

# GUIDELINES

## Payroll Tax Exemption



South Australian **Film Corporation**

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Payroll tax is a state tax that is calculated on wages paid or payable. Payroll tax is payable when an employer's (or group of employers') total Australia wide taxable wages exceeds the South Australian threshold. In South Australia, payroll tax is collected and administered in accordance with the *Payroll Tax Act 200*.

### What is the Payroll Tax Exemption Scheme?

The South Australian Government offers a payroll tax exemption to producers shooting feature films in South Australia. The incentive may reduce a project's total payroll liability by up to 4.95%.

### Who is eligible?

Production companies who make feature films in South Australia and incur a South Australian payroll tax liability.

A payroll tax liability generally arises in South Australia when an employer (or a Group of employers) has an annual wages bill in excess of \$1.5 million for services rendered by employees anywhere in Australia if any of those services are rendered or performed in South Australia.

For further details see: <https://www.revenuesa.sa.gov.au/taxes-and-duties/payroll-tax>

### What projects are eligible?

Under Schedule 2 Part 3 Division 3 of the Payroll Tax Act 2009:

Wages are exempt from payroll tax if they are paid or payable by a motion picture production company, to an employee who is involved in the production of a feature film.

The motion picture production company needs to satisfy the Treasurer that:

- the film will be produced wholly or substantially within South Australia;
- the production of the film will involve or result in the employment of South Australian residents; and
- the production of the film will result in economic benefits to the State of South Australia.

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If you are undertaking film or television production activity in South Australia at a level that incurs a payroll tax liability, but you do not meet the above requirements, please contact the SAFC.

### How are applications assessed?

Applications are assessed by Revenue SA based on the information provided by the applicant.

### How do I apply?

Applications and support materials can be submitted at <https://safilm.smartygrants.com.au/>

### When can I apply?

Applications for Payroll Tax Exemption can be made at any time.

Note: Applicants can apply for an exemption before incurring the tax or for a refund after incurring the tax. If your project is financed with any of the Producer, PDV or Location Offsets you may wish to consider the implications of either method and seek professional advice from your accountant and/or contact Screen Australia's Producer Offset Unit.

### Where can I find out more?

- Contact Elyse Lawson, Production Executive on 08 8394 2009 or [elyse.lawson@safilm.com.au](mailto:elyse.lawson@safilm.com.au)
- [www.revenuesa.sa.gov.au](http://www.revenuesa.sa.gov.au)

### Accessibility Options

SAFC supports engagement from Deaf and disabled practitioners. For a confidential discussion of your access needs, please contact us at [disability@safilm.com.au](mailto:disability@safilm.com.au) or call SAFC Production Executive Elyse Lawson on 08 8394 2009 or via the National Relay Service.