408 000, the rate of pay-roll tax for the year is to be ascertained in accordance with the following formula—

$$\frac{35\,200 + \frac{3}{50}(C - 880\,000)}{C} \times 100$$

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

- (c) \$1 408 000 or more, the rate of pay-roll tax for the year is 4.75%.

Rates for employers who pay interstate wages but are not group members.

6. (1) This section applies in respect of every employer who—

- (a) is not a member of a group; and
- (b) pays interstate wages,

and declares the rate of pay-roll tax payable by every such employer to be the appropriate rate ascertained in accordance with this section.

(2) The rate of pay-roll tax payable each month by an employer is 4.75% unless and until the Commissioner determines under this section that a lesser rate is payable and informs the employer accordingly.

(3) An employer may request the Commissioner to determine that a lesser rate than 4.75% shall be payable each month and for that purpose shall provide the

Commissioner in the approved form and manner with estimates of and other information concerning the total interstate wages and taxable wages that the employer expects to pay throughout Australia in respect of the period commencing on 1 January 1986 and ending on 30 June 1986 or the period of any financial year commencing on 1 July 1986 or 1 July of a subsequent year, as the case may require.

(4) Upon receiving a request supported by estimates and information to his satisfaction under subsection (3), the Commissioner shall determine the rate of pay-roll tax payable each month by the employer in accordance with subsections (5) and (6) and shall inform the employer of his determination (if any).

(5) Where the estimated total interstate wages and taxable wages paid or payable by an employer for the period commencing on 1 January 1986 and ending on 30 June 1986 is—

- (a) not more than \$440 000, the rate of pay-roll tax payable each month for the period shall be determined as 4% ;
- (b) more than \$440 000 but less than \$704 000, the rate of pay-roll tax payable each month for the period shall be determined (calculated to 2 decimal points) in accordance with the following formula—

$$\frac{17\,600 + \frac{3}{50}(D - 440\,000)}{D} \times 100$$

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

- (c) \$704 000 or more, no determination shall be made under this subsection.

(6) Where the estimated total interstate wages and taxable wages paid or payable by an employer for a financial year commencing on 1 July 1986 or 1 July of a subsequent year is—

- (a) not more than \$880 000, the rate of pay-roll tax payable each month for the year shall be determined as 4%;
- (b) more than \$880 000 but less than \$1 408 000, the rate of pay-roll tax payable each month for the year shall be determined (calculated to 2 decimal points) in accordance with the following formula—

$$\frac{35\,200 + \frac{3}{50}(E - 880\,000)}{E} \times 100$$

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

- (c) \$1 408 000 or more, no determination shall be made under this subsection.

(7) Subject to subsection (9), where the amount of total interstate wages and taxable wages paid or payable by an employer for the period commencing on 1 January 1986 and ending on 30 June 1986 is—

- (a) not more than \$440 000, the rate of pay-roll tax for the period is 4%;
- (b) more than \$440 000 but less than \$704 000 the rate of pay-roll tax for the period is to be ascertained

(calculated to 4 decimal points) in accordance with the following formula—

$$\frac{17\,600 + \frac{3}{50}(F - 440\,000)}{F} \times 100$$

F = amount of total interstate wages and taxable wages paid or payable for the period;

- (c) \$704 000 or more, the rate of pay-roll tax for the period is 4.75%.

(8) Subject to subsection (9), where the amount of total interstate wages and taxable wages paid or payable by an employer for a financial year commencing on 1 July 1986 or 1 July of a subsequent year is—

- (a) not more than \$880 000, the rate of pay-roll tax for the year is 4%;
- (b) more than \$880 000 but less than \$1 408 000, the rate of pay-roll tax for the year is to be ascertained (calculated to 4 decimal points) in accordance with the following formula—

$$\frac{35\,200 + \frac{3}{50}(G - 880\,000)}{G} \times 100$$

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

- (c) \$1 408 000 or more, the rate of pay-roll tax for the year is 4.75%.

(9) Notwithstanding subsections (7) and (8), if in respect of a year or period an employer fails to comply with section 13 (4) of the Pay-roll Tax Assessment Act 1971, the rate of pay-roll tax for the year or period is 4.75%.

Rates for
group
employers.

7. (1) This section applies in respect of every employer who pays taxable wages and is a member of a group and declares the rate of pay-roll tax payable by every such employer to be the appropriate rate ascertained in accordance with this section.

