

## Election Costing Request Form

Details of request	
Party:	Australian Labor Party (NSW Branch)
Name of Policy:	Defer further payroll tax cuts
Date of request:	4 December 2018

Description of policy	
Summary of policy (please attach copies of relevant policy documents and include information on what the policy aims to achieve):	Maintain the existing payroll tax threshold of \$850,000.
Has the policy been publicly released yet?	

Your estimated costing of the policy <sup>1</sup>						
	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 and later years <sup>2</sup> \$'000	Total \$'000
Impact on GGS expenses						
Impact on GGS revenue						
Impact on General Government Sector (GGS) net operating result <sup>3</sup>						
Impact on GGS capital expenditure <sup>4</sup>						
Impact on GGS net lending/borrowing						

**Note:** Has the policy been costed by a third party?  
If yes, can you provide a copy of this costing and its assumptions?

<sup>1</sup> Amounts should be expressed in nominal dollars. GGS - General Government Sector.

<sup>2</sup> Please provide information on other years if spending occurs outside the forward estimate years and will be required to cost the policy or will assist in public understanding of the policy.

<sup>3</sup> Negative for a saving that reduces expenditure

<sup>4</sup> Negative for a reduction in capital expenditure.

<b>Key assumptions made in the policy</b>	
Does the policy relate to a previous announcement? If yes, which announcement?	
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	<p>On 16 June 2018, the NSW Government announced the payroll tax threshold would be increased from \$750,000 as follows:</p> <ul style="list-style-type: none"> <li>• 2018-19           \$850,000</li> <li>• 2019-20           \$900,000</li> <li>• 2020-21           \$950,000</li> <li>• 2021-22           \$1,000,000</li> </ul> <p>The policy being costed supports the 2018-19 increase in the threshold from \$750,000 to \$850,000. However, it would not proceed with further increases in the threshold.</p>
Is there a range for the costing or any sensitivity analysis that you have undertaken?	No.
Are there associated savings, offsets or, in the case of a revenue proposal, offsetting expenses? If yes, please provide details.	..

<b>Administration of policy</b>	
Intended date of implementation:	1 July 2019
Intended duration of policy:	Ongoing.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Revenue NSW
Are there any specific administrative arrangements for the policy that need to be taken into account (e.g. agreements between different levels of government)?	No.
Are there transitional arrangements associated with policy implementation?	..

<b>If the policy is mainly a revenue commitment</b>	
Transaction based or capped:	Transaction-based.
Thresholds and/or exemptions:	See <u>Assumptions</u> .
Collection method:	Consistent with existing arrangements.
Additional expenditure associated with collection:	Nil.