

Payroll Tax in Australia

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Payroll tax essentially serves as a state tax on employment. The following table indicates the differing rates and thresholds across each State and Territory in Australia as from 1 July 2021. MGA is advocating for Payroll Tax Thresholds to be increased with CPI each year at the very least!

If the Member is part of a group of members, the threshold may be calculated on taxable wages of the entire group.

<p><u>Queensland</u></p> <p>Threshold: \$1.3M –6.5M – Rate 4.75% Over \$6.4M – Rate 4.95%</p> <p>Country/regional: from 1 July 2019 \$1.3M –6.5M – Rate 3.75% Over \$6.4M – Rate 3.95%</p>	<p><u>Western Australia</u></p> <p>Threshold: \$1,000,000 (annually) \$83,833 (monthly)</p> <p>Rate: \$1M –\$100M – 5.5% - from 1 July 2020</p>
<p><u>Victoria</u></p> <p>Threshold: \$700,000 (annually) \$58,333 (monthly, divide 12)</p> <p>Rate: 4.85% in non-regional Victoria 1.62% Regional</p>	<p><u>Northern Territory</u></p> <p>Threshold: \$1,500,000 (annually) \$125,000 (monthly)</p> <p>Rate: 5.5%</p> <p><i>Unchanged as of 1 July 2016</i></p>
<p><u>South Australia</u></p> <p>Threshold: \$0 – 1.5M – Rate: Nil \$1.5M – 1.7M – Rate Variable 0% to 4.95% Over \$1.7M – Rate 4.95%</p>	<p><u>Tasmania</u></p> <p>Threshold: \$1,250,00 (annually) Rate: Nil \$1,250,001 (annually) Rate: 4% \$102,740 (30-day month)</p> <p>Subsequent threshold 2,000,001 (annually) Rate: 6.1% \$164,384 (30-day month)</p> <p><i>Unchanged as of 1 July 2018</i></p>
<p><u>NSW</u></p> <p>Threshold: \$1,200,000 (annually) – from 1 July 2020</p> <p>Rate: 4.85%</p>	<p><u>ACT</u></p> <p>Threshold: \$2,000,000 (annually) \$166,166.66 (monthly)</p> <p>Rate: 6.85%</p> <p><i>Unchanged as of 1 July 2016</i></p>