



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2022-2023

Mr James Milligan MLA (Chair), Mr Andrew Braddock MLA (Deputy Chair),
Dr Marisa Paterson MLA

ANSWER TO QUESTION ON NOTICE

Jo Clay MLA: To ask the Treasurer

Ref: Budget Outlook pg 225

In relation to: Payroll Tax

1. Has any revenue modelling been conducted into a tiered payroll tax system in the ACT -
 - a. When was the most recent work on this subject completed?
 - b. What were the recommendations?
 - c. Can the findings be published?

2. What are the number and size of companies which are eligible for payroll tax in the ACT that have 'taxable wages' of:
 - a. \$2m-5m
 - b. \$5m-10m
 - c. \$10-15m
 - d. \$15m-25m
 - e. \$25m-50m
 - f. \$50m+

3. What is the mean and median value of payroll tax collected by the ACT for the portion of companies' 'taxable wages' which are:
 - a. \$2m-5m
 - b. \$5m-10m
 - c. \$10-15m
 - d. \$15m-25m
 - e. \$25m-50m
 - f. \$50m+

Andrew Barr MLA: The answer to the Member's question is as follows: –

1. See response to Estimates 2020-21 QTON No. E-7 – Attachment A.

2. The table below shows the number of entities that are currently paying payroll tax in the ACT by value of ACT wages. An entity may have a small staffing footprint in the ACT but their Group Australia-wide Wages (GAWW) triggers a payroll tax liability for their ACT employees. For completeness, category g. has been added for entities with ACT taxable wages of less than \$2m.

ACT Taxable Wages	No. of Entities
a. \$2m-5m	604
b. \$5m-10m	232
c. \$10m-15m	78
d. \$15m-25m	64
e. \$25m-50m	53
f. \$50m+	36
g. <2m*	2,850

3. The table below shows the mean and median value of ACT taxable wages for entities by value of ACT wages:

ACT Taxable Wages	Mean**	Median**
a. \$2m-5m	\$3,177,012.88	\$3,005,751.15
b. \$5m-10m	\$6,780,843.73	\$6,352,922.67
c. \$10m-15m	\$12,035,358.39	\$11,813,816.58
d. \$15m-25m	\$19,445,230.33	\$19,322,916.39
e. \$25m-50m	\$35,085,621.23	\$35,381,452.47
f. \$50m+	\$95,047,068.53	\$67,087,642.82
g. <2m*	\$469,141.84	\$256,612.34

* includes less than \$2m as the trigger for payroll tax based on GAWW.

** the mean and median values represent the mean and median ACT taxable wages.

The table below shows the mean and median value of ACT payroll tax paid by entities by value of ACT wages:

ACT Taxable Wages	Mean \$value of payroll tax **	Median \$value of payroll tax**
a. \$2m-5m	\$150,801.92	\$155,503.23
b. \$5m-10m	\$410,762.18	\$395,157.25
c. \$10m-15m	\$763,381.01	\$756,278.23
d. \$15m-25m	\$1,286,788.51	\$1,273,774.80
e. \$25m-50m	\$2,362,808.43	\$2,322,075.22
f. \$50m+	\$6,465,332.22	\$4,469,735.16
g. <2m*	\$24,149.11	\$12,340.44

* includes less than \$2m as the trigger for payroll tax based on GAWW.

** the \$values represent the mean and median amounts of payroll tax paid.

Approved for circulation to the Select Committee on Estimates 2022-2023

Signature: 

Date: 3.11.22

By the Treasurer, Andrew Barr MLA