



Dominic Perrottet
Treasurer
Minister for Industrial Relations

MEDIA RELEASE

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NSW PRODUCTIVITY COMMISSION DELIVERS ON PAYROLL TAX

Businesses across NSW will benefit from a streamlined and modernised payroll tax system following a review by the NSW Productivity Commission.

The NSW Government will be implementing all 12 recommendations handed down in the NSW Productivity Commission report.

As part of the reforms, from next year payroll tax administration will be streamlined with the introduction of equal automated payments making payroll tax a set-and-forget affair, rather than a monthly hassle.

Treasurer Dominic Perrottet thanked the NSW Productivity Commissioner and his team for their work with the NSW Business Chamber estimating payroll tax administration to be costing businesses around \$10,000 a year.

“When we established our first ever state Productivity Commission I made their first priority reviewing payroll tax administration,” Mr Perrottet said.

“For many businesses, the time and resources taken up just by calculating and paying payroll tax is itself a tax on productivity.”

“We are reducing the costs and making compliance easier giving businesses more time and money that can be reinvested back into their business and the people working in them.”

NSW Productivity Commissioner Peter Achterstraat said this important reform would allow businesses across the State to grow and prosper.

“Improving the operating environment for NSW businesses is a major focus for me in driving productivity for NSW,” Mr Achterstraat said.

“We have listened to businesses and I am delighted that my Review’s recommendations are being implemented and businesses in NSW will be benefiting from our reforms.”

“This is just the start of what I want to do to support businesses in NSW.”

NSW Business Chamber CEO Stephen Cartwright welcomed the changes.

“This initiative will be well received by the business community across NSW, already benefitting from an increase to the Payroll Tax threshold last June,” Mr Cartwright said.

“The costs in administration were, for many, more onerous than the actual tax.”

Mr Perrottet said while the NSW Liberals & Nationals Government are committed to cutting taxes Michael Daley and the NSW Labor Party only had plans to cut services and raise taxes.

“Labor has no plans to make life easier for businesses in NSW. They will punish businesses and families by raising taxes and cancelling projects because they are lazy and have no plans for reform,” Mr Perrottet said.

“Under Labor businesses will be tied up with red tape and looking over their shoulder wondering who is coming for their profits next.”

“The Coalition is proud to have cut about \$4.4 billion dollars in taxes in our last three budgets - and we will continue to cut taxes wherever and whenever we can.”

“This is just one of many steps our Government is taking - and will continue to take - to drive productivity growth and increase prosperity in our State.”

The full report will be published on the NSW Treasury website:

www.treasury.nsw.gov.au/review-payroll-tax-administration.

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