



New South Wales

Treasury Legislation Amendment (COVID-19) Bill 2020

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The object of this Bill is to amend the *Long Service Leave Act 1955* and *Payroll Tax Act 2007* as a result of the COVID-19 pandemic.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act.

Schedule 1 Amendment of Acts

Long Service Leave Act 1955 No 38

Currently an employer may, with the agreement of a worker, give the worker a period of long service leave before the worker becomes entitled to the long service leave. However, this must be a period of at least 1 month. **Schedule 1.1** permits this period to be less than one month. It also permits an employer, with the agreement of the worker, to give less than one month's notice of when long service leave is to be given and taken.

Payroll Tax Act 2007 No 21

Schedule 1.2[1] provides that an employer is only required to pay 75% of the payroll tax on wages for the financial year commencing on 1 July 2019 if all Australian wages paid or payable are \$10,000,000 or less. An employer who is part of a group is not eligible for the discount unless the

Chief Commissioner has been provided with certain information regarding other employers in the group and the amount of taxable wages and interstate wages paid or payable by those employers. **Schedule 1.2[2]** increases the threshold amount for payroll tax liability for the financial year commencing on 1 July 2020 and subsequent financial years to \$1,000,000.