

FORM QRO—PT1

Application for exclusion from grouping

Version 5—July 2018

Payroll Tax Act 1971 (section 74)



Queensland
Government

About this form

Complete this form and attach all supporting documentation to apply to the Commissioner of State Revenue to exercise discretion to grant an exclusion order.

Part 4 of the *Payroll Tax Act 1971* (the Act) provides for the grouping of two or more persons. The effect of grouping is that only one payroll tax deduction can be claimed for each group.

Section 74 of the Act provides that the Commissioner may make an order excluding an employer from a group if the business carried on by the employer is carried on independently and not connected with any other member of the group.

Note: Section 74(4) of the Act provides that the Commissioner cannot make such an order if the businesses are related bodies corporate under the *Corporations Act 2001* (Cwlth).

Applicant contact details

Applicant name	<input type="text"/>		
Address	<input type="text"/>		
Suburb/town	<input type="text"/>	State <input type="text"/>	Postcode <input type="text"/>
Contact name	<input type="text"/>		
Contact phone	<input type="text"/>		
Email	<input type="text"/>		

(All correspondence will be sent to your postal address.)

Details of group members

Enter the particulars of all members of the group and indicate in the tick box the members applying for an exclusion order.

Member name	Qld client number (if applicable)	ABN/ACN	<input checked="" type="checkbox"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>

If there are additional group members, attach a separate sheet stating the relevant details.

Does the group pay interstate wages (outside of Queensland)?

Yes Which jurisdictions? (e.g. NSW, Vic.)

No

Has an application for exclusion from grouping for this matter been lodged in any other state or territory?

Yes Attach a copy of the determination (if available).

No

What is the effective date or periods of exclusion?
(Enter the date from or period for which you are seeking the exclusion.)

Exclusion application details

Provide the following details for all group members in Queensland and interstate. All questions must be answered. If the question does not apply to your particular circumstance, indicate as 'not applicable'.

Commonly controlled businesses

1. If any of the businesses are conducted by a partnership:
 - (a) the names of all the partners
 - (b) the entitlement of profits
 - (c) the capital invested
 - (d) a copy of the partnership agreement and all amendments to that agreement.
2. If any of the businesses are conducted by a trustee corporation, other corporation or incorporated body:
 - (a) the names of all the shareholders
 - (b) the percentage of shares held by each shareholder
 - (c) the percentage of voting rights held by each shareholder
 - (d) the names of all directors, nominee directors and shadow directors
 - (e) a copy of the constitution or other constituent documents
 - (f) copies of any proxy agreements relating to shares held by any of the shareholders
 - (g) copies of any shareholder agreements
 - (h) copies of any powers of attorney or deed polls (including those containing negative covenants) relating to the exercise or non-exercise of powers, voting rights or discretions by shareholders and/or directors.
3. If any of the businesses are conducted by a trust:
 - (a) advice as to whether the trust is a discretionary trust or another form of trust
 - (b) for a unit trust—a list of all unit holders, the number of units held, their relationship (if any) and details of all changes to these holdings between the date from which exclusion is sought and the date of application
 - (c) for a discretionary trust—a list of all the beneficiaries
 - (d) details of the trustee or trustees of the trust, including changes to who has had this role
 - (e) copies of the trust deed/agreement and all amendments to it
 - (f) details of all distributions (whether of income or capital) from the trust for the period from the date from which application is sought to the date of the application.
4. A group diagram/chart showing the relationships between the businesses.

Use of employees

5. If there is any use of common employees (in respect of each common employee):
 - (a) name of the employee and their title and role
 - (b) which member of the group is their employer
 - (c) what services they perform
 - (d) which members in the group they perform those services for
 - (e) the proportion of their time spent providing services to the other members of the group.
6. Are there any agreements or arrangements in writing for the provision of the services?
 - (a) If yes, provide a copy of this agreement.
 - (b) If no, advise on what basis common employees are established.
7. Does the business receiving the services pay the employer of the common employee for those services?
 - (a) If yes, how is the payment calculated and is it calculated on a commercial basis?
 - (b) If no, is there any other arrangement in place?
8. Where are these services performed?
9. Are invoices required to be submitted for work performed for other business? How is payment made?
10. Are the services provided by the common employees services that are ordinarily required by the other business?
11. Would the other employer's business suffer if those services were not performed?

Nature and degree of ownership

12. What is the extent of common ownership in each of the businesses?
13. What is the relationship of the owners of each business? Are they associated persons under section 74C of the Act?

Nature and degree of control

14. Who makes the day-to-day management decisions for each business?
15. What sorts of matters are required to be submitted by management to other persons for decisions, and who are those persons?
16. Who do these persons report to?
17. Are there any agreements about who is responsible for day-to-day management of each business? If so, provide copies.
18. Who makes the strategic and financial decisions for each business?
19. To what extent do the directors/owners/beneficiaries/appointors get involved in the day-to-day operations of the business?
20. Are there any persons who alone or together have management control in more than one member of the group?

