

NSW

PAYROLL TAX REBATE FOR TRAINEES AND APPRENTICES

Did you know that the wages paid to apprentices and new entrant trainees are part of your existing payroll tax calculation?

This is GREAT news, as the NSW Government allows a payroll tax rebate on wages paid to:

- Apprentices
- New entrant trainees

HOW TO CLAIM THE 5.45% REBATE

There are TWO ways to claim...

- As you do your payroll tax calculations, deduct the rebate amount and reduce your monthly payments
- Claim it at the end of the financial year when you do your payroll tax reconciliation

Does someone else do your accounts or wages?

Simply advise them which staff are apprentices or new entrant trainees.

Don't pay payroll tax?*

Great - but keep the rebate in mind for when you do.

* The liability threshold for NSW gross payroll tax is \$750,000

MISSED OUT ON PAST CLAIMS?

Check with OSR on whether they will allow you to amend your Payroll Tax Return in past years. We have had clients who have been allowed to do this.



The
Australian
College

**TAX
REBATE**

5.45%

**PAST
CLAIMS**

NSW

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Jane Smith has just finished her High School Certificate and gets an entry level role at ABC Accounting firm with the hope of becoming a bookkeeper one day.

ABC Accounting receives approval for her to enter a Certificate III in Accounts Administration traineeship. As well as eligibility for employee incentives for taking on a new trainee, ABC Accounting can claim the payroll tax rebate on all Jane's wages while she is employed as a trainee.

After completing her first traineeship, Jane wishes to further her studies and work experience in order to achieve her goal of becoming a bookkeeper. Her employer enrolls her into a Certificate IV in Bookkeeping and applies to commence her next traineeship. Jane's status as a new entrant trainees will be maintained as long as the next traineeship starts within three months of completing her first traineeship. Additionally, the course of study must be a progression (Certificate III to Certificate IV) in the same traineeship vocation (Accounts Administration to Accounting). Jane's wages will continue to be eligible for the payroll tax rebate.

IMPORTANT NOTICE

The Australian College of Commerce and Management has sourced this information from the Office of State Revenue website <http://www.osr.nsw.gov.au> as at 2 July 2015. It is the responsibility of employers to check Payroll Tax rules at the time they make decisions about payroll tax issues and they should not rely on this information sheet in isolation.

EXAMPLE

JANE'S
WAGES
\$30,000 PA

PAYROLL
TAX REBATE
5.45% PA

EMPLOYER
SAVING
\$1,635 PA

3 YEAR
TRAINEESHIP
\$1,635 PA
= \$4,905

