



New South Wales

# Payroll Tax Amendment (Jobs Plus) Bill 2021

## 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 Act 2007*—

- (a) to exempt employers from liability to pay payroll tax on wages that are the subject of Jobs Plus agreements, and
- (b) to extend an exemption under the Act in relation to the Aged Care Workforce Retention Grant Opportunity program of the Commonwealth.

## 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.

## Schedule 1 Amendment of Payroll Tax Act 2007 No 21

**Schedule 1[2]** enables the Minister for Jobs, Investment, Tourism and Western Sydney, or a delegate of the Minister, to enter into an agreement on behalf of the State (a ***Jobs Plus agreement***) with an employer and to give effect to it. The employer is exempt from paying payroll tax on wages that are the subject of the Jobs Plus agreement. However, if the Minister or Minister's delegate issues the employer a written notice revoking the exemption, the employer will be liable to pay payroll tax on the wages retrospectively. In that case, the Chief Commissioner of State Revenue must reassess the employer's liability to pay payroll tax and the employer cannot object to the reassessment on the basis of the revocation of the exemption. The provision also allows for disclosure of information in relation to Jobs Plus agreements.

**Schedule 1[1]** extends an exemption from payroll tax enacted in response to the COVID-19 pandemic. The amendment removes a limitation on the exemption so that wages funded by the Aged Care Workforce Retention Grant Opportunity program of the Commonwealth that are paid or payable on or after 1 January 2021 continue to be exempt from payroll tax.

**Schedule 1[3]** further provides for the application of the amendments made by the proposed Act.