Payroll Tax Australia

Payroll tax is a state and territory tax paid by employers. It is assessed on the gross Australian wages paid or payable to employees by an employer or group of employers. Gross wages are any remuneration paid or payable by an employer to an employee for services provided before taxes and deductions are applied.

Payroll tax is levied on wages paid or payable by an employer to its employees when the total taxable wages of an employer (or group of employers) exceed the threshold amount. Payroll tax is self-assessed and lodged by the employer.

Registration:

Payroll tax is self-assessed and must register with each state and territory where the employer pays taxable wages when taxable Australia-wide wages exceed the threshold.

Registration thresholds and legislative requirements for each state and territory vary. For information on thresholds and links to registration documentation, click on the applicable state or territory below.

Payroll Tax Thresholds and Rates in Different States of Australia:

Particulars	Australian Capital Territory	NSW	Northern Territory	Queensland	South Australia	Tasmania	Victoria	Western Australia
Threshold Limit/ year	$2 million	$1.2 million	$1.5 million	$1.3 million	$1.5 million	$1.25 million	$700,000	$1 million
Threshold Limit/ month	$166,666.66	$95,082/ $98,361/ $101,639	$125,000	$108,333	$125,000	$98,890/ $102,740/ $106,164	$58,333	$83,333
Tax Rate	6.85%	5.45%	5.50%	4.75% (less than $6.5 m) 4.95%(more than $6.5 m)	4.95%	4% (between $1.25 m and $2 m) 6.1% (more than $2 m)	4.85%	5.5% (between $1m and $7.5 m) 6.5% (more than $7.5 m)

State wise links for Registration guidelines and Farms are below:

1) ACT – https://www.revenue.act.gov.au/payroll-tax/registration
2) Western Australia - https://www.wa.gov.au/government/multi-step-guides/payroll-tax-employer-guide/registration-payroll-tax-employer-guide
3) Northern Territory - https://treasury.nt.gov.au/dtf/territory-revenue-office/intra
4) South Australia - https://www.revenuesa.sa.gov.au/payrolltax/register-for-payroll-tax
5) Queensland - https://qro.qld.gov.au/payroll-tax/register/

6) New South Wales - https://www.revenue.nsw.gov.au/taxes-duties-levies-royalties/payroll-tax/register-for-payroll-tax

7) Victoria - https://www.sro.vic.gov.au/payroll-tax/register-payroll-tax

8) Tasmania - https://www.sro.tas.gov.au/payroll-tax/Registration

When need to Register for Payroll Tax:

If the employer pays taxable wages in the respective state or territory and should pay (or the group pays) monthly Australia-wide wages that exceed the state or territory's monthly threshold, he/she must register for payroll tax in the respective state or territory. By law, the employer must apply to register within the 7 days after the end of the month that you go over the threshold amount.

Lodging:

Once an employer has registered with the revenue office of each state and territory in which they are liable for payroll tax, returns need to be submitted to the revenue office of each state and territory that wages are paid.

Lodging monthly returns:
Generally, a registered employer needs to lodge a return each month. **Monthly returns are due on the 7th of the following month**. For example, a return for April needs to be lodged by the 7th of May.

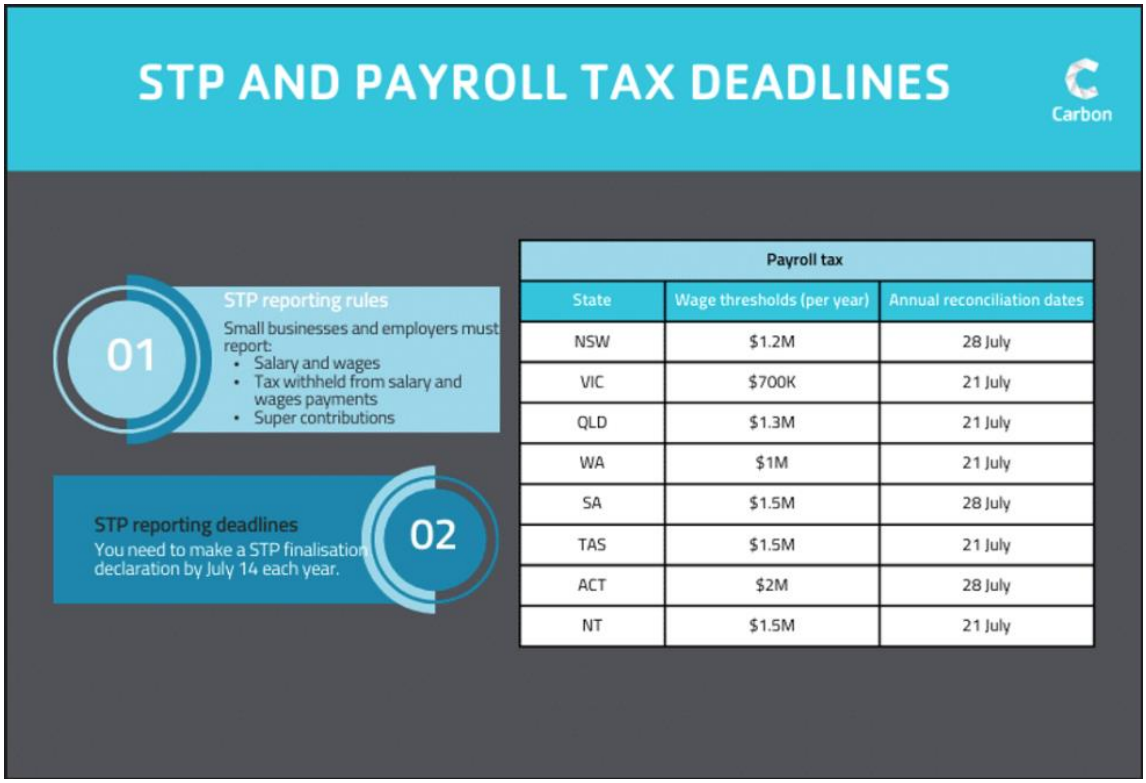
Where the 7th falls on a weekend or public holiday, lodgement and payment of returns will be accepted on the next business day.

