

Australian Capital Territory

Taxation Administration (Amounts and Rates—Payroll Tax) Determination 2008 (No 1)

Disallowable instrument DI2008–77

made under the

Taxation Administration Act 1999, s 139 Determination of amounts payable under tax laws

EXPLANATORY STATEMENT

1. This instrument revokes Disallowable Instrument No 86 of 2006, notified on the ACT Legislation Register on 1 June 2006.
2. Under section 139 of the *Taxation Administration Act 1999*, the Minister has the authority to determine, in writing by disallowable instrument, amounts and rates applicable for the *Payroll Tax Act 1987*.
3. The purpose of the instrument is to determine the monthly threshold for the payment of ACT payroll tax under the *Payroll Tax Act 1987*. Section 7 of that Act requires employers to register once they exceed the monthly threshold as determined and they must then lodge monthly returns and pay their payroll tax liability.
4. Payroll tax is collected monthly, but is an annual tax based on wages paid or payable during the whole or part of a financial year. The monthly wages threshold above which an employer is required to register for ACT payroll tax is determined at \$125,000 for the 2008-2009 and future financial years.
5. The instrument also determines the rate used to calculate payroll tax on the total wages paid or payable in excess of the monthly threshold of \$125,000 (\$1,500,000 per annum) at 6.85%. This is unchanged from the previous instrument.
6. The section numbers referred to in the instrument are to the *Payroll Tax Act* as amended on 1 July 2008.
7. The instrument commences on 1 July 2008.