

# Media Release

**The Hon Tim Pallas MP**  
Treasurer  
Minister for Resources



Getting Things Done.  
Making Things Fair.

Monday, 12 February, 2018

## MASSIVE TAKE-UP OF PAYROLL TAX CUTS IN REGIONAL VICTORIA

More than 2,000 businesses across regional Victoria have already taken advantage of the Andrews Labor Government's payroll tax cuts, saving businesses more than \$31 million since the initiative was introduced in July last year.

The latest figures from the State Revenue Office show an average of 2,160 regional businesses a month received the cuts between July and December last year, with the payroll tax rate slashed by 25 per cent – from 4.85 per cent to 3.65 per cent.

As a result of the tax cuts, regional Victoria now has one of the most competitive payroll tax rates in Australia.

This has proven to be a massive boost for regional businesses looking to expand their operations, and yet another huge boost for jobs in regional Victoria.

Employment growth in regional Victoria over 2017 was double the national rate. Year average employment increased by 20,900 over the year.

In conjunction with the regional payroll tax cut, from 1 July last year, the payroll tax-free threshold right across the state also increased to \$625,000. From 1 July 2018 the threshold will rise again to \$650,000, providing further savings for tens of thousands of Victorian businesses.

The Labor Government has now cut payroll tax two years in a row to help businesses grow and to create thousands of jobs for Victorians.

### Quotes attributable to Treasurer Tim Pallas

*"Our reduction of the payroll tax rate has allowed more than 2,000 regional businesses to expand their operations and take on new employees."*

*"By creating jobs and reducing impediments to growth, we're ensuring that every part of our state can prosper and that regional Victorians in particular can reap the benefits of our economic success."*