

FACT SHEET

Payroll Tax Rebate (Apprentices, Trainees and Youth Employees) Bill 2017

The Payroll Tax Rebate (Apprentices, Trainees and Youth Employees) Bill 2017 establishes a legislative scheme to provide payroll tax relief to businesses operating in Tasmania that employ apprentices, trainees and youth employees during a two year period commencing from 1 July 2017.

The Bill establishes a legislative framework to provide payroll tax rebates to employers in relation to the following eligible employees:

- apprentices and trainees that are employed from 1 July 2017 to 30 June 2019 inclusive:
 - this rebate will be available for a maximum period of two years from the date each eligible apprentice or trainee contract is registered with the Tasmanian Trainee and Apprenticeships Committee; and
- youth employees aged between 15 and 24 inclusive that are employed on a full or part time basis from 1 July 2017 to 30 June 2019 inclusive and who are not undertaking a traineeship or apprenticeship:
 - this rebate will be available for a maximum period of one year from the date of employment for each new employee.

The rebates will be equivalent to the lesser of 100 per cent of the payroll tax paid on wages paid to those eligible employees or the total payroll tax paid by the employer. That is, the rebate is only payable on the amount of the wages that exceed the payroll tax threshold.

The Bill contains administrative and review provisions typical of taxation legislation to enable the Commissioner of State Revenue to administer the payroll tax rebate.

An appropriation will be made to provide for payment of the rebates to eligible employers as part of the 2017-18 Budget.