



Speech by

Neil Roberts

MEMBER FOR NUDGE

Hansard Wednesday, 10 November 2004

PAY-ROLL TAX ADMINISTRATION AMENDMENT BILL

Mr NEIL ROBERTS (Nudgee—ALP) (11.41 a.m.): This bill makes some significant changes to the Pay-roll Tax Administration Act and incorporates the uniform administrative provisions of the recently modernised Taxation Administration Act 2001. Experience to date indicates that the new administrative provisions are working well and have been well received by taxpayers. These new provisions were applied initially to the Duties Act and at the time the Treasurer indicated that they would be progressively introduced to both payroll and land tax legislation.

A key feature of the new tax system is that a single administrative framework is established, thus addressing the duplication, complexity and inconsistencies that existed under the current system. Significant benefits will accrue to taxpayers by amendments that will streamline the payroll tax return processes. In short, under the new arrangements employers will have less paperwork. They will continue to work out and pay their payroll tax periodically throughout the year, often on a monthly basis. However, instead of being required to lodge periodic returns with wage details, they will now have to provide one annual return with a detailed breakdown of the year's wages. The streamlined return arrangements, which will reduce paperwork, will be a welcome relief for employers, particularly small business who are still smarting from the introduction of the GST and the enormous amount of extra paperwork that is required to administer that federal government tax. As the Treasurer said in his second reading speech, this bill has no effect and is not making any changes to payroll tax itself, such as changes to tax rates, deductions, exemptions or the timing of periodic or annual payroll tax payments.

Public consultation on the bill was undertaken over a four-week period in July this year. It was interesting to note that although all employers registered for payroll tax and relevant professional taxation and payroll associations were notified in writing of the public consultation process, no submissions were received. I believe that these changes have been well received throughout the business and professional community. I commend the Treasurer for ensuring that processes within his department are streamlined and effective. Accordingly, I commend the bill to the House.