



Housekeeping

- You can select Telephone or Mic & Speakers
- Use the raise hand function to indicate that you are receiving the audio
- Type any questions you have into the question pane

A screenshot of the GoToWebinar interface. The 'Audio' section shows 'Telephone' and 'Mic & Speakers' options, with 'MUTED' status and a volume icon. The 'Questions/Chat' section shows a chat history with messages from 'Customer Education (to Me - Private): Hi Corey' and 'Me (to Customer Education - Private): Hi'. At the bottom, it says 'Introduction to Land Tax Webinar ID: 144-131-531' and 'GoToWebinar'.

Agenda

- ➔ What is a group?
- How do groups lodge in PTX Express? ←
- ➔ How is a group formed?
- Commissioners discretion to de-group ←
- ➔ Back to work

Audience Poll:

Are you a part of a payroll tax group?

Agenda

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What is a Group?

The grouping provisions were introduced as an anti-avoidance mechanism.

EFFECTS

- Businesses may be grouped together and effectively treated as a single entity for payroll tax purposes
- Wages are added together, and only one business receives the tax free threshold
- Members of the group are jointly and severally liable for the debts of the group

Agenda

➔

What is group?

How do groups lodge in PTX Express?

➔

➔

How is a group formed?

Commissioners discretion to de-group

➔

➔

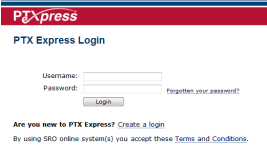
Back to work

Grouping and PTX Express

The grouping provisions apply to businesses regardless of where they operate.

Accordingly, two businesses may be grouped even though one is located in Victoria and the other is in another state.

This is relevant for the purposes of determining a group's total Australian wages, as it will have an impact on the amount of the approved deduction which the group is entitled to claim in Victoria.



PTX Express Login

Username:

Password: [forgot your password?](#)

Are you new to PTX Express? Create a login

By using SRO online system(s) you accept these Terms and Conditions.

Grouping and PTX Express


To change from a non-group employer to a group employer, you should amend your employer type via the 'Update Your Records' menu in PTX Express. In doing so, you will need to provide additional information to advise the effective date of the grouping and the other members of the group*.

If you are a Victorian employer and not registered for payroll tax, complete the online registration and select your employer type (eg Ordinary Member of a Group).

All Victorian employers will need to register separately, indicating that they are members of a group.

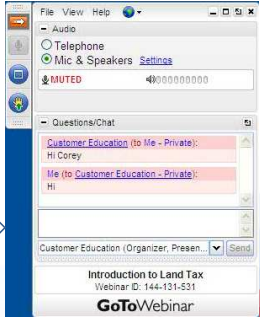
The Designated Group Employer (DGE) will list all members of the group (including non Vic employers).

The ordinary members of the group will advise the SRO of the DGE.



Don't forget to ask questions!

Type any questions you have into the question pane



STATE REVENUE OFFICE

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STATE REVENUE OFFICE

Related Bodies Corporate

'Companies controlling companies'
Section 50 of the Corporations Act 2001

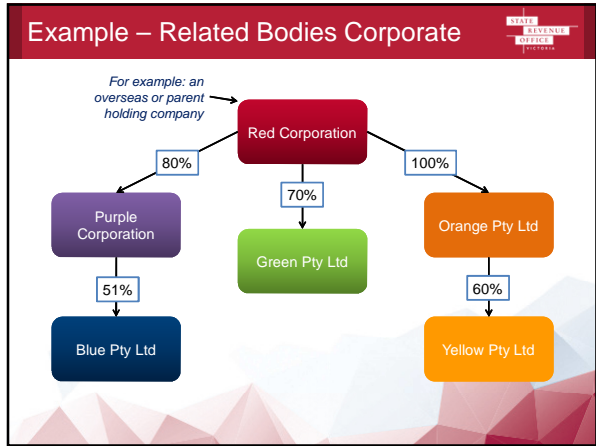
- Controls composition of board of directors
- Controls >50% of votes at a general meeting
- Holds >50% of issued share capital

