

Victorian Payroll Tax

AR for Beginners

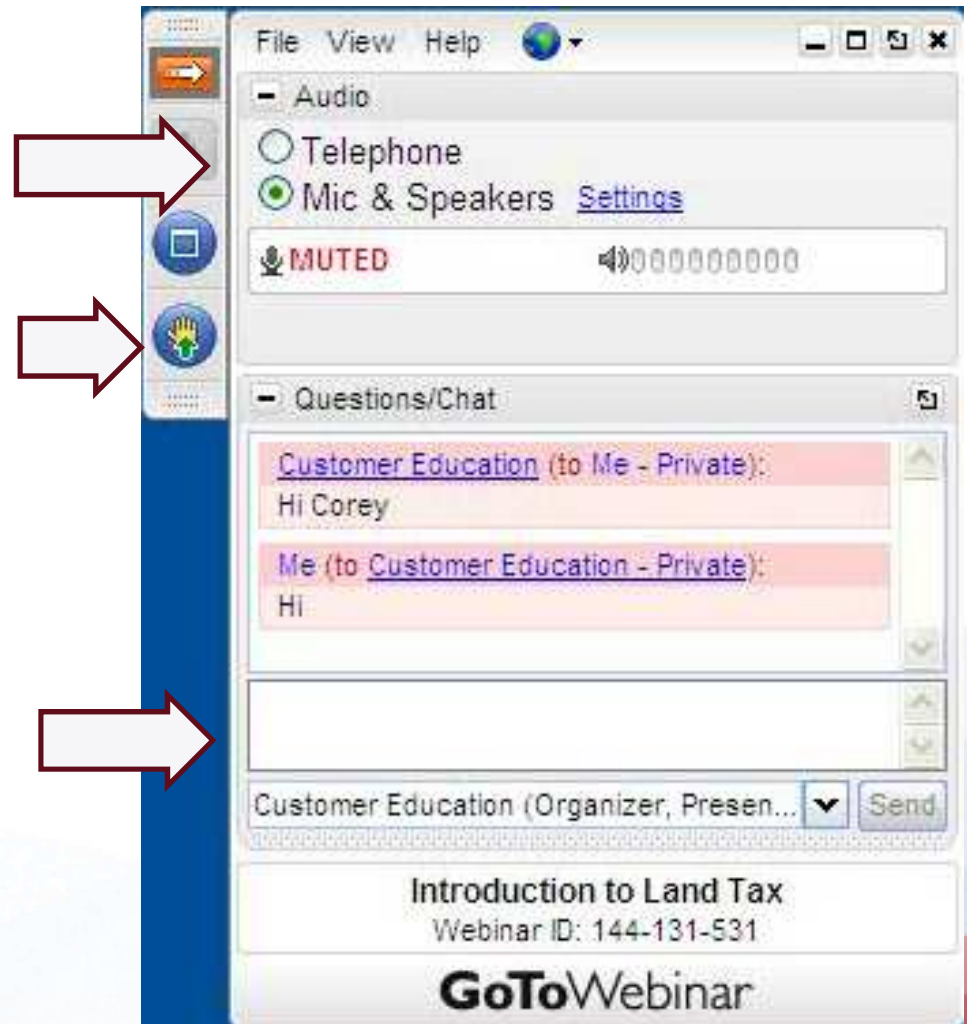
Preparing for and completing the AR

Staff Development and Customer Education



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



Agenda



Introduction to payroll tax

What is taxable?