Some states and territories offer alternative lodging periods and or due dates.

Lodging annual returns
All registered employers need to lodge an annual return at the end of the financial year.

Most states and territories call the annual return an "annual reconciliation" but some call it an "annual adjustment return".

The annual return must be lodged by the 21st of July each year, except in the Australian Capital Territory, New South Wales and South Australia, where it must be lodged by 28th July.



Payroll tax		
State	Wage thresholds (per year)	Annual reconciliation dates
NSW	$1.2M	28 July
VIC	$700K	21 July
QLD	$1.3M	21 July
WA	$1M	21 July
SA	$1.5M	28 July
TAS	$1.5M	21 July
ACT	$2M	28 July
NT	$1.5M	21 July

Payroll Tax Calculations:

Payroll Tax Monthly working:

	2023 Payroll Tax										
	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23
Salaries & Wages	$78,106.60	$ 92,734.24	$78,304.26	$86,734.57	$1,31,477.15	$85,071.74	$88,915.13	$87,235.35	$1,07,917.97	$84,791.03	$1,07,361.
Allowances											
Bonus/Commissions											
Contractors											
Directors Fees											
Fringe Benefits											
Superannuation	$ 6,510.91	$ 8,420.36	$ 7,184.03	$ 7,943.34	$ 9,604.06	$ 7,665.04	$ 7,499.92	$ 7,591.69	$ 9,399.94	$ 7,554.47	$ 9,616.
Termination Payments											
Annual leave Provison (Expenses)											
Long Service Leave Provision (Expenses)											
Gross Taxable Wages	$84,617.51	$1,01,154.60	$85,488.29	$94,677.91	$1,41,081.21	$92,736.78	$96,415.05	$94,827.04	$1,17,317.91	$92,345.50	$1,16,977.
Less Deduction	$58,333.00	$ 58,333.00	$58,333.00	$58,333.00	$ 58,333.00	$58,333.00	$58,333.00	$58,333.00	$ 58,334.00	$58,334.00	$ 58,334.
Net Taxable Wages	$26,284.51	$ 42,821.60	$27,155.29	$36,344.91	$ 82,748.21	$34,403.78	$38,082.05	$36,494.04	$ 58,983.91	$34,011.50	$ 58,643.
Total Payable - 4.85%	$ 1,274.80	$ 2,076.85	$ 1,317.03	$ 1,762.73	$ 4,013.29	$ 1,668.58	$ 1,846.98	$ 1,769.96	$ 2,860.72	$ 1,649.56	$ 2,844.

Payroll Tax yearly Reconciliation:

2023 Payroll Tax

FY 2023 - Total

Salaries & Wages	$ 11,26,386.68
Allowances	$ -
Bonus/Commissions	$ -
Contractors	$ -
Directors Fees	$ -
Fringe Benefits	$ -
Superannuation	$ 1,52,798.47
Termination Payments	$ -
Annual leave Provision (Expenses)	$ 9,218.17
Long Service Leave Provision (Expenses)	-$ 24,765.25
Gross Taxable Wages	$ 12,63,638.07
Less Deduction	$ 7,00,000.00
Net Taxable Wages	$ 5,63,638.07
Total Payable - 4.85%	$ 27,336.45
Paid throughout the year	**$28,090.48**
Net Refundable	**$754.03**

The above reconciliation will be done in the Annual Payroll Tax Return and net refundable of $754.03 will be arrived.