

FACT SHEET

EMPLOYMENT INCENTIVE SCHEME (PAYROLL TAX REBATE) BILL 2009

- The Employment Incentive Scheme (Payroll Tax Rebate) Bill 2009 gives effect to the Employee Incentive Scheme (Payroll Tax Rebate) announced as part of the 2009-10 State Budget.
- The Bill provides a legislative backing for the Scheme by putting in place a mechanism to provide a rebate equivalent to 100 per cent of the payroll tax paid on new employment created between 11 June 2009 and 30 June 2010.
- The Bill provides for the payment of a Rebate where eligible employers have created new jobs which are maintained until 30 June 2011. Employers will be required to repay the rebate if they do not maintain additional positions for the life of the Scheme.
- If an employer does not maintain additional positions and wages throughout the life of the Scheme, they will be required to repay all or part of the Rebate.
- It is expected that \$2.0 million will be paid to employers under this Scheme in 2009-10 and \$2.4 million will be paid in 2010-11. A further \$625 000 will be paid in 2011-12 relating to claims made in that year with respect to wages paid in 2010-11.
- The Commissioner of State Revenue will be responsible for the administration of the Scheme and determining any conditions and eligibility criteria under which the Rebate will be paid to employers.
- The Bill contains provisions necessary to administer the Scheme, and provisions that give the Commissioner the power to investigate if the Scheme is abused and require repayment of the Rebate and launch prosecutions if necessary. These powers are generally consistent with those found in the *Taxation Administration Act 1997*, which will result in administrative efficiency for the State Revenue Office and consistent requirements for registered employers, who are already subject to the Taxation Administration Act with regard to their payroll tax.
- The Act will commence on 11 June 2009 and will be repealed on 1 January 2015, three years after the last claims for the Rebate can be made. The repeal date also coincides with the last date on which a prosecution under the Act may commence.