Self assessment



Common mistakes



Q&A

History of payroll tax

Payroll Tax

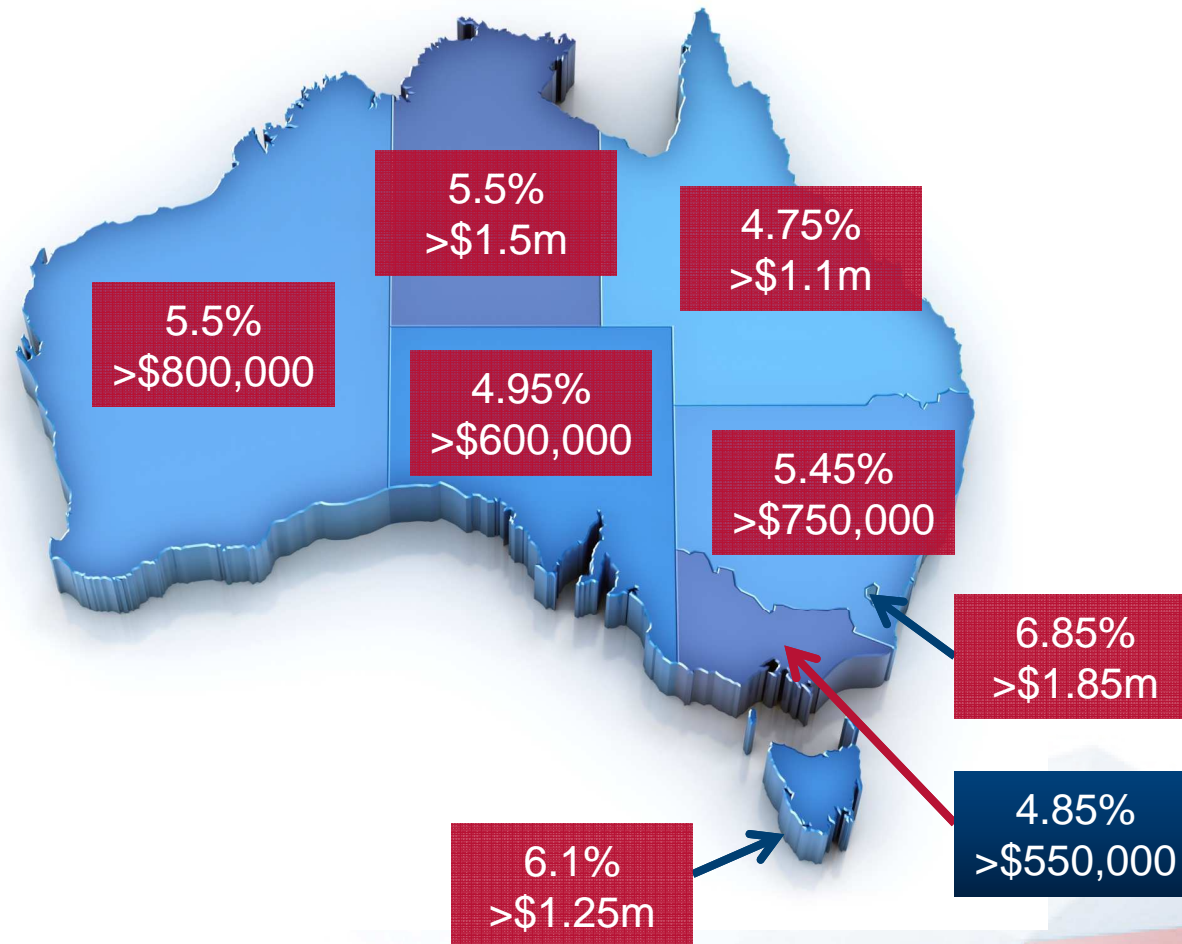
Employer
self assessing tax

Wages and 'deemed
wages'

\$550,000 pa
(\$45,833 pm)
Total Australian wages

Legislation harmonised in
2007

National rates and thresholds



Employing in multiple jurisdictions



1. If your total Australian wages exceed the threshold in any jurisdiction in which you employ, you must register for Payroll tax in those states.

2. Only declare wages paid relevant to each jurisdiction.

3. Receive an apportioned deduction in the states within which you employ.

e.g. If you employ in Victoria and your total Australian wages exceed \$550,000, you will need to register for payroll tax in Victoria regardless of the amount of Victorian wages.

Interstate employees (PTA-039)

General rule

If an employee worked **solely** in one jurisdiction during month, payroll tax paid in that jurisdiction.

If an employee worked in **more than one** jurisdiction during month, payroll tax paid wherever:

1. Employee's home (PPR) is located
2. Employer's business is registered
3. Wages are received
4. Services are mainly performed

Agenda



Introduction to payroll tax

What is taxable?



