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Public Ruling
Payroll Tax Act:

**TEMPORARY INCREASE OF PAYROLL TAX
REBATE FOR WAGES PAID TO
APPRENTICES AND TRAINEES**

A public ruling, when issued, is the published view of the Commissioner of State Revenue (the Commissioner) on the particular topic to which it relates. It therefore replaces and overrides any existing private rulings, memoranda, manuals and advice provided by the Commissioner in respect of the issue(s) it addresses. Where a change in legislation or case law (the law) affects the content of a public ruling, the change in the law overrides the public ruling—that is, the Commissioner will determine the tax liability or eligibility for a concession, grant or exemption, as the case may be, in accordance with the law.

What this ruling is about

1. The *Payroll Tax Act 1971* (Payroll Tax Act) provides a 25 per cent payroll tax rebate for wages paid in an eligible year by an employer, or a designated group employer for a group (DGE), to a person who is an apprentice or trainee under the *Further Education and Training Act 2014*.¹ The rebate is in addition to an exemption from payroll tax for these wages under s.14(2)(j) of the Payroll Tax Act.
2. An 'eligible year', for which the rebate is available, is a financial year ending 30 June 2010, 2011, 2012, 2016, 2017 or 2018.²
3. The rebate is the lesser of:
 - (a) the employer's or DGE's payroll tax amount for the particular liability (periodic, annual or final return)
 - or
 - (b) an amount worked out by applying the payroll tax rate to 25 per cent of the amount of wages exempt under s.14(2)(j) of the Payroll Tax Act that are paid or payable for the relevant period.
4. On 18 July 2016 an administrative arrangement was approved, pursuant to which the payroll tax rebate was increased from 25 per cent to 50 per cent for wages paid in the financial year ending 30 June 2017 (the increased rebate).

¹ Sections 27A, 35A and 43A of the Payroll Tax Act

² Schedule to the Payroll Tax Act, definition of 'eligible year'

5. As part of the 2017–18 State Budget it was announced that the increased rebate will continue for a further 12 months for wages paid in the financial year ending 30 June 2018. To give effect to this announcement, an extension of the administrative arrangement was approved.
6. This public ruling sets out the terms of the extended administrative arrangement.

Ruling and explanation

7. For wages paid or payable during the financial years ending 30 June 2017 and 30 June 2018 only, the payroll tax rebate available under ss.27A, 35A and 43A of the Payroll Tax Act will be calculated on the basis that the formula in ss.27A(3)(a), 35A(4)(a) and 43A(3)(a) respectively is³:

$$T \times W/2$$

8. The definitions of the terms in the formula as provided for in each of those sections will continue to apply, as will all other terms and conditions of the rebate.

Date of effect

9. This public ruling takes effect from the date of issue.

Elizabeth Goli
 Commissioner of State Revenue
 Date of issue: 14 June 2017

References

Public Ruling	Issued	Dates of effect	
		From	To
PTAQ000.3.2	14 June 2017	14 June 2017	30 June 2018
PTAQ000.3.1	20 July 2016	20 July 2016	13 June 2017

³ Rather than $T \times W/4$