

## Monash University Procedure

<b>Procedure Title</b>	Payroll Tax Procedures (Australia)
<b>Parent Policy</b>	<a href="#">Tax - Global Taxation Policy</a>
<b>Date Effective</b>	
<b>Review Date</b>	
<b>Procedure Owner</b>	
<b>Category</b>	Operational
<b>Version Number</b>	
<b>Content Enquiries</b>	<a href="#">Finance Policy</a>
<b>Scope</b>	
<b>Purpose</b>	
<b>PROCEDURE STATEMENT</b>	

Payroll tax is a State imposed tax. Each State of Australia has it's own Payroll Tax legislation. The various State Acts are broadly similar in that payroll tax is levied on "wages", but the Acts differ in rates, definitions, thresholds and application. Employers are required to self-assess their liability to payroll tax in each State. The University must pay payroll tax and comply with all the relevant State authority requirements.

### 1. Payroll Tax

- 1.1. The SAP HR System must be configured to calculate the correct amount of payroll tax for the State that the employee is working in for wages through the payroll system.

**Responsibility**

Human Resources Division

- 1.2. Where an employee works interstate for more than 1 month or overseas more than 6 months HR must be advised of all the relevant details to enable the University to remit payroll tax to the appropriate State authority.

**Responsibility**

Employee's Department

- 1.3. Ascertain if payroll tax is payable in a State other than Victoria once the department has advised of staff members working interstate or overseas and enter the relevant location into the SAP HR System.

**Responsibility**

HR Operations

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- 1.4. Contractor agreements must be analysed to ascertain if payroll tax is applicable.

**Responsibility**

Contracting Department

- 1.5. The University must remit the correct payroll tax to the relevant State authority in a timely manner and provide advice to HR Operations regarding payments that are subject to payroll tax.

**Responsibility**

Corporate Finance Division  
HR Operations

<b>Responsibility for implementation</b>	
<b>Status</b>	
<b>Approval Body</b>	<b>Operational procedure</b> <b>Name:</b> <b>Date:</b> <b>Author:</b>
<b>Definitions</b>	
<b>Legislation Mandating Compliance</b>	
<b>Related Policies</b>	
<b>Related Documents</b>	