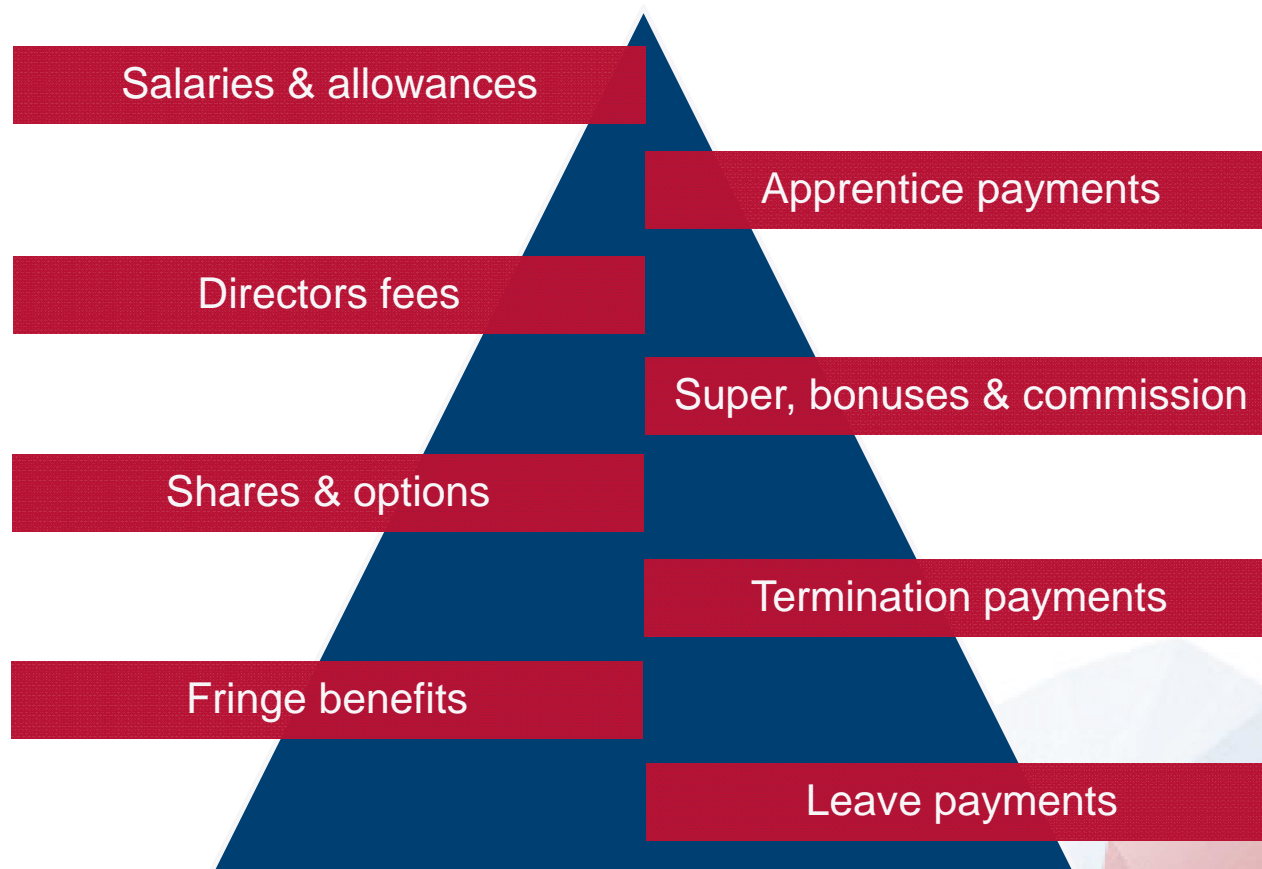
Self assessment

Common mistakes



Q&A

What is taxable?



Fringe benefits

Gross up the total of Type 1 & Type 2 fringe benefits by the lower Type 2 factor only!

Type 1
fringe
benefits



Type 2
fringe
benefits



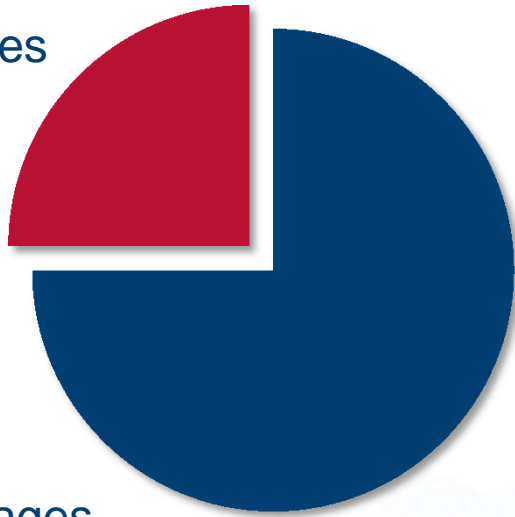
Lower type 2
gross up rate
only

Declaring fringe benefits (PTA-003)

Only declare the Victorian component of fringe benefits!

