



NORTHERN TERRITORY OF AUSTRALIA

No. 14 of 1985

AN ACT

To amend the *Pay-roll Tax Act*

[Assented to 23 May 1985]

BE it enacted by the Legislative Assembly of the Northern Territory of Australia, with the assent as provided by the *Northern Territory (Self-Government) Act 1978* of the Commonwealth, as follows:

1. SHORT TITLE

This Act may be cited as the *Pay-roll Tax Amendment Act 1985*.

2. COMMENCEMENT

This Act shall be deemed to have come into operation on 28 February 1985.

3. INTERPRETATION

Section 3(1) of the *Pay-roll Tax Act* is amended by omitting from the definition of "wages" -

- (a) "or allowance" and substituting ", allowance or other benefit";
- (b) "to an employee" and substituting "to, or in relation to an employee"; and
- (c) paragraph (c) and substituting the following:
"(c) a payment made by way of commission to an insurance or time-payment canvasser or collector;
- (ca) wages, remuneration, salary, commission, bonuses, allowances or other benefits paid or payable, whether in cash or in kind, to or in relation to an employee by any person acting for or in concert or under an arrangement or understanding, whether formal or informal and whether expressed or implied, with the employer; and".

Pay-roll Tax Amendment

4. NEW SECTION

The *Pay-roll Tax Act* is amended by inserting in Part III, after section 11, the following:

"11A. ARRANGEMENTS FOR AVOIDANCE OF TAX MAY BE DISREGARDED

"(1) Where a person enters into an agreement, transaction, or arrangement, whether in writing or otherwise, whereby a natural person performs or renders, for or on behalf of another person, services in respect of which a payment is made to some other person related to or connected with the natural person performing or rendering the services and the effect of such agreement, transaction or arrangement is to reduce or avoid the liability of a person to the assessment, imposition, or payment of pay-roll tax, the Commissioner may -

- (a) disregard the agreement, transaction, or arrangement;
- (b) determine that a party to the agreement, transaction or arrangement shall be deemed to be an employer for the purposes of this Act; and
- (c) determine that a payment made in respect of the agreement, transaction or arrangement shall be deemed to be wages for the purposes of this Act.

"(2) Where the Commissioner makes a determination under sub-section (1), he shall serve a notice to that effect on the person deemed to be an employer for the purposes of this Act and shall set out in the notice the facts on which the Commissioner relies and his reasons for making the determination."

5. ACTIONS, &c., BEFORE ADMINISTRATOR'S ASSENT

Any action taken, determination or assessment made or document served by or on behalf of the Commissioner during the period commencing 28 February 1985 and ending on the expiration of the day before the date on which the Administrator's assent to this Act was given shall be deemed to have been as validly and effectively taken, made or served, as the case may be, as if this Act were in force at the time it was so taken, made or served, except that any time limited by the *Pay-roll Tax Act*, as then in force, for any purpose in relation to the assessment, paying or appealing against an assessment of an amount of tax made payable as a result of the commencement of this Act shall be extended by a time equal to that period.