

## Example Calculations for the 2010–11 Financial Year

### 1. Non-grouped employer paying wages in NSW only

	<b>Annual – full period</b> Assume your NSW wages are \$700 000 for 1 July 2010 to 30 June 2011 For 01 Jul 10 to 31 Dec10 wages are \$360 000. For 01 Jan 11 to 30 Jun 11 wages are \$340 000.		<b>Annual – part period</b> Assume you had the same wages, but commenced to employ on 1 August 2010 and ceased on 30 April 2011.	
	<b>July–December</b>	<b>January–June</b>	<b>July–December</b>	<b>January–June</b>
<b>Calculation of threshold for period of employment</b>			*01 Aug 10 to 31 Dec 10 = 153 Days	*01 Jan 11 to 30 Apr 11 = 120 Days
<u>No. of days employing x threshold</u> No. of days in period	$\frac{184 \times \$658\,000}{365} = \$331\,704$	$\frac{181 \times \$658\,000}{365} = \$326\,296$	$\frac{153 \times \$658\,000}{365} = \$275\,819$	$\frac{120 \times \$658\,000}{365} = \$216\,329$
<b>Calculation of employer's tax payable for the period</b>				
Employee's NSW wages for the period <u>Less threshold for the period</u> Tax on the balance	\$360 000 <u>\$331 704</u> \$28 296 x 5.5% = \$1 556.28	\$340 000 <u>\$326 296</u> \$13 704 x 5.45% = \$746.86	\$360 000 <u>\$275 819</u> \$84 181 x 5.5% = \$4 629.96	\$340 000 <u>\$216 329</u> \$123 671 x 5.45% = \$6 740.06
<b>Tax payable for the financial year</b>	Tax payable Jul–Dec = Tax payable Jan–Jun = Tax payable for financial year =	\$1 556.28 <u>\$ 746.86</u> \$2 303.14	Tax payable Jul–Dec = Tax payable Jan–Jun = Tax payable for financial year =	\$4 629.96 <u>\$6 740.06</u> \$11 370.02

## 2. Non-grouped employer paying wages in NSW and interstate

	<b>Annual – full period</b> Assume your NSW wages are \$700 000 and total Australian wages are \$2 200 000 for 1 July 2010 to 30 June 2011.  For 01 July 2010 to 31 December 2010 NSW wages are \$360 000 and Australian wages are \$1 130 000  For 01 January 2011 to 30 June 2011 NSW wages are \$340 000 and Australian wages are \$1 070 000		<b>Annual – part period</b> Assume you had the same wages, but commenced to employ on 1 November 2010 and continued to employ after 30 June 2011.	
	<b>July–December</b>	<b>January–June</b>	<b>July–December</b>	<b>January–June</b>
<b>Calculation of threshold for period of employment</b>			*01 Nov 10 to 31 Dec 10 = 61 days	*01 Jan 11 to 30 Jun 11 = 181 days
<u>No. of days employing x threshold</u> No. of days in period	$\frac{184 \times \$658\,000}{365} = \$331\,704$	$\frac{181 \times \$658\,000}{365} = \$326\,296$	$\frac{61 \times \$658\,000}{365} = \$109\,967$	$\frac{181 \times \$658\,000}{365} = \$326\,296$
<b>Calculation of employer's threshold entitlement for the period</b>				
<u>NSW wages x threshold</u> Employer's total Australian wages	$\frac{\$360\,000 \times \$331\,704}{\$1\,130\,000} = \$105\,676$	$\frac{\$340\,000 \times \$326\,296}{\$1\,070\,000} = \$103\,683$	$\frac{\$360\,000 \times \$109\,967}{\$1\,130\,000} = \$35\,034$	$\frac{\$340\,000 \times \$326\,296}{\$1\,070\,000} = \$103\,683$
<b>Calculation of employer's tax payable for the period</b>				
Employer's NSW wages for the period <u>Less threshold for the period</u> Tax on the balance	\$360 000 <u>\$105 676</u> \$254 324 x 5.5% = \$13 987.82	\$340 000 <u>\$103 683</u> \$236 317 x 5.45% = \$12 879.27	\$360 000 <u>\$ 35 034</u> \$324 966 x 5.5% = \$17 873.13	\$340 000 <u>\$103 683</u> \$236 317 x 5.45% = \$12 879.27
<b>Tax payable for the financial year</b>	Tax payable Jul–Dec = Tax payable Jan–Jun = Tax payable for financial year =	\$13 987.82 <u>\$12 879.27</u> \$26 867.09	Tax payable Jul–Dec = Tax payable Jan–Jun = Tax payable for financial year =	\$17 873.13 <u>\$12 879.27</u> \$30 752.40

