



New South Wales

Payroll Tax Rebate Scheme (Jobs Action Plan) Amendment (Fresh Start Support) Bill 2014 (No 2)

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The object of this Bill is to amend the *Payroll Tax Rebate Scheme (Jobs Action Plan) Act 2011* to implement the Government's proposed support scheme to provide for an additional payroll tax rebate in respect of the employment of persons whose employment with particular employers has been terminated because of redundancy. The additional rebate amount of \$1,000 is to apply in relation to the first year of eligible employment under the Act of a person who has been made redundant.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on the date of assent to the proposed Act.

Schedule 1 Amendment of Payroll Tax Rebate Scheme (Jobs Action Plan) Act 2011 No 19

Schedule 1 [1] inserts a reference to the definitions of *designated employer* and *fresh start employee* for the purposes of the proposed support scheme.

Schedule 1 [2] provides that the Minister may, by notice published in the Gazette, designate an employer as a designated employer, and must have regard to the matters prescribed by the regulations in making a designation. This amendment further provides that the designation of an

employer may have retrospective effect, for the purposes of the proposed support scheme, to a day not earlier than 1 January 2014.

Schedule 1 [3] provides that the annual rebate amount for the first year of eligible employment in respect of fresh start employees under the proposed support scheme is \$3,000. This amount is \$1,000 more than the rebate amount otherwise applying in relation to a person's first year of eligible employment under the Act.

Schedule 1 [4] defines *fresh start employee* and *prescribed redundancy* for the purposes of the proposed support scheme.

Schedule 1 [5] provides that a regulation may prescribe a date to extend the scheme closure date in respect of the employment of any employees or any class of employees. An extension of the scheme closure date in respect of the employment of particular employees would extend the application of the rebate scheme to those employees beyond the current scheme closure date under the Act (30 June 2015). The proposed amendment also states how particular provisions of the Act would apply in relation to such employees, and provides that a regulation may apply provisions of the Act, with any necessary modifications, in relation to an extension of the rebate scheme.

Schedule 1 [6] extends the date on which the Act will be repealed by one year to 1 July 2019.

Schedule 1 [7] provides that an application under section 20 of the Act for registration as a claimant in respect of a fresh start employee may be made within 30 days after the day the notice designating the employee's former employer as a designated employer is published.