



Payroll Tax Relief Q&A

Tuesday 24 March 2020

What does the payroll tax relief package involve?

The package includes immediate payroll tax refunds of \$740 million for COVID-19 affected businesses. Eligible businesses can also apply for deferral until the end of 2020 and a payroll tax holiday for three-months.

What payroll tax relief can small and medium businesses get?

All small and medium businesses (payrolls of \$6.5 million or less) in Queensland will be eligible for:

- A two-month refund of payroll tax, giving an average of nearly \$9,000 in cash
- A three-month payroll tax holiday, saving an average of \$13,360

In addition, they will be eligible to defer all payroll tax payments for the rest of 2020.

This means no eligible small or medium Queensland business will have to make a payroll tax payment this calendar year.

What payroll tax relief can large businesses get?

Larger businesses (payroll over \$6.5 million) affected by COVID-19 will also be eligible for the two-month payroll tax refund and have their deferral extended for all of 2020.

This means no eligible larger Queensland business will have to make a payroll tax payment this calendar year.

Who is eligible for the payroll tax refund?

There are two categories of eligible businesses:

- 1) If you are an employer (or part of a group of employers) who pays \$6.5 million or less in annual Australian taxable wages you will receive a refund on your November and December 2019 payroll tax returns, and a payroll tax holiday (which means that you pay no tax) for January, February and March 2020.
- 2) If you are an employer (or part of a group of employers) who pays more than \$6.5 million in annual Australian taxable wages and have been negatively affected, directly or indirectly, by COVID-19 you will receive a refund on your January and February 2020 returns.
 - A business is directly or indirectly affected by COVID-19 if their current turnover, profit, customers, bookings, retail sales, supply contracts or other factors is negatively impacted compared with normal operating conditions.

How do I apply for the payroll tax refund?

An online portal for businesses to apply for payroll tax relief can be accessed via www.business.qld.gov.au.



Payroll Tax Relief Q&A - Tuesday 24 March 2020

When will the refund be paid?

We will aim for the refund to be paid within 48 hours of you completing all the required steps.

How will the payment be made?

The payment will be made to the business' nominated bank account. As you go through the process, you will have the opportunity to either update or provide your bank details.

Why not just automatically refund businesses instead of making them apply?

The Government investigated the quickest and most secure way of getting refunds to businesses to support their cashflow.

This practical measure will see businesses who need cashflow support start to receive payments within a couple of days of completing the required process.

The process is very simple and will be familiar to any business that pays payroll tax. Importantly, it is the process which will get money to businesses the quickest.

How do I apply for the payroll tax holiday and deferral?

An online portal for businesses to apply for payroll tax relief can be accessed via www.business.qld.gov.au.

Do I automatically get the refund if I have already applied for the deferral?

If you have been approved for deferral then your deferral will be automatically extended until 31 December 2020. You will need to separately apply for the refund.

How long have I got to make an application?

Applications for the deferral can be made up until the end of the 2020 calendar year.

Applications for the refund and/or holiday need to be made by 31 May 2020.

What else is the Government doing for business?

The Government has announced a far-reaching support package for Queenslanders, totalling \$4 billion.

If you believe that you are eligible, please go to the Business Queensland website for further information and how to apply:

www.business.qld.gov.au