### 3. Grouped employer paying as the Designated Group Employer

	<b>Annual – full period</b>		<b>Annual – part period</b>		
	Assume your NSW wages are \$475 000, the total annual NSW wages of the other group members are \$950 000 and the total annual Australian wages of the group are \$2 069 000.  For each period, that is Jul – Dec and Jan – Jun your NSW wages are \$237 500, other group members NSW wages are \$475 000 and total Australian wages are \$1 034 500		Assume you were grouped for the full year and another member ceased to be a member of the group on 31 August 2010. For Jul – Dec period your total NSW wages are \$475 000 of which <b>\$132 000</b> were paid up to 31 August 2010. The other group members NSW wages are \$950 000 of which <b>\$250 000</b> were paid up to 31 August 2010 and the group's total Australian wages are \$2 069 000 of which <b>\$550 000</b> were paid up to 31 August 2010.  For Jan–Jun your NSW wages are \$237 000, other group members NSW wages are \$475 000 and total Australia wages are \$ 1 034 500		
	<b>July–December</b>	<b>January–June</b>	<b>July–December</b>		<b>January–June</b>
<b>Calculation of threshold for period of employment</b>			<b>Part period 1</b> 1 Jul 2010 to 31 Aug 2010	<b>Part period 2</b> 1 Sep 2010 to 31 Dec 2010	
<u>No of days employing x threshold</u> No of days in period	$\frac{184 \times \$658\,000}{365} = \$331\,704$	$\frac{181 \times \$658\,000}{365} = \$326\,296$	$\frac{62 \times \$658\,000}{365} = \$111\,770$	$\frac{122 \times \$658\,000}{365} = \$219\,934$	$\frac{181 \times \$658\,000}{365} = \$326\,296$
<b>Calculation of employer's threshold entitlement for the period</b>					
<u>Total NSW wages of group x threshold</u> Total Australian Group wages	$\frac{\$712\,500 \times \$331\,704}{\$1\,034\,500} = \$228\,457$	$\frac{\$712\,500 \times \$326\,296}{\$1\,034\,500} = \$224\,733$	$\frac{\$382\,000 \times \$111\,770}{\$550\,000} = \$77\,629$	$\frac{\$1\,043\,000 \times \$219\,934}{\$1\,519\,000} = \$151\,015$	$\frac{\$712\,000 \times \$326\,296}{\$1\,034\,500} = \$224\,575$
<b>Calculation of employer's tax payable for the period</b>					
Employer's NSW wages for the period <u>Less threshold for the period</u> Tax on the balance	\$237 500 <u>\$228 457</u> \$ 9 043 x 5.5% = \$497.36	\$237 500 <u>\$224 733</u> \$ 12 767 x 5.45% = \$695.80	\$132 000 <u>\$ 77 629</u> \$ 54 371 x 5.5% = \$2 990.40	\$343 000 <u>\$151 015</u> \$191 985 x 5.5% = \$10 559.17	\$712 000 <u>\$224 575</u> \$487 425 x 5.45% = \$26 564.66
<b>Tax payable for the financial year</b>	Tax payable Jul–Dec = Tax payable Jan–Jun =  Tax payable for financial year =	\$ 497.36 <u>\$ 695.80</u>  \$ 1 193.16	Tax payable Jul–Dec = Tax payable Jan–Jun =  Tax payable for financial year =	\$13 549.57 (\$2990.40 + \$10 559.17) <u>\$26 564.66</u>  \$40 114.23	

## Designated Group Employers

Only one member of a group can claim the group's NSW threshold entitlement. Grouped employers are required to nominate a Designated Group Employer (DGE) for their group. If you are not the DGE, you do not receive any threshold entitlement. To qualify for DGE status the individual wages for the nominated DGE member need to be more than the threshold for that period.

If none of the members qualify to be the DGE, which means if no group members individual wages are above the threshold, you must nominate a Group Single Lodger to be responsible for lodging and paying payroll tax on behalf of all members of the group.



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