

## **Pay-roll Tax Amendment (Supporting Jobs and Small Business) Bill 2005**

### **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 *Pay-roll Tax Act 1971* to increase the tax free threshold for pay-roll tax from \$600,000 to \$850,000. The increase takes effect on 1 July 2007.

#### 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 1 July 2007.

**Clause 3** is a formal provision that gives effect to the amendments to the *Pay-roll Tax Act 1971* set out in Schedule 1.

#### **Schedule 1 Amendments**

**Schedule 1 [1]–[3] and [5]–[10]** contain the amendments to increase the tax free threshold for pay-roll tax from \$600,000 to \$850,000.

**Schedule 1 [4]** makes a consequential amendment to the provisions relating to designation of group employers.

**Schedule 1 [11]** makes provision for savings and transitional regulations.