



Dominic Perrottet
Treasurer

Damien Tudehope
Minister for Finance and Small Business

MEDIA RELEASE

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PAYROLL TAX RELIEF KEEPING NSW IN BUSINESS

Tens of thousands of NSW businesses have been provided with payroll tax relief as part of the NSW Government's economic stimulus package to help businesses impacted by COVID-19.

Treasurer Dominic Perrottet said the 25 per cent payroll tax reduction and deferred payment options, introduced in March, had provided businesses much needed cash flow and allowed them more scope to retain employees.

"About 24,700 business owners claimed the 25 per cent waiver, meaning that close to \$380 million was able to go back to keeping people in work and businesses afloat during an unprecedented situation," Mr Perrottet said.

"As well as those reductions, 2,300 payroll tax customers have established payment arrangements for their deferred tax liability, worth more than \$650 million."

As part of the NSW Government's health, economic and social COVID-19 stimulus measures, businesses with total grouped Australian wages for the 2019-20 financial year of \$10 million or less had their annual tax liability reduced by 25 per cent when they lodged their annual reconciliation.

Businesses also had the option of deferring their payroll tax payments until 30 October 2020 for the return periods March 2020 to September 2020.

Minister for Finance and Small Business Damien Tudehope said the NSW Government was committed to supporting business and jobs.

"Supporting businesses by lowering costs through tax cuts and fee reductions has been pivotal to the NSW Government's COVID-19 economic response," Mr Tudehope said.

"We've worked to free up cash for businesses during this critical time by waiving or deferring their tax."

Further payroll tax relief was announced for businesses as part of the 2020-21 NSW Budget in November, with the payroll tax rate reduced from 5.45 per cent to 4.85 per cent for a two-year period, and backdated to 1 July 2020, along with the threshold being permanently increased from \$1 million to \$1.2 million.

More information on payroll tax changes are available on the [Revenue NSW](https://www.revenue.nsw.gov.au) website.

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