

**RESPONSE TO STATE DEVELOPMENT, INFRASTRUCTURE AND WORKS
COMMITTEE'S REPORT NO. 1 – REVENUE LEGISLATION AMENDMENT BILL 2024**

Recommendation 1

That the Revenue Legislation Amendment Bill 2024 be passed.

The Queensland Government notes the Committee's recommendation that the Bill be passed and thanks the Committee for its consideration of the Bill.

Recommendation 2

That an appropriate communication and education strategy accompany implementation of the amendments to the Duties Act 2001 to ensure that the community is fully aware of their legal rights and obligations should they choose to rent out a room in their home.

The Queensland Government supports the Committee's recommendation.

The Queensland Revenue Office (QRO) will ensure that its website is updated to include relevant information relating to the rent a room measure. The information will include that home owners should consider potential impacts that renting out a room in their home may have, such as under residential tenancies legislation, depending on their circumstances and extent to which the property is rented.

QRO will also engage with the Residential Tenancies Authority (RTA) to develop appropriate guidance material addressing the issues raised by the RTA in its submission.

Recommendation 3

That clear and updated guidance be issued by the Queensland Revenue Office regarding the existing payroll tax exemptions which may be applicable to certain non-GP specialists.

The Queensland Government supports the Committee's recommendation.

The *Payroll Tax Act 1971* (Payroll Tax Act) contains several exemptions for payments made under a relevant contract (contractor exemptions). The contractor exemptions have general application, subject to relevant conditions being met. Where an exemption applies, payments under a relevant contract will not be taxable for payroll tax purposes.

As payroll tax is self-assessed, employers are responsible for determining their liability for payroll tax, as well as their eligibility for any exemptions or rebates, and lodge returns. QRO provides information to assist taxpayers and their professional advisors to understand their obligations and any entitlements.

QRO will continue to engage with the Australian Medical Association Queensland (AMAQ) to assist in providing them with relevant information on the QRO website about the contractor exemptions and to clarify any remaining areas of uncertainty.

Information on the QRO website includes Public Rulings on specific exemptions. The rulings explain how the exemptions operate and, where applicable, set out methods or factors approved by the Commissioner of State Revenue (Commissioner) for determining if an exemption applies. There is also a public ruling that explains how the exemption in section 13B(2)(b)(iv) of the Payroll Tax Act applies. It sets out how a taxpayer may apply for an exclusion determination, including the factors the Commissioner will consider, and an accepted method to claim the exemption without applying for a determination.

On this basis, the Government is satisfied QRO provides guidance to assist taxpayers, including non-GP specialists, to understand their potential entitlement to the contractor exemptions, and will publish further guidance or clarification, as appropriate or necessary.

Recommendation 4

That clear and updated guidance be issued by the Queensland Revenue Office regarding the application of the retrospective amnesty arrangements, particularly the need to comply with the Queensland Revenue Office data disclosure requirements.

The Queensland Government supports the Committee's recommendation.

Under the original amnesty arrangement put in place by the previous government, medical practices were required to register for payroll tax (if not already registered) and make a voluntary disclosure by 30 June 2025.

Following the Government's decision to provide an exemption from 1 December 2024, the eligibility requirements for the amnesty were reviewed to simplify the process and reduce the compliance obligations for medical practices. In particular, the requirements to register for payroll tax and to make a voluntary disclosure were generally removed.

The updated amnesty arrangement was published on the QRO website on 6 December 2024. Following introduction of the Bill on 12 December 2024, QRO contacted every medical practice that had submitted an expression of interest (EOI) for the amnesty, to provide information about the exemption and the changed amnesty requirements.

As a result of the changed amnesty requirements, the vast majority of medical practices that submitted an EOI for the amnesty do not need to do anything further. QRO communicated this to relevant medical practices on 6 February 2025.

QRO is communicating with the remaining small number of medical practices that are still required to provide further information on a case-by-case basis, to ensure they are clear about what is required to comply with their obligations.

QRO also continues to engage with the AMAQ and the Royal Australian College of General Practitioners to assist them in providing information to their members regarding the amnesty.

On this basis, the Government is satisfied that current information on the amnesty requirements is available on the QRO website, including the updated amnesty arrangement. Further, that QRO is working with relevant medical practices, their professional advisors and industry to ensure they are aware of the settings for each form of relief and what they need to do.

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Tabled

By Leave

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