Total Australian wages

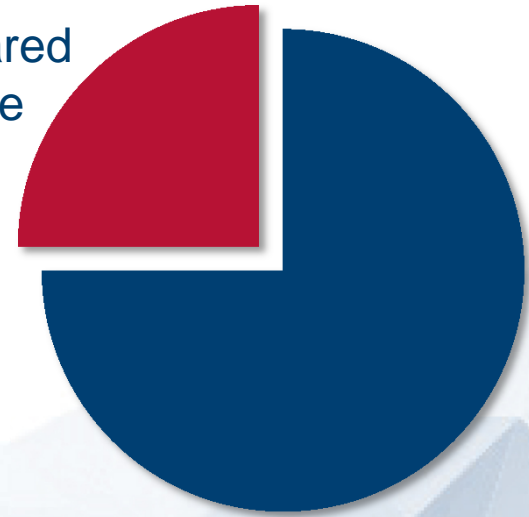
Interstate wages
\$250,000



Victorian wages
\$750,000

Total fringe benefits

25% declared
interstate



75% declared in
Victoria

Living away from home allowance

23 Details of fringe benefits provided

Type of benefits provided (1 April 2014 to 31 March 2015)		Number	Gross taxable value (a)
Cars using the statutory formula	A		
Cars using the operating cost method	B		
Loans granted	C		
Debt waiver	D		
Expense payments	E		
Housing – units of accommodation provided	F		
Employees receiving living-away-from-home allowance (show total paid including exempt components)	G		
Board	J		



Normally
triggers an
FBT liability

DON'T
DOUBLE
DECLARE

Allowances are taxable for payroll tax purposes

Exceptions (PTA-005v2)

Exempt components of:

- Motor vehicle allowance
- Accommodation allowance

Reimbursements

Not taxable unless subject to
FBT

Exempt payments

Fire and Emergency Services Duty

Defence Force Duty

Maternity & Adoption Leave (PTA-012, PTA-037)

Worker's Compensation (PTA-015)

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Q&A

Completing your return

Lodge PTX
returns through
PTXpress

No June
monthly return

Monthly
returns due by
the 7th of the
following
month

AR lodge by
21 July

Amendments
to previous
returns



Six steps to
the AR process

Add, modify or
remove users

Change
customer
details

Change
employer type

Changing
payment
references

You should gather, or confirm the following information before you start:

- Your payroll tax express login details or Auskey
- Your customer number
- Your employer type
- Your Victorian and interstate reconciliation periods.
- A break up of your Victorian wages into taxable components for the 2014-15 financial year
- The amount of any interstate wages paid
- Details of every Victorian primary tax payment made during the 2014-15 financial year
- An estimate of Victorian and interstate wages for the 2015-16 financial year
- Your most recent Fringe Benefits Tax return.

Completing your return

There are six
steps to the
Annual
Reconciliation
process:

- Review details
- Enter wages
- Review payments
- Calculation
- Lodgement
- Payment / Refund




Live demo of the PTXpress system

Click here to access



Common mistakes in PTXpress



- Employers not registering for  when required
- Make sure you select , not just 
- Returns must be lodged and paid by the due date
- Penalties and interest **may** apply for late lodgement or payment
- Ensure that all contact details are correct for security reasons
- Errors in payment references can cause problems

Step 1 – Review Details

Employer Details

ABN: 40255091059

Legal Name: ?

Employer Type: ?

Customer Id: 70064075

Reconciliation Period

Victorian Reconciliation Period 17 - 17 ?

Did you employ interstate in 2014-2015? ☐ Yes ☒ No

Contact Information

First Name:

Surname:

Telephone Number:

Email Address:

Step 2 – Enter Wages

Gross Victorian Wages (01 July 2014 - 30 June 2015)

Salaries and Wages:	<input type="text" value="\$0"/>	?
Allowances:	<input type="text" value="\$0"/>	?
Bonuses/Commissions:	<input type="text" value="\$0"/>	?
Contractor Payments:	<input type="text" value="\$0"/>	?
Directors Fees:	<input type="text" value="\$0"/>	?
Fringe Benefits:	<input type="text" value="\$0"/>	?
Superannuation:	<input type="text" value="\$0"/>	?
Termination Payments:	<input type="text" value="\$0"/>	?
Shares/Options:	<input type="text" value="\$0"/>	?
Shares/Options Offset:	<input type="text" value="\$0"/>	?
Other:	<input type="text" value="\$0"/>	?

