



BACKING QUEENSLAND JOBS

\$885M

BUSINESS BOOST TO BACK QUEENSLAND JOBS

Queensland business plays an integral role in keeping our economy strong. The Queensland Budget will harness the horsepower of Queensland's business sector to help them grow jobs across our diverse state. New initiatives will deliver lower taxes for 13,200 small and medium businesses, and new incentives for all businesses to hire more Queenslanders.



New tax-free threshold for Queensland small business payrolls

- ⊕ New **\$1.3M** payroll threshold before Queensland businesses pay payroll tax
- ⊕ Approximately **1,500** Queensland businesses will fall below the threshold and pay no payroll tax
- ⊕ **\$77M** will be put back in the hands of Queensland's small businesses in 2019-20
- ⊕ **\$335M** boost to small business over the four-year budget period
- ⊕ Queensland's payroll tax-free threshold now **93%** better than Victoria and **50%** better than NSW



Job-generating payroll tax discount for regional Queensland businesses

- ⊕ Lower payroll tax for all regional Queensland businesses
- ⊕ **2,700** businesses will have a payroll tax rate up to **20%** lower than the rate they currently pay
- ⊕ Injecting **\$75M** into Queensland's regions to help businesses grow through 2019-20
- ⊕ Provides a **\$324M** boost to regional businesses over four years



Employ, save and grow! Rebates for employers that grow jobs

- ⊕ Payroll tax rebates up to **\$20,000** for employers who increase total employees each year
- ⊕ Continue the **50%** payroll tax rebate for businesses that employ apprentices and trainees
- ⊕ Continue Back to Work payments up to **\$20,000** for employers

How job boosting initiatives work...

New \$1.3M payroll tax free threshold*

- ⊕ The tax-free threshold for businesses having to pay payroll tax will increase from \$1.1M to **\$1.3M**
- ⊕ Applies to all Queensland businesses
- ⊕ Approximately **1,500** Queensland businesses will fall below the threshold and pay no payroll tax
- ⊕ The payroll tax rate for businesses for a payroll up to and including \$6.5M will remain at **4.75%**
- ⊕ The payroll tax rate for large businesses with a payroll above \$6.5M will have a new rate of **4.95%** (up 0.2%)

Payroll tax discount for regional businesses*

- ⊕ Reduces the payroll tax rate for medium size businesses (up to and including \$6.5M) by 1% to **3.75%**
- ⊕ Reduces the payroll tax rate for large businesses in regional Queensland (\$6.5M and over) by 1% to **3.95%**
- ⊕ Applies to businesses with a registered business address in regional areas and where **85%** of taxable wages are paid to employees who reside in regional Queensland
- ⊕ Regional Queensland will include Cairns, Central Queensland, Darling Downs Maranoa, Mackay - Isaac - Whitsunday, Queensland - Outback, Townsville and Wide Bay
- ⊕ Applying a residential test means regional businesses will have a financial incentive to hire local. This will keep more money and more jobs in local towns and communities

Payroll Tax Rebates for businesses hiring new employees*

- ⊕ New employee rebate for growing businesses
 - ⊕ Applies to employers who have a net growth in total full-time employees over a year
 - ⊕ Applies as a **100%** rebate on the payroll tax relative to net growth in employees, up to a cap of **\$20,000**
- ⊕ Continued rebates for businesses employing jobseekers and apprentices and trainees
 - ⊕ Back to Work initiative provides up to **\$20,000** in financial support for businesses that employ eligible jobseekers.
Full details of this continued program at backtowork.initiatives.qld.gov.au
 - ⊕ This budget provides two more years of the Apprentice and Trainee payroll tax rebate, which is paid at **50%** of apprentice and trainee wages.
Details of the rebate are available at business.qld.gov.au

*Accessing multiple benefits

Employers may be eligible to receive more than one, or all of the payroll benefits. For example, a regional employer may be eligible to receive:

- A benefit from the new \$1.3M payroll tax threshold
- A payroll tax rate discount of 1%
- Up to \$20,000 for increasing employees
- Up to \$20,000 for hiring eligible job seekers
- 50% rebate off apprentice and trainee wages paid.

