

## STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

### ANSWERS TO QUESTIONS PRIOR TO HEARING

Department of Finance

Hon Martin Aldridge MLC asked:

1) I refer to the WA Government webpage 'Exempt payments: Payroll tax employment guide' which outlines conditions for payroll tax exemption for employers of emergency services volunteers, and I ask:

a) How many employers take up this exemption annually;

Emergency service volunteers provide vital support to communities before, during and after an emergency. Employers are to be commended for supporting employees who serve as dedicated emergency service volunteers.

The Department of Finance does not hold information relating to the number of employers who take up this exemption. This is due to employers declaring the wages as exempt wages under the category of 'exempt other wages' as a single figure with other types of exempt wages, for example wages paid to staff on parental leave, when lodging their payroll tax return.

b) For how many volunteers and how many volunteer hours are employers exempt from payroll tax obligations under this policy;

The exemption is legislated under the *Pay-roll Tax Assessment Act 2002* and applies to all wages paid by the employer to an eligible volunteer with the exception of wages that are paid or payable as annual leave, long service leave, recreation leave or sick leave.

c) How is an employer required to substantiate and apply for the exemption; and

Payroll tax is a self-assessed tax where the employer claims the exemption by declaring the value of exempt wages in their payroll tax return lodged in RevenueWA's online payroll tax system. Employers must retain suitable records to support their entitlement to the exemption and produce the records to RevenueWA if they are selected for a compliance audit.

d) What is the cost of this to the budget of this exemption?

It is not possible to provide this information for the reason described in the answer to 1(a).

Minister's initials

