

Government Stimulus Measure: Vic Payroll Tax Waived

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What is the stimulus/Relief?

Victorian payroll tax for the 2019/20 year will be waived for businesses with annual taxable wages of up to \$3 million.

What is aimed to do?

This measure is designed to help Victorian businesses survive through the coronavirus pandemic and continue to employ staff where possible.

Who is eligible?

Businesses with annual taxable wages of up to \$3 million (including superannuation, fringe benefits etc) are eligible for the waiver. Grouping provisions do not apply to the \$3 million threshold, so a business that is a member of a group for Victorian payroll tax purposes will still be eligible for the waiver, regardless of the annual taxable wages of the group.

How do I get it?

There is no need to apply for the relief, it will be automatically applied. Eligible businesses need to continue to lodge their monthly payroll tax returns, but do not need to make any payments.

Eligible businesses will also receive a refund of any payroll tax already paid this financial year. The State Revenue Office will directly contact eligible businesses in relation to the reimbursement.

Who should use this stimulus/other considerations?

This stimulus measure will not provide any assistance for businesses with annual taxable wages of less than \$650,000 (as they do not pay payroll tax), or for businesses with annual taxable wages of over \$3 million.

Businesses eligible for the waiver will also be able to defer payment of any payroll tax for July, August and September 2020 until the 1st of January 2021

The Victorian state government also announced a deferral of 2020 land tax payments until 31 March 2021 for eligible land holders with at least one non-residential property and less than \$1 million in total landholdings. They have also announced a waiver of 2020 Liquor Licence Fee renewals.

More Info: <https://www.sro.vic.gov.au/coronavirus>

Closing comment

The government is moving quickly and things are changing daily with regards to the response to COVID-19. The above information is current as of 23 March 2020. Should you have any queries regarding this measure or any Government measure announced in relation to COVID-19, please contact your Brentnalls Tax Specialist.