



The Hon. Cameron Dick MP
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Dr Maria Boulton
President
AMA Queensland
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Dear Dr Boulton

Maria

Thank you for the letter from your Chief Executive Officer (CEO) dated 17 November 2022.

In regard to the requests to the Queensland Revenue Office (QRO), I have asked the Acting Commissioner of State Revenue to respond separately to the AMA.

I note your reference to the letter sent to the AMA from the QRO on 7 January 2022. In this regard, I am advised that the QRO has reviewed the case of *Thomas and Naaz Pty Ltd v NSW Chief Commissioner of State Revenue* (Thomas & Naaz). Consistent with the letter, and consistent with statements made by the Government, the QRO has formed the view that Thomas & Naaz simply affirms the QRO's existing, longstanding approach to the payroll tax treatment of medical practice businesses.

I am advised that, from QRO's perspective, the treatment of medical practice businesses for payroll tax has remained the same since 2008. I am further advised that many Queensland medical practice businesses have paid, and continue to pay, payroll tax for medical practitioners.

I am advised QRO targets compliance activities using available data, based on objective risk-based revenue management principles. This includes using relevant financial data as it becomes available. As I have recently stated, QRO has resumed normal compliance activities that were suspended due to the COVID-19 pandemic. These factors may mean that more medical practice businesses are subject to compliance activity, but I am advised that this is not the result of any focus on industry or type of business, and is unrelated to recent court cases.

I note that, in information that the AMA Queensland has circulated to members, the AMA has stated that "other states are considering payroll tax exemptions for general practice". I understand state revenue offices have met last week and I am advised that none are implementing payroll tax exemptions for medical practice businesses.

I also note the AMA is characterising QRO as taking a “new approach” and “targeting GP clinics”. As explained above, this is not correct, and XI trust that you will now update your members with accurate information.

I encourage you and your CEO to continue to work with QRO on relevant issues.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Cameron Dick', with a long horizontal line extending to the right.

CAMERON DICK MP
Treasurer
Minister for Trade and Investment

30 November 2022