COMMONWEALTH AUTHORITIES (NORTHERN TERRITORY PAY-ROLL TAX) BILL 1978

Date Introduced: 24 August 1978
House: House of Representatives
Presented by: Hon. J. Howard, M.P., Treasurer

Purpose

To ensure that all Commonwealth authorities paying Northern Territory wages are subject to Northern Territory pay-roll tax.

Background

Before 30 June 1978 pay-roll tax on wages paid in the A.C.T. and N.T. was collected by the Commonwealth under the terms of the Pay-Roll Tax (Territories) Assessment Act 1971. This Act was rendered inoperative in relation to N.T. wages by the Pay-Roll Tax (Territories) Assessment Amendment Act (No. 2) 1978 and from 1 July 1978 it was open for the N.T. Government to collect its own pay-roll tax on such wages. It has since been found that certain Commonwealth authorities, because of the Acts which establish them, would be free from pay-roll tax obligations in the N.T.

Provisions

Sub-clause 4(1) provides that if an Act which establishes a Commonwealth authority, being a "Commonwealth authority subject to pay-roll tax" as defined in sub-clause 3(1), has provisions which effectively exclude pay-roll tax liability, then those provisions will have no effect. Sub-clause 4(2) covers authorities that have qualified protection by means of regulations made under an Act.

Clause 2 deems the Act to have come into operation on 1 July 1978.