

State and Territory tax measures in response to COVID-19

In addition to the tax relief and concessions being provided at the Federal level, the states and territories have announced additional tax relief in response to COVID-19. Our summary of these tax relief measures is set out in the table below. Importantly, many of these measures require taxpayers to continue to satisfy their lodgement and compliance obligations. Various state and territory governments have also announced other measures, such as those relating to tenancy arrangements, to assist businesses and the community.

The various revenue authorities are taking a more practical, commercial approach and providing more leniency for some taxpayers during these uncertain times. Impacted businesses should accept all of the support, waivers, refunds and deferrals available to them (some of which must be applied for). Businesses should also be very conscious that deferred liabilities will become payable at a later point in time, and that lodgement obligations must (in most circumstances) still be satisfied. We anticipate further announcements will be made by various revenue authorities in due course.

We regularly engage with the revenue authorities and can assist taxpayers with navigating the relief that might be available - please contact [Rachel O'Donnell](#) or [Jim Koutsokostas](#) with any queries. We encourage all taxpayers that engage directly with the revenue offices to bear in mind that they are stretched, with most (and in some cases all) of their staff working remotely, and that they're also dealing with the current pandemic themselves.

State / Territory	Payroll Tax	Land Tax	Other taxes	What you need to do
Victoria	<p>Businesses with annual Victorian taxable wages of up to \$3 million will have their payroll tax for the FY20 financial year waived.</p> <p>Eligible businesses can also defer payment of their payroll tax liability for Q1 of FY21 until January 2021.</p>	<p>Land owners due to pay their land tax for the current year have the option of deferring this payment until after 31 December 2020 if they have:</p> <ul style="list-style-type: none"> • at least one non-residential property; and • total taxable landholdings below \$1 million. 	<p>Businesses that have paid for a renewable liquor licence for 2020 will be reimbursed their licence fee, and those yet to pay will have the fee waived.</p> <p>Small businesses with a turnover of more than \$75,000 and a payroll of less than \$650,000 should consider whether they are eligible to apply for a \$10,000 grant from the Victorian Government's Business Support Fund. Applications are open until 1 June 2020.</p>	<p>Payroll tax</p> <p>Businesses must continue to lodge their payroll tax returns but do not need to make further payments for the current financial year.</p> <p>No application is required to obtain a reimbursement. The State Revenue Office is contacting eligible taxpayers directly. However, eligible businesses can claim a reimbursement of payroll tax already paid in the 2019-20 financial year via PTX Express.</p> <p>Land tax</p> <p>No application process is required. The State Revenue Office is contacting eligible land owners directly.</p> <p>Liquor licence fee</p> <p>No application process is required. The State Revenue Office will administer the reimbursement automatically.</p>

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New South Wales	<p>Over \$10million</p> <p>Businesses with total grouped Australian wages of more than \$10 million for FY2019/20 will have the option to defer their payroll tax payments for up to six months.</p> <p>Under \$10million</p> <p>Businesses with total grouped Australian wages under \$10 million for FY2019/20 will receive a 25% reduction in their payroll tax liability when lodging their annual reconciliation.</p> <p>For businesses that lodge and pay monthly, no payments are required for March, April and May 2020.</p> <p>These businesses will also be eligible for a three-month deferral.</p> <p>Threshold</p> <p>The payroll tax-free threshold will be increased from \$900,000 to \$1 million for FY20.</p>	<p>There is currently no moratorium on NSW land tax. However, Revenue NSW has been assisting taxpayers by extending deadlines for payments and being more lenient towards late land tax payments.</p>	<p>Clubs and hotels will have their gaming machine tax payments deferred from March 2020 until 1 September 2020.</p> <p>Lotteries and Keno payments will be deferred from 1 April 2020 to 30 September 2020.</p>	<p>Payroll tax - over \$10million</p> <p>We expect ordinary lodgements will continue to be required. Revenue NSW expects to provide more information soon.</p> <p>Payroll tax - under \$10million</p> <p>The 25% reduction will be applied when taxpayers lodge their annual reconciliation, which is due on 28 July. The annual reconciliation will need to include wage details for all months, including March, April and May.</p> <p>Land tax</p> <p>Taxpayers can apply for an extension of time to pay their land tax, or to set up an instalment plan to pay their land tax: www.revenue.nsw.gov.au/instalment.</p> <p>Gaming machine tax, lotteries and keno payments</p> <p>Further information on payment arrangements is expected soon.</p>

