

Revenue | Rulings

What constitutes a day's work for the purpose of the contractor provisions

Revenue Ruling PT.068

Preamble

Section 3C of the *Pay-roll Tax Act 1971* defines a 'relevant contract' under which amounts paid or payable can be deemed wages subject to pay-roll tax. It also describes various situations in which a contract will not be a relevant contract, and in particular, Sections 3C(1)(e)(ii) and (iii) of the Act describe such situations in terms of the number of days on which services are required, or the number of days on which work is performed. (See Revenue Rulings PT.052 and 053).

Confusion has arisen as to what constitutes a 'day's work' for the purposes of these provisions.

The purpose of this ruling is to clarify what constitutes a 'day' for the purposes of Section 3C(1)(e)(ii) and (iii) of the Act.

Ruling

Any calendar day on which work is performed under a contract is counted as a 'day' in determining the number of days on which work is performed by a contractor, regardless of the amount of time worked on that day.

Example

<u>Day</u>	<u>Contractor A</u>	<u>Contractor B</u>
Monday	1 hour	12 hours
Tuesday	1	8
Wednesday	4	10
Thursday	2	9
Friday	8	8
Saturday	2	5
Total	<u>18 hours</u>	<u>52 hours</u>

Both contractors are deemed to have worked for six days, even though contractor A has worked for only 18 hours during the week, and contractor B has worked for 52 hours during the same week.

Please note that rulings do not have the force of law. Each decision made by the State Revenue Office is made on the merits of each individual case having regard to any relevant ruling. All rulings must be read subject to Revenue Ruling GEN.01.

Denzil Griffiths

Commissioner of State Revenue

30 April 1994