

AUSTRALIAN CAPITAL TERRITORY

TAXATION (ADMINISTRATION) ACT 1987

DETERMINATION FOR THE PURPOSES OF THE PAYROLL TAX ACT 1987

No. 167 of 1995

EXPLANATORY STATEMENT

The *Taxation (Administration) Act 1987* deals with the administration of various tax laws relating to the imposition and collection of certain taxes, duties and fees. These tax laws are specified in section 3 of the Act. Section 99(1) empowers the Minister to determine these taxes, duties and fees.

One of the specified tax laws is the *Payroll Tax Act 1987*

This instrument revokes Determination No. 138 of 1994 dated 29 September 1994 and notified in the ACT Special Gazette No S212 of 7 October 1994 and it also revokes Determination No. 162 of 1994 dated 15 December 1994 and published in ACT Special Gazette No. S299 of 19 December 1994 and replaces both those Determinations with a single further Determination.

The new Determination sets the monthly wages threshold below which no employer is required to lodge returns and pay payroll tax. The new Determination also increases the annual wages threshold above which an employer is required to pay payroll tax.

This will give effect to the announcement in the Treasurer's 1995 budget speech that the annual threshold would increase from \$550,000.00 to \$600,000.00 and will keep the ACT thresholds in line with those applying in NSW. This determination also maintains the current rate of tax payable on an employer's taxable wages.

From 1 January 1996 the new monthly threshold is \$50,000 00 per month, replacing the previous threshold of \$45,833 33 per month.

From 1 January 1996 the new annual threshold is \$600,000 00 per annum, replacing the previous threshold of \$550,000 00 per annum.

Authorised by the Treasurer, Kate Carnell MLA