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Queensland	<p>Over \$6.5million</p> <p>Businesses that pay more than \$6.5 million in grouped Australian taxable wages may be eligible for:</p> <ul style="list-style-type: none"> • a refund of payroll tax for January and February 2020; and • a deferral of payroll tax for the 2020 calendar year, <p>if they can appropriately demonstrate their business has been directly or indirectly affected by coronavirus.</p> <p>Under \$6.5million</p> <p>Businesses that pay less than \$6.5 million in grouped Australian taxable wages may be eligible for:</p> <ul style="list-style-type: none"> • a refund of payroll tax for two months; • a 'payroll tax holiday' for three months; and • a deferral of payroll tax for the 2020 calendar year. 	<p>Land owners may be eligible for one or more of the following:</p> <ul style="list-style-type: none"> • a land tax rebate reducing land tax liabilities by 25% for eligible properties for FY20; • a waiver of the 2% land tax foreign surcharge for foreign entities for FY20; • a 3-month deferral of land tax liabilities for FY21. 	<p>Other support and loans may also be available in Queensland (please refer to this link).</p>	<p>Payroll tax</p> <p>Ordinary lodgements must be made, and businesses should receive an email from the Office of State Revenue about the measures and how to apply for relief.</p> <p>Businesses that have not received an email, or who are unsure about their eligibility for relief, can lodge an application online.</p> <p>Land tax</p> <p>The OSR will reassess land tax to apply the waiver and provide a refund of the foreign surcharge where applicable. The deferral will also be applied automatically. However, an application is required for the land tax rebate - taxpayers should consider the various eligibility criteria.</p>

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South Australia	<p>Over \$4million</p> <p>Businesses with grouped annual Australian wages of more than \$4 million are able to defer (until October 2020) payroll tax payments for the period from April to September 2020 if they can demonstrate they have been significantly impacted by COVID 19.</p> <p>Under \$4million</p> <p>Businesses with grouped annual Australian wages of less than \$4 million will not be required to pay payroll tax for the months of April to September (for the return periods of March 2020 to August 2020).</p>	<p>Businesses and individuals paying land tax quarterly in FY2019-20 will be able to defer payment of their third and fourth quarter instalments for up to six months.</p> <p>Eligible taxpayers whose land tax bill will increase due to the land tax reforms relating to aggregation of land can receive relief of 100% of the increase in their land tax liability, subject to existing criteria found here.</p>	<p>Liquor licence fees for FY2020/21 will be waived for those hotels, restaurants, cafes and clubs forced to close due to social distancing restrictions.</p>	<p>Payroll tax - over \$4million</p> <p>Monthly payroll tax returns must still be lodged with all wage details.</p> <p>An online application can be made to apply for the payroll tax deferral.</p> <p>Deferral of payroll tax liabilities will be shown as part of the Annual Reconciliation processes.</p> <p>Payroll tax - under \$4million</p> <p>Monthly payroll tax returns must still be lodged to with all wage details.</p> <p>No application will be required. RevenueSA will notify eligible businesses through RevenueSA Online.</p> <p>Waiver of payroll tax for the six months will be finalised as part of the Annual Reconciliation process for FY2019-20 and FY2020-21.</p> <p>Land Tax</p> <p>No application process will be required, and there will be no requirement to contact RevenueSA to put the deferral arrangement in place.</p>

