



Office of State Revenue
NSW TREASURY

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Revenue Ruling No. PT 3

Refunds and Rebates of Pay-roll Tax

Ruling history

Ruling no.	Issued date	Dates of effect		Status
		From	To	
PT 3	19th February 1986	19 / 2 / 86	31 / 12 / 96	Obsolete

Preamble

- 1 The Pay-roll Tax Act 1971 makes provision for refunds or rebates of tax to be given under certain circumstances. The time limits for applying for a refund or rebate vary depending on the circumstances. However, the Minister for Finance has agreed to standardise the time limits, and has authorised the introduction of standard time limits by administrative action pending amendment of the Act.

Ruling

Variation of Statute

- 2 Section 19 of the Pay-roll Tax Act 1971 provides that a person may obtain a refund of tax where an overpayment is made, apart from those relating to an annual adjustment, provided an application is lodged with the Chief Commissioner within six years of the overpayment. However, a refund is not available if an overpayment of tax resulted from a mistake of law.
- 3 In respect of an annual adjustment under sections 11B and 16K, and clauses 5 and 9 of Schedule 1 of the Act, a person may obtain a refund or rebate only if an application is made within the financial year following the year to which the refund or rebate relates.
- 4 However, the Minister for Finance has approved of amendments to the Act so as to allow refunds or rebates under all of the abovenamed provisions, providing an application is made to the Chief Commissioner within six years of the end of the financial year to which the refund or rebate relates. The Minister has also approved of the Act being administered on this basis by means of a variation of statute, pending amendment of the legislation.

The Process for Obtaining Refunds

- 5 Where a refund or rebate is due as a result of an annual adjustment, completion of the "annual calculation of tax" on page 1 of the relevant annual return form will be treated as an application for a refund if one is due.
- 6 Where an employer's liability or assessment has been reduced by the Chief Commissioner as a result of an objection, or by the Supreme Court as a result of an appeal, any refunds due will be automatically paid and there is no need for an application to be made by the employer.
- 7 If the Pay-roll Tax Division discovers that an overpayment has been made it will advise the employer, who must then lodge a written application for the refund.

- 8 In any other case where an employer believes that a refund or rebate of pay-roll tax is due, the employer should apply in writing to the Chief Commissioner for a refund, setting out all the relevant facts.

A D Clyne,
Chief Commissioner of Pay-roll Tax.
19th February 1986