

Australian Government's economic response to the Coronavirus

Updated payroll tax relief - WA

31 March 2020

The Government has announced a range of payroll tax measures to support businesses impacted by the coronavirus.

1. The payroll tax threshold will be increased to \$1 million on 1 July 2020. This brings the increase forward from the planned date of 1 January 2021 and will result in approximately an additional 300 businesses no longer being liable for payroll tax. The threshold increase will be reflected in Revenue Online when it comes into effect.
2. Payroll tax will be waived for March to June for employers who have Australian taxable wages of less than \$7.5 million at 30 June 2020. This waiver replaces the previously announced option to defer payment of payroll tax until July.
 - o Employers, or groups of employers, with Australian taxable wages less than \$5 million at 29 February can automatically claim the waiver by:
 - declaring WA taxable wages as normal in Revenue Online and
 - recording the value of WA taxable wages as exempt wages using the 'Other Exempt Wages' field.
 - o Employers, or groups of employers, with Australian taxable wages of \$5 million or more at 29 February, or new employers registered for payroll tax from 1 March 2020, can apply to defer lodgment and payment of returns. Payroll tax for March to June 2020 will be waived at annual reconciliation if Australian taxable wages are less than \$7.5 million at 30 June 2020.

The Treasurer encourages eligible businesses not negatively affected by COVID-19 to keep paying tax as normal so the funds allocated to this initiative can be used to assist other businesses that are not so fortunate.

3. A one-off grant of \$17,500 will be given to employers, or groups of employers, whose annual Australian taxable wages are more than \$1 million and less than \$4 million.

For further information, please contact us.