Nature of business

21. What is the history and reason for the set-up or acquisition of each business?
22. What are the principal activities of each business? Are these activities the same or complementary and/or supplementary to each other?
23. Are there common customers of the business?
24. Do the businesses compete with one another?
25. Does any business in the group exist solely or predominantly to provide services or goods to the other group members (including the business or businesses seeking exclusion)?

Conducting business together

26. What is the extent, if any, of any trade between members (percentage of sales/purchases)?
27. Are there any agency or management agreements, restrictive trade agreements, franchise arrangements, leases or licenses between any members of the group?
28. What is the nature and extent of any group purchasing or supply arrangements?
29. Do the businesses have common suppliers?
30. Do the businesses have a group insurance or WorkCover policy?

Sharing of resources

31. Are there any shared resources, equipment, facilities or services (including one member using resources owned or leased by another)? This includes, premises, plant and equipment, vehicles, computer systems, telephones, faxes, website and mailing address. If yes, answer the following:
 - (a) What are they and how are they shared?
 - (b) What is the percentage of shared resources, equipment etc. supplied compared to the total requirement of the recipient?
32. Are there any formal arrangements or agreements in place to outline any shared or common resources? Is there a market payment for the use of the shared or common resources?
33. Who owns the intellectual property used by each business? Intellectual property includes logos, letterheads, trademarks, patents, copyright, licences etc. Is any fee paid for the usage and is it commercial?
34. Do the businesses utilise/share a statutory licence? If so, what legislation is the licence under and who is the licensee/nominee, where applicable?

Financial relationships/dependencies

35. What are the banking arrangements of each business?
 - (a) Do they have common or separate facilities?
 - (b) What bank and branch?
 - (c) Who are the cheque signatories of the accounts and/or who authorises EFT payments?
36. Are there any or have there been any intra-group loans or financing arrangements between members of the group? If so, provide the following:
 - (a) documentation relating to these loans
 - (b) the purpose of the loans
 - (c) what securities are against them
 - (d) what interest is charged—for example, none, commercial rates or other
 - (e) details of repayment terms—for example, repayable on demand or defined schedules
 - (f) the amount of the loan compared to total assets and liabilities.

37. Is there a reason why it was decided not to obtain finance via conventional commercial lending sources?
38. What is the extent of cross guarantees, mortgages, letters of comfort etc. between the entities, including at shareholder and director level?
39. Who is the ultimate guarantor for loans to each business?
40. Have any personal guarantees in respect of trade accounts been given? Who has given them?
41. If any property, plant or equipment is leased, who is the lessor?
42. If leased from a member of the group, are lease payments being made at commercial rates?
43. Has anyone given any security or guarantee in relation to lease payments? If yes, what is their relationship with the applicant?
44. Do the members of the group prepare consolidated accounts?
45. Do the members of the group use the same financial adviser, accountant or lawyer?
46. Do the members of the group advertise/market themselves as members of one group?
47. Provide a copy of the financial statements for each member of the group, covering the periods from the date from which exclusion is sought to and including the date on which the application for exclusion has been made.

Declaration

By signing this form, I declare that:

- I am authorised by the applicant to make this declaration.
- The information supplied in this form, and any documents supplied in support of this application, are true and correct.
- I understand that it is an offence to give the Commissioner documents or information that are false or misleading, and that doing so may result in prosecution under ss.122 and 123 of the *Taxation Administration Act 2001*.
- I understand that failure to make full disclosure in respect of each question contained in this form may result in a reassessment of the relevant taxpayer's payroll tax liability and the relevant taxpayer will be required to pay any associated unpaid tax interest and penalty tax.

Authorised person's signature	<input type="text"/>
Name	<input type="text"/>
Date	<input type="text" value=" / /"/>
Contact phone	<input type="text"/>
Email	<input type="text"/>

Send the completed form and documents to Queensland Revenue Office by post or email.

Post: GPO Box 2248, Brisbane Qld 4001

Email: payrolltax@treasury.qld.gov.au

Queensland Revenue Office is collecting the information on this form for the purposes of administering state revenue. This is authorised by the *Payroll Tax Act 1971*. Your personal information will not be disclosed without your consent, except in circumstances outlined in the *Taxation Administration Act 2001* or as otherwise authorised by law.

Queensland Revenue Office
 GPO Box 2248
 Brisbane Qld 4001
 Email: payrolltax@treasury.qld.gov.au
 Ph: 1300 300 734

Visit qro.qld.gov.au for information about payroll tax and other state taxes.