

South Australia



**PAY-ROLL TAX (SUPERANNUATION BENEFITS) AMENDMENT ACT  
1996**

**No. 79 of 1996**

**SUMMARY OF PROVISIONS**

1. Short title
2. Commencement
3. Amendment of s. 3—Interpretation



ANNO QUADRAGESIMO QUINTO

**ELIZABETHAE II REGINAE**

A.D. 1996

\*\*\*\*\*

No. 79 of 1996

An Act to amend the Pay-roll Tax Act 1971.

[Assented to 5 December 1996]

The Parliament of South Australia enacts as follows:

**Short title**

1. (1) This Act may be cited as the *Pay-roll Tax (Superannuation Benefits) Amendment Act 1996*.

(2) The *Pay-roll Tax Act 1971* is referred to in this Act as "the principal Act".

**Commencement**

2. This Act will be taken to have come into operation on 1 July 1996.

**Amendment of s. 3—Interpretation**

3. Section 3 of the principal Act is amended—

(a) by inserting the following definition after the definition of "liquidator" in subsection (1):

"partly funded scheme of superannuation" means a scheme of superannuation (including a provident or retirement fund or scheme) under which the employer's liability for superannuation benefits is partly satisfied by a payment within the meaning of paragraph (a) of the definition of "superannuation benefit";;

(b) by striking out the definition of "superannuation benefit" in subsection (1) and substituting the following definition:

"superannuation benefit" means—

(a) —

(i) a payment of money by an employer on behalf of an employee to, or the setting apart of money by an employer on behalf of an employee as, a superannuation fund within the meaning of the *Superannuation Industry (Supervision) Act 1993* of the Commonwealth; or

- (ii) a payment by an employer of a superannuation guarantee charge within the meaning of the *Superannuation Guarantee (Administration) Act 1992* of the Commonwealth; or
  - (iii) a payment of money by an employer on behalf of an employee to, or the setting apart of money by an employer on behalf of an employee as, any other form of superannuation, provident or retirement fund or scheme;
- (b) in the case of a person who is a member of the old or new scheme under the *Superannuation Act 1988* or of any other unfunded or partly funded scheme of superannuation—the Treasurer's estimate of the contingent liability of the person's employer for superannuation benefits under that Act or scheme in respect of that person;;
- (c) by inserting the following definition after the definition of "trustee" in subsection (1):
- "unfunded scheme of superannuation"** means a scheme of superannuation (including a provident or retirement fund or scheme) under which no payment within the meaning of paragraph (a) of the definition of "superannuation benefit" is made by the employer in total or partial satisfaction of his, her or its liability for superannuation benefits;;

- (d) by inserting after subsection (2) the following subsections:

(3) The Treasurer may estimate the contingent liability of an employer for benefits that will be payable to or in respect of an employee who is a member of the old or new scheme of superannuation under the *Superannuation Act 1988* or of any other unfunded or partly funded scheme of superannuation.

(3a) For the purposes of this Act, wages that are comprised of the Treasurer's estimate of an employer's contingent liability for superannuation benefits will be taken to be payable as soon as the contingent liability accrues.

(3b) The Treasurer's estimation—

(a) must be based on the following assumptions:

- (i) that the employee will continue in employment with the same employer until he or she reaches the age of retirement under the superannuation scheme concerned and that the employee will then retire; and
- (ii) that the employee's rate of salary will remain constant until the age of retirement; and
- (iii) in the case of a contributory scheme—that the employee will from the time at which the estimation is made be an active contributor at the standard rate until retirement (even though the contributor may not be an active contributor when the estimation is made); and

- (b) must (where applicable) make allowance for the fact that the liability of the employer will effectively be reduced because part of the benefits paid to or in respect of the employee will be charged against his or her contribution account.

In the name and on behalf of Her Majesty, I hereby assent to this Bill.

E. J. NEAL Governor