Total Victorian Wages:	\$0	?	View History
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Please enter your estimated wages for the 2015-2016 financial year below.

Estimated Wages 2015-2016


Estimated Victorian Wages:	<input type="text"/>	?
Estimated Interstate Wages:	<input type="text"/>	?


Total Estimated Australian Wages:	\$0	?
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Step 3 – Review Payments


Review Payments

Step 3 of 6

 Print


Please **review** the below list of payments  for the current reconciliation period and **amend the total** if there are any **discrepancies**.

Payroll tax payments - excluding interest and penalty payments

Date Received	Payment Amount
20 Apr 2015	\$166,666.67
20 Apr 2015	\$166,666.67
TOTAL:	\$1,833,333.37 

Please confirm your payment total is correct. If any payments are not displayed or included in error, please adjust the payment total and provide details below.

Payment Discrepancies or Comments

If you have amended the above total, please provide details of the discrepancy below: 

Step 4 – Review the calculation

Calculation

Step 4 of 6

 Print

Please review the calculation below. You may click the **Previous** button to make any amendments, otherwise click **Next**.

Calculation Summary	
Gross Victorian Wages	\$50,000,000
Less Deduction*	\$550,000
Net Taxable Wages	\$49,450,000
Tax Payable at 4.85%	\$2,398,325.00
Less Previous Payments	\$1,833,333.37
Amount Payable	\$564,991.63

[* View Deduction Calculation](#)

Based on the information you have provided, the amount payable is **\$564,991.63** .

Step 5 - Lodgement

Lodgement

Step 5 of 6



Your return is not complete until you select **Lodge**. For your records, we recommend you [print a summary](#) of the information you have provided to the State Revenue Office.



[Download Annual Reconciliation summary PDF](#)

Customer Feedback

Do you have any suggestions on how to improve the online Annual Reconciliation?

Select **Lodge** to declare that the information included in this application is true and correct, and that you consent to this information being submitted to the State Revenue Office of Victoria.

< Previous


Save & Exit

Lodge

Step 6 – Payment / Refund

Payment

Step 6 of 6

 Print

Your Annual Reconciliation has been lodged, however **payment is required**. Please review your payment options below before clicking **Finish**.

 [Print payment options](#)

 [Download Annual Reconciliation summary PDF](#)

Lodgement Details

Lodgement Reference No:

809421

Date/Time:

19 May 2015 09:19 AM EST

Tax Owing:

\$564,991.63

Due Date:

21 Jul 2015

Payment Options

Online Payment

[Pay Online](#)



EFT

Lodgement Reference: 9214958_070064075_

Account BSB: 033222

Account Number: 170102



Remittance advice to be sent via email to finance@sro.vic.gov.au or faxed to (03) 9628 6857.

BPAY

Biller Code: 17293

Reference: 92149581



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How do I make changes if I lodge the incorrect details on my monthly return?

1. Log on to 
2. Select 'Lodge Monthly Return' from the menu
3. Select the correct return period e.g. 1 May 2015 – 31 May 2015
4. Select the 'Lodge Replacement' button at the bottom of the page.

You will be able to lodge the correct details for that month.

What if I need to make changes to my 2014-15 Annual Reconciliation?

If a previously lodged e-AR return is incorrect, you can lodge a replacement return in 

Once you have made changes, you must select the 'Lodge' button again.

The most recently lodged return will override the previously lodged return and be deemed correct by the SRO.

Please note: Penalties and interest may apply if changes are made after the due date.

Common mistakes

Failing to register
for payroll tax in
each state as
required

Incorrect declaration of exempt wage
components

Omitting wage
components

Workers incorrectly
classified as
contractors

Wages
declared in
wrong
jurisdiction

Failing to complete
returns or pay liabilities
within the prescribed
timeframes

Related
organisations not
grouped

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Q&A

Contractors & Grouping

For detailed information about contractor provisions and grouping, please join us for our additional webinars.

Back to work

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

The Back to Work scheme:

- Supports ongoing employment growth in Victoria
- Targeted financial assistance
- Costs associated with hiring and training

And applies to:

- Eligible employers
- Eligible employees
 - Unemployed youth
 - Long-term unemployed
 - Retrenched workers
- Eligible jobs

Detailed information, including eligibility requirements, is available on our website.

Any questions?

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