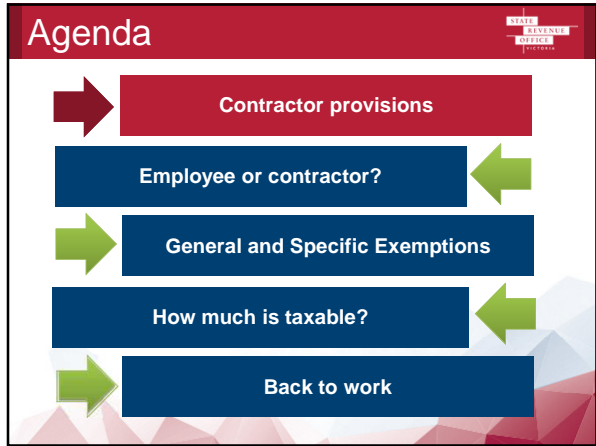
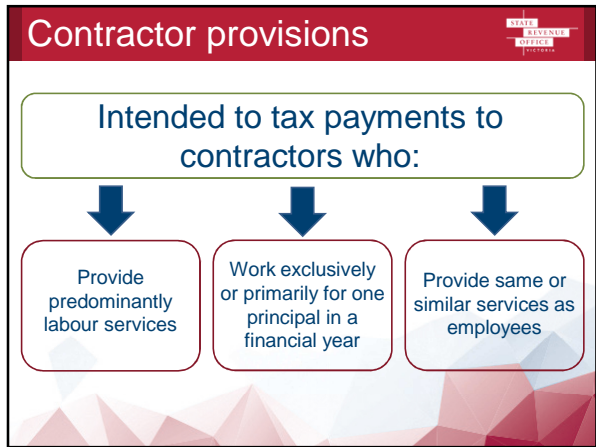
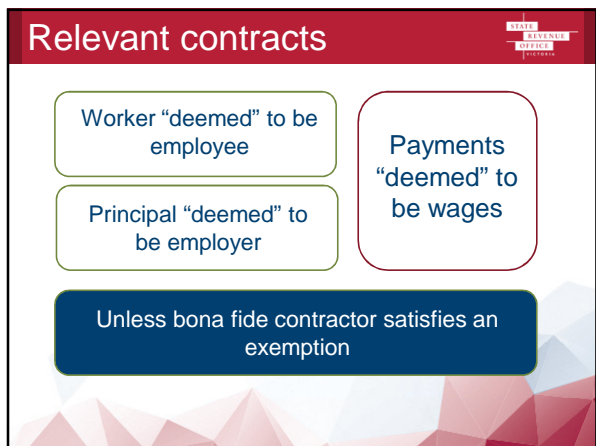


Audience Poll:
Do you engage “contractors”?







Agenda

- Contractor provisions
- Employee or contractor?
- General and Specific Exemptions
- How much is taxable?
- Back to work

Employee or contractor? PTA - 038

Control, Risk, Super, Leave entitlements, Delegation, Tools, materials, equipment, ABN alone not enough, Integration, Formation/terms of contract

Totality of the relationship

Determining liability

PAYROLL TAXABLE

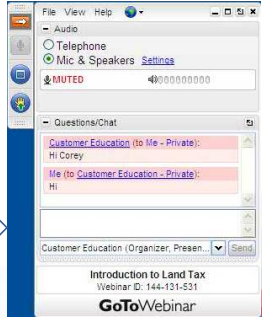
- the worker is an employee or 'deemed employee'
- the worker is a contractor and no exemption is available.

EXEMPT

- the worker is a contractor and an exemption is available.

Don't forget to ask questions!

