

# NSW STATE TAXES: EXPLAINED



## LAND TAX

Land tax is an annual tax levied at the end of the calendar year. It is based on the combined value of all taxable land held by the land owner.

## PRIMARY PRODUCTION TAX

Under section 10AA of the Land Tax Management Act 1956 NSW, rural land is exempt from taxation if it is used for primary production.

## FOREIGN PERSON SURCHARGE

An additional duty applicable to foreign purchasers who must pay an additional 8% surcharge based on the value of the land.

## PAYROLL TAX

Tax on wages in NSW; if taxable wages exceed \$1 million, payroll tax will be payable. Companies can be grouped under section 70 of the Payroll Tax Act 2007 (NSW) where they are related bodies corporate.

## PRIVATE RULINGS

They are issued by the Chief Commissioner in response to requests by taxpayers, clients, or their representatives, seeking clarification on the interpretation of the legislation for a specific situation encountered by a particular taxpayer.