

2019 Payroll Tax Calculation Checklist

Name of taxpayer: _____

Address: _____

Preferred Contact No: _____

Email: _____

Who is liable for payroll tax?

A payroll tax liability arises in South Australia when an employer (or a group of employers) has a wages bill in excess of \$1,500,000 (from 01/01/19) for services rendered by employees anywhere in Australia if any of those services are rendered or performed in South Australia.

Registration

An employer (or a member of a Group of employers) who, in any month, pays wages which are liable to payroll tax in South Australia must register for payroll tax when the Australian wages bill of the employer or group **exceeds \$125,000 in any month** (from 1 January 2019).

For ease of administration, Revenue SA recommends such registration when an employer's wages bill consistently **exceeds \$28,846 per week** (from 1 January 2019).

Annual Reconciliation Guide for SA Payroll Tax

Step 1) Determine when an employer's wages are taxable in South Australia.

The following table illustrates when an employer's wages are taxable in South Australia.

| Where the wages are paid in a month | Where the services performed in a month are | Applicable | Not Applicable |
|-------------------------------------|---|--------------------------|--------------------------|
| In SA | Wholly or partly in SA | <input type="checkbox"/> | <input type="checkbox"/> |
| In SA | In two or more states or territories other than SA | <input type="checkbox"/> | <input type="checkbox"/> |
| In SA | Partly interstate and partly in another country (or countries) | <input type="checkbox"/> | <input type="checkbox"/> |
| In SA | Wholly in another country (or countries) on an assignment of less than 6 continuous months | <input type="checkbox"/> | <input type="checkbox"/> |
| In SA | Wholly or partly outside any state or territory (as defined under the respective payroll tax legislation of the relevant state or territory) but not in another country | <input type="checkbox"/> | <input type="checkbox"/> |
| In another state or territory | Wholly in SA | <input type="checkbox"/> | <input type="checkbox"/> |
| Outside Australia | More than 50% performed in SA | <input type="checkbox"/> | <input type="checkbox"/> |

In circumstances other than those shown above, wages are not taxable in South Australia, but may be taxable in another state or territory.

Step 2) When calculating your Total Wages for Annual Payroll Tax Reconciliation include the following SA wage amounts applicable from step 1 in your calculation:

| Payroll Tax Wage Calculation | Applicable | Not Applicable |
|--|--------------------------|--------------------------|
| Salaries and wages (Including any PAYG withholding) | <input type="checkbox"/> | <input type="checkbox"/> |
| Remuneration (for further details refer to (www.revenuesa.sa.gov.au/payrolltax/)) | <input type="checkbox"/> | <input type="checkbox"/> |
| Bonuses | <input type="checkbox"/> | <input type="checkbox"/> |
| Commissions | <input type="checkbox"/> | <input type="checkbox"/> |
| Allowances and reimbursements Eg. uniform allowances etc. | <input type="checkbox"/> | <input type="checkbox"/> |
| Employment termination payments and accrued leave paid on termination | <input type="checkbox"/> | <input type="checkbox"/> |
| Fringe benefits Eg. Non cash benefit provided to an employee by an employer | <input type="checkbox"/> | <input type="checkbox"/> |
| Shares and options | <input type="checkbox"/> | <input type="checkbox"/> |
| Employer-funded (pre-income tax) superannuation contributions including non-monetary contributions | <input type="checkbox"/> | <input type="checkbox"/> |
| Salary sacrifice (not already included in wages/salaries) | <input type="checkbox"/> | <input type="checkbox"/> |
| Any remuneration paid to or in relation to company directors or members of the governing body (e.g. directors' fees) | <input type="checkbox"/> | <input type="checkbox"/> |
| Contributions to central fund schemes (e.g. Building Industry Redundancy Scheme Trust). | <input type="checkbox"/> | <input type="checkbox"/> |
| Wages of trainees & apprentices | <input type="checkbox"/> | <input type="checkbox"/> |

Step 3) Once you have totalled your SA wages from step 2, reduce it by \$600,000 plus any other exempt wage payments such maternity leave payments. Your SA Wages that exceed \$1,500,000 but are less than \$1,700,000 will be taxed at a progressive rate between 0% and 4.95% on SA wages above \$600,000. If your SA wages exceed \$1,700,000 the excess above \$600,000 will be taxed at 4.95%.