Type any questions you have into the question pane



Introduction to Land Tax
Webinar ID: 144-131-531
GoToWebinar

Agenda

- Contractor provisions
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Contractor exemptions

Three Specific	Six General	
Owner Drivers (PTA006)	90 Days	180 Days
Insurance Agents	Engaging others	Labour ancillary
Door-to-door sellers (PTA007)	Services not ordinarily required	Services rendered to the public

Specific exemptions STATE REVENUE OFFICE

Three Specific

Owner Drivers Insurance Agents* Door-to-door sellers*


90 Days – PTA-035v2 STATE REVENUE OFFICE

Exempt where


The contractor works for a principal for no more than 90 days in a financial year

90 Days – PTA-035v2 STATE REVENUE OFFICE

Example:




New Homes Pty Ltd engaged a carpenter to complete work on block of units. The days were not consecutive as it depended on when units were ready. The carpenter worked for a total of 70 days. Therefore payments under this contract are exempt from payroll tax.


180 Days – PTA-020 

Exempt where


The services are ordinarily required for less than 180 days in a financial year

180 Days – PTA-020 

Example:




A winery engages a number of grape pickers at the commencement of the vintage. Some are employed for a short period, some are employed for more than 90 days. The pickers were employed for a total of 110 days. The winery has no requirement for pickers at any other time as has no permanent pickers employed. As the business only needs the pickers for less than 180 days any payments are exempt from payroll tax.


Labour Ancillary– PTA-033 

Exempt where


The labour is ancillary to the supply of materials and/or equipment

Labour Ancillary– PTA-033 

Example:




A builder needs the services of a crane. A condition of the contract is that a crane operator is provided. The principal purpose of contract is equipment despite operator being provided. Any amount paid under the contract including any amount paid to the operator are exempt from payroll tax.

Not ordinarily required– PTA-022 

Exempt where


The services are of a type not ordinarily required by the principals business and are performed by a person who ordinarily performs services of that kind to the public generally.

Labour Ancillary– PTA-033 

Example:




An accounting firm engages a contract painter to paint offices.


Engages Others – PTA-023 

Exempt where


The contractor engages others (contractors or employees) to complete some or all of the work that is the object of the contract

Engages Others – PTA-023 

Example:



Peter is a plumber. He enters into a contract with a client to carry out some plumbing work. He performs the plumbing work which is the object of his contract. His spouse, Jill, also attends some work sites with Peter, Jill attends to assist with providing quotes and other admin/bookkeeping duties. As the work that Jill performs does not relate directly to the work required by the contract. The principal in this case cannot provide this exemption.


Commissioner's Discretion – PTA-021 

Exempt where

The services are ordinarily rendered to the public generally in a financial year

Commissioner's Discretion – PTA-021

Example:



- generally the exemption will apply if the contractor applies services to two or more principals throughout the year and
- the contractor works an average of 10 days or less for a principal in the months contracted.

Agenda

- Contractor provisions
- ← Employee or contractor?
- General and Specific Exemptions
- ← How much is taxable?
- Back to work

How much is taxable? PTA - 018

Full amount paid to the contractor

less GST

less Approved deduction

= Taxable Wages

Audience Poll:

Given what has been discussed today, do you think your organisation employs contractors which are considered employees for payroll tax purposes?

Agenda STATE REVENUE OFFICE
TAXATION

- ➔ Contractor provisions
- Employee or contractor? ←➔
- ➔ General and Specific Exemptions
- How much is taxable? ←➔
- ➔ Back to work

Back to Work Scheme

Employers with new staff hired on or after 1 April 2015 will be able to claim payments from the Victorian Government under the Back to Work Scheme from 1 July 2015.

<p>The Back to work scheme:</p> <ul style="list-style-type: none"> Encourages and supports ongoing employment growth in Victoria Provides targeted financial assistance Assists with costs associated with hiring and training 	<p>And applies to:</p> <ul style="list-style-type: none"> Eligible employers Eligible employees <ul style="list-style-type: none"> – Unemployed youth – Long term unemployed – Retrenched workers Eligible jobs
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Detailed information, including eligibility requirements is available on our website.

Q&A 

Any questions?

www.sro.vic.gov.au
contact@sro.vic.gov.au
132 161

