



Example Calculations for the 2011–12 Financial Year

Monthly calculations

From 1 July 2011 the payroll tax rate is 5.45 per cent.

From 1 July 2011 the threshold is **\$678 000**

Your monthly threshold is calculated using the number of days in the month, divided by the number of days in the year, multiplied by the threshold.

Days in months	Threshold
29	\$53 721
30	\$55 574
31	\$57 426

1. Non-grouped employer paying wages in NSW only

Monthly – full period	
Assume your NSW wages for October 2011 are \$116 667.	
Calculation of threshold for period of employment	Note: If employing for less than the full month, use the number of days you actually employed
$\frac{\text{No. of days employing} \times \text{threshold}}{\text{No. of days in period}}$	$\frac{31 \times \$678\,000}{366} = \$57\,426$
Calculation of employer's tax payable for the period	Calculation 1 – including apprentices/trainees
Employer's NSW wages for the period <u>Less threshold for the period</u> Tax on the balance	$\begin{aligned} & \$116\,667 \\ & \underline{\$ 57\,426} \\ & \$ 59\,241 \times 5.45\% = \$3\,228.63 \end{aligned}$



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

	Monthly – full period Assume your February 2012 monthly NSW wages are \$116 667 and your total Australian wages are \$313 167.
Calculation of threshold for period of employment $\frac{\text{No. of days employing x threshold}}{\text{No. of days in period}}$	Note: if employing for less than the full month, use the number of days you actually employed $\frac{29 \times \$678\,000}{366} = \$53\,721$
Calculation of threshold for period of employment $\frac{\text{NSW wages x threshold}}{\text{Employer's total Australian wages}}$	$\frac{\$116\,667 \times \$53\,721}{\$313\,167} = \$20\,013$
Calculation of employer's tax payable for the period Employer's NSW wages for the period Less <u>threshold for the period</u> Tax on the balance	$\begin{aligned} & \$116\,667 \\ & \underline{\$ 20\,013} \\ & \$ 96\,654 \times 5.45\% = \$5\,267.64 \end{aligned}$

3. Grouped employer paying as the Designated Group Employer

	Monthly – full period Assume all members were grouped for the month of September 2011. Assume your NSW wages are \$56 250, the other group members total NSW wages are \$80 000 and the group's total Australian wages are \$201 000.
Calculation of threshold for period of employment $\frac{\text{No. of days employing x threshold}}{\text{No. of days in period}}$	Note: if employing for less than the full month, use the number of days you actually employed $\frac{30 \times \$678\,000}{366} = \$55\,574$
Calculation of threshold for period of employment $\frac{\text{Total NSW wages of group x threshold}}{\text{Total Australian group wages}}$	$\frac{\$136\,250 \times \$55\,574}{\$201\,000} = \$37\,671$
Calculation of employer's tax payable for the period Employer's NSW wages for the period Less <u>threshold for the period</u> Tax on the balance	$\begin{aligned} & \$56\,250 \\ & \underline{\$37\,671} \\ & \$18\,579 \times 5.45\% = \$1\,012.55 \end{aligned}$

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 member's 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.