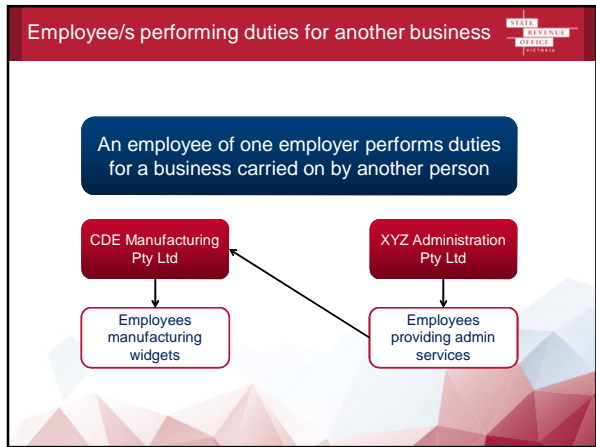
No Commissioner's discretion to exclude

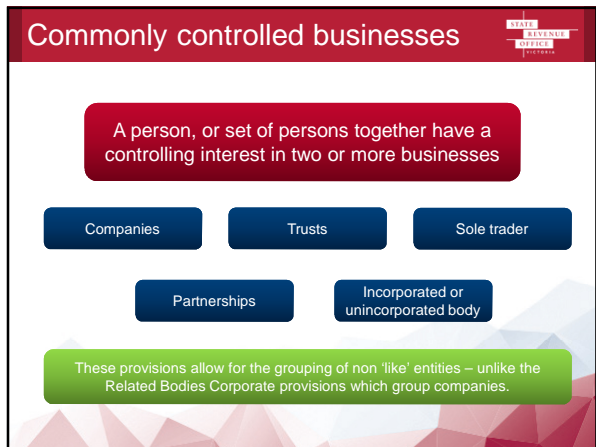


Companies could be related through an overseas parent holding company

STATE REVENUE OFFICE







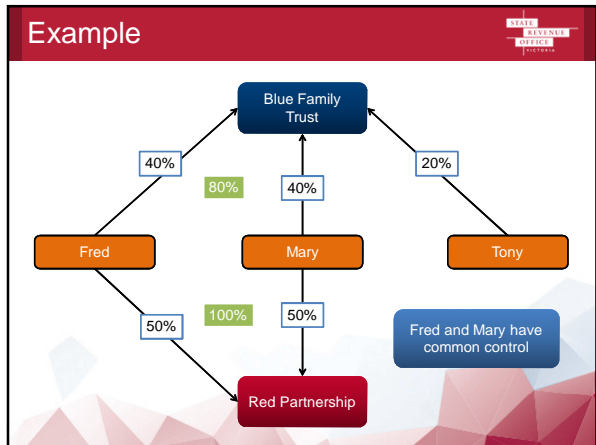
Commonly controlled businesses

Company
1 or 2 or more shareholders with >50% of shares with voting rights attached
Majority of Directors common to each business

Trust
More than 50% of units held
Any possible beneficiary of a Discretionary Trust is deemed to have controlling interest

Partnership
Entitlement to >50% profits or capital of the partnership

Incorporation
>50% of the board or can control composition of the board



Tracing provisions

Under the tracing provisions, an entity will be grouped with a corporation in which the entity has a controlling interest. A controlling interest exists if the entity has a direct interest, an indirect interest, or an aggregate interest in the corporation – and the value of that interest exceeds 50 per cent.

Some examples of entities

- Person and his/her spouse or partner
- Related corporations
- Partners
- Natural person and a private company
- Parent and child, or siblings
- Natural person and a trustee

Tracing provisions - example

In this example:

- 'Entity' has a direct interest in Corporation A
- Corporation A has a direct interest in Corporation B
- Corporation B has a direct interest in Corporation C
- Corporations B and C are linked to Corporation A

Therefore, Entity has an indirect interest in both Corporations B and C.
The value of Entity's indirect interest in Corporation B is $80\% \times 70\% = 56\%$
The value of Entity's indirect interest in Corporation C is $80\% \times 70\% \times 40\% = 22.4\%$

Therefore, under these provisions, the entity forms a group with corporations A and B as its direct interest in Corporation A and its indirect interest in Corporation B both exceed 50%.

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Commissioners Discretion

By necessity, the grouping provisions are very broad in their application.

In recognition of this, the *Payroll Tax Act 2007* gives the Commissioner discretion to exclude a member from a group in certain circumstances.

Commissioners Discretion STATE REVENUE OFFICE


The following (not in any order of importance) are some of the practical considerations and questions the Commissioner will consider when determining whether or not to exercise discretion to exclude a member from a group.

- Common management?
- Shared resources?
- Financial dependence?
- Bulk buying?
- Goods/services?
- Loans?
- Trade between businesses?
- Nature of businesses?
- Owners of businesses?
- Shared premises?

Commissioners Discretion STATE REVENUE OFFICE

Generally, the Commissioner will exercise the discretion if he is satisfied that the:

- relationship between the businesses is not continuous, active and significant, and
- connections which do exist between the businesses are merely casual or irregular.



If there is any uncertainty about the application of the grouping provisions please apply in writing for a private ruling.


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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.

The Back to work scheme: <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	And applies to: <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

STATE SERVICES OFFICE
| victoria

Any questions?

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