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Western Australia	<p>Under \$7.5 million</p> <p>Payroll tax will be waived for March to June 2020 for businesses that have Australian taxable wages of less than \$7.5 million in FY20. This waiver replaces the previously announced option to defer payment of payroll tax until July.</p> <p>Threshold</p> <p>The payroll tax threshold will be increased to \$1 million from 1 July 2020, bringing forward the planned increase by 6 months.</p> <p>Grant</p> <p>A one-off grant of \$17,500 will be given to businesses, or groups of businesses, whose annual Australian taxable wages are more than \$1 million and less than \$4 million.</p>	<p>Although specific land tax relief has not been announced, additional flexibility is available in relation to land tax payment arrangements (as well as for other taxes).</p>	<p>Penalty tax</p> <p>Penalty tax for late payment of tax liabilities will be remitted in full if taxpayers can demonstrate their financial circumstances have been directly or indirectly impacted by COVID-19.</p> <p>Applications can be made for remission of penalty tax in relation to:</p> <ul style="list-style-type: none"> • payroll tax; • transfer duty, landholder duty or vehicle licence duty; and • land tax. <p>Tax payment arrangements</p> <p>Any new arrangements to pay by instalments, or extend the time for making a payment that are approved from 23 March 2020, will be interest-free.</p> <p>Applications can be made in relation to:</p> <ul style="list-style-type: none"> • payroll tax; • transfer duty, landholder duty or vehicle licence duty; and • land tax. 	<p>Payroll tax - under \$5 million</p> <p>Businesses, or groups of businesses, with Australian taxable wages less than \$5 million at 29 February can automatically claim the waiver by:</p> <ul style="list-style-type: none"> • declaring WA taxable wages as normal in Revenue Online; and • recording the value of WA taxable wages as exempt wages using the 'Other Exempt Wages' field. <p>Payroll tax - between \$5 million and \$7.5 million</p> <p>Businesses, or groups of businesses, with Australian taxable wages of more than \$5 million (but less than \$7.5 million) at 29 February, and new employers registered from 1 March 2020, can apply to defer lodgement and payment of returns. If available, the waiver will be applied at the time of the annual reconciliation.</p> <p>Grant</p> <p>Grants will automatically be paid by cheque from July.</p>
Northern Territory	<p>The Northern Territory Government has announced various measures to support taxpayers.</p>			

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Australian Capital Territory	<p>All businesses - waiver</p> <p>Businesses whose operations are directly affected by the prohibited activities list will receive a six-month waiver of payroll tax from March to August 2020.</p> <p>Under \$10million - deferral</p> <p>All ACT businesses with group Australia-wide wages of up to \$10 million can defer their FY21 payroll tax, interest free, until 1 July 2022 (after which interest will be charged, if no further announcement is made).</p>		<p>Commercial general rates</p> <p>Commercial property owners with an Average Unimproved Value of \$2 million or less on their property are eligible for a rebate on their commercial rates fixed charge.</p> <p>Food business registration, outdoor dining and liquor licensing fees</p> <p>'Off' licenced venues with gross liquor purchase value of less than \$3 million per annum and licenced venues will receive a 12-month waiver of their food business registration and liquor licencing fees from 1 April 2020. Outdoor dining fees for 2020-2021 will also be waived.</p>	<p>Payroll tax waiver</p> <p>Businesses will need to make their ordinary lodgements, and can apply for the waiver online.</p> <p>Payroll tax deferral</p> <p>Businesses will need to make their ordinary lodgements, but will not be required to make the associated payment at the usual time.</p> <p>Businesses seeking a refund can make an application online.</p>
Tasmania	<p>Waiver - under \$5 million</p> <p>Businesses with Australian Group Wages of up to \$5 million for FY20 will receive a waiver of payroll tax for the entire financial year if they can demonstrate that their operations have been affected by COVID-19.</p> <p>Waiver - hospitality, tourism, and seafood industry</p> <p>Employers in the Tasmanian hospitality, tourism, and seafood industry will receive a waiver of payroll tax (on relevant industry wages) for the whole of FY20.</p> <p>Rebate - new youth employees</p> <p>Approved employers of new youth employees (aged 24 years and under) will receive a 12-month payroll tax rebate.</p> <p>The new youth employee must be employed at a point between 1 April and 31 December 2020.</p>	<p>Land tax will be waived for 'commercial property' (classified as such for government valuation purposes) for FY21 where a business owner:</p> <ul style="list-style-type: none"> • is liable for land tax; and • can demonstrate that their business operations have been affected by COVID-19. 		<p>Payroll tax waivers</p> <p>Monthly returns for March, April and May are not required.</p> <p>The Annual Adjustment Return for FY2019 -20 must still be lodged by 21 July 2020.</p> <p>More details in the waiver will be published by the State Revenue Office.</p> <p>Payroll tax rebate & land tax</p> <p>The State Revenue Office is expected to publish further details soon.</p>