

Our Ref: POL8820

12 February 2025

Dr Nick Yim and Dr Brett Dale
President and Chief Executive Officer
Australian Medical Association Queensland

Email: [REDACTED]

Dear Dr Yim and Dr Dale

I refer to comments in your submission and appearance at the Public Hearing as part of the State Development, Infrastructure and Works Committee's inquiry into the Revenue Legislation Amendment Bill 2024. In particular, the uncertainty amongst your members about the payroll tax amnesty arrangements, following introduction of the exemption for wages paid by medical practices to general practitioners (GPs) from 1 December 2024.

I trust the following information will assist in clarifying this uncertainty.

Interaction between amnesty and exemption

The Queensland Government is honouring the previous government's amnesty for payments made to contracted GPs from 1 July 2018 and up to commencement of the exemption.

The following payroll tax relief is available for medical practices, depending on the relevant period.

- From 1 July 2018 to 30 November 2024: payroll tax amnesty for eligible medical practices in relation to payments to contracted GPs.
- From 1 December 2024 onwards: exemption from payroll tax and the mental health levy for wages paid or payable by medical practices to GPs.

Updated amnesty arrangement

In recognition of the exemption, changes were made to the eligibility requirements for the amnesty 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 have been removed, except in the very few cases where a medical practice is subject to audit activity. The updated administrative arrangement for the amnesty is published on the Queensland Revenue Office (QRO) website. I have also attached a copy.

This means medical practices that are no longer required to make a voluntary disclosure or have already made a voluntary disclosure do not need to do anything else for the amnesty. QRO has communicated this to relevant medical practices on 6 February 2025. This is the vast majority of medical practices that submitted an expression of interest (EOI) for the amnesty.

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 payroll tax obligations.

I want to assure you that QRO continues to work with relevant medical practices and their professional advisors to ensure they are aware of the settings for each form of relief and what, if anything, they need to do.

For further information about the exemption or amnesty arrangements, your members can contact QRO on 1300 300 734 or pt.compliance@treasury.qld.gov.au.

Payroll tax contractor exemptions

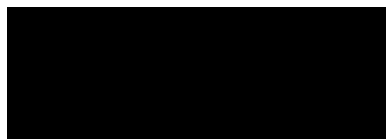
I note your submission also refers to uncertainty about the application of existing payroll tax contractor exemptions.

Information is available on the QRO website about the contractor exemptions via <https://qro.qld.gov.au/payroll-tax/liability/contractor-payments/exemptions/>. There are also Public Rulings on specific exemptions available, which explain how an exemption operates. These can also be accessed on the QRO website. In particular, Public Ruling PTA021 *Contractors who ordinarily perform services to the public* explains how section 13B(2)(b)(iv) of the Payroll Tax Act applies. This Public Ruling can be accessed via <https://qro.qld.gov.au/resource/pta021/>.

I encourage you to review the existing guidance material relating to the contractor exemptions and engage with QRO if you believe any areas of uncertainty remain, so that QRO can consider appropriate clarifications to the guidance material.

I trust this information assists in clarifying your concerns in relation to this relief and the existing contractor exemptions.

Yours sincerely

A solid black rectangular box used to redact the signature of Simon McKee.

Simon McKee
Commissioner of State Revenue