(2) The rate of the pay-roll tax payable each month by an employer is 4.75% unless and until the Commissioner determines under this section that a lesser rate is payable and informs the employer accordingly.

(3) An employer who is the designated group employer may request the Commissioner to determine a lesser rate than 4.75% payable each month by every member of the group that pays taxable wages in Western Australia and for that purpose the designated group employer shall provide the Commissioner in the approved form and manner with estimates of and information concerning the total interstate wages and taxable wages that those members of the group that pay taxable wages in Western Australia expect to pay throughout Australia in respect of the period commencing on 1 January 1986 and ending on 30 June 1986 or the period of any financial year commencing on 1 July 1986 or 1 July of a subsequent year, as the case may require.

(4) Where a designated group employer is unable to provide the estimates and information required for the purposes of subsection (3), the designated group employer

may, by instrument signed by every member of the group that pays taxable wages in Western Australia, notify the Commissioner that—

- (a) the designated group employer is unable to provide the Commissioner with those estimates and that information;
- (b) all members of the group that pay taxable wages in Western Australia request the Commissioner to determine a lower rate than 4.75% payable each month by those members; and
- (c) each such member of the group undertakes to supply directly to the Commissioner those estimates and that information in respect of that member.

(5) Upon receiving a request supported by estimates and information to his satisfaction under subsection (3) or a notice, estimates and information to his satisfaction under subsection (4), the Commissioner shall determine in accordance with subsections (6) and (7) the rate of pay-roll tax payable each month by every member of the group that pays taxable wages in Western Australia and shall inform every such member of the group of his determination (if any).

(6) Where the estimated total interstate wages and taxable wages paid or payable by all members of the group that pay taxable wages in Western Australia for the period commencing on 1 January 1986 and ending on 30 June 1986 is—

- (a) not more than \$440 000, the rate of pay-roll tax payable each month by each member of the group for the period shall be determined as 4%;

- (b) more than \$440 000 but less than \$704 000, the rate of pay-roll tax payable each month by each member of the group for the period shall be determined (calculated to 2 decimal points) in accordance with the following formula—

$$\frac{17\ 600 + \frac{3}{50}(H - 440\ 000)}{H} \times 100$$

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

- (c) \$704 000 or more, no determination shall be made under this subsection.

(7) Where the estimated total interstate wages and taxable wages paid or payable by all members of the group that pay taxable wages in Western Australia for a financial year commencing on 1 July 1986 or 1 July of a subsequent year is—

- (a) not more than \$880 000, the rate of pay-roll tax payable each month by each member of the group for the year shall be determined as 4%;
- (b) more than \$880 000 but less than \$1 408 000, the rate of pay-roll tax payable each month by each member of the group for the year shall be

determined (calculated to 2 decimal points) in accordance with the following formula—

$$\frac{35\,200 + \frac{3}{50}(I - 880\,000)}{I} \times 100$$

I = 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) \$1 408 000 or more, no determination shall be made under this subsection.

(8) Subject to subsection (10), where the amount of total interstate wages and taxable wages paid or payable for all members of a group that pay taxable wages in Western Australia for the period commencing on 1 January 1986 and ending on 30 June 1986 is—

- (a) not more than \$440 000, the rate of payroll tax for the period is 4%;
- (b) more than \$440 000 but less than \$704 000, the rate of pay-roll tax for the period is to be ascertained (calculated to 4 decimal points) in accordance with the following formula—

$$\frac{17\,600 + \frac{3}{50}(J - 440\,000)}{J} \times 100$$

J = 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) \$704 000 or more, the rate of pay-roll tax for the period is 4.75%.

(9) Subject to subsection (10), where 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 1986 or 1 July of a subsequent year is—

- (a) not more than \$880 000, the rate of pay-roll tax for the year is 4%;
- (b) more than \$880 000 but less than \$1 408 000, the rate of pay-roll tax for the year is to be ascertained (calculated to 4 decimal points) in accordance with the following formula—

$$35\,200 + \frac{3}{50}(K - 880\,000) \times 100$$

$$K$$

K = 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) \$1 408 000 or more, the rate of pay-roll tax for the year is 4.75%.

(10) Notwithstanding subsections (8) and (9), if in respect of a year or period the designated group employer or any member of the group that pays taxable wages in Western Australia, as the case may require, fails to comply with section 13 (4) of the Pay-roll Tax Assessment Act 1971, the rate of pay-roll tax for the year or period is 4.75%.