

*Memorandum*

**AUSTRALIAN CAPITAL TERRITORY**

**TAXATION (ADMINISTRATION) ACT 1987**

**DETERMINATION FOR THE PURPOSES OF THE PAYROLL TAX ACT 1987**

**NO. 05 OF 1990**

**EXPLANATORY MEMORANDUM**

This instrument revokes the determination notice dated 14 August 1989 which was published in ACT Gazette No.19 on 16 August 189.

This instrument sets the payroll tax rate for the purposes of the Payroll Tax Act 1987 with effect from 1 October 1990.

The new rate is set out below:-

|  |    |
|--|----|
| The part of wages paid or payable that exceeds \$500,000 | 7% |
|--|----|

This single rate replaces a series of rates which previous applied as follows:-

|                            |    |
|----------------------------|----|
| \$432,000 to \$1,512,000   | 7% |
| \$1,512,000 to \$2,268,000 | 8% |
| Over \$2,268,000           | 6% |

The effect of the increased threshold and single 7% rate is to reduce the liability of all employers and groups of employers paying wages in the ACT and interstate of less than \$3,500,000.

Authorised by the Minister for Finance and Urban Services.