



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2014-2015
Brendan Smyth MLA (Chair), Mary Porter MLA (Deputy-Chair),
Giulia Jones MLA, Yvette Berry MLA



**ANSWER TO QUESTION TAKEN ON NOTICE
DURING PUBLIC HEARINGS**

Asked by MR SMYTH on 30 June 2014 : Treasurer took on notice the following question(s):

[Ref: Hansard Transcript 30.6.2014 [PAGE 1302]

In relation to: Payroll Tax Harmonisation Revenue Initiative

MR SMYTH: Question from a constituent—do you think it is fair and just that self-employed individuals pay the contractor tax on gross revenue they generate before the business costs such as insurance/admin fees etc. are deducted while big business only pay this on the value of the employer’s salary package?

Treasurer: The answer to the Member’s question is as follows:–

The structure of a business can be developed in many forms. As reflected in the Payroll Tax Act, there are different situations in which payroll tax companies are liable for payroll tax compared to other businesses. These should be managed by the business.

The treatment in the ACT of amounts taken to be wages for employment agents is consistent with the treatment taken in other jurisdictions.

Approved for circulation to the Select Committee on Estimates 2014-2015

Signature: *Andrew Barr*

Date: 7.7.14

By the Treasurer, Andrew Barr MLA