

VIC State Budget

Fast Facts 2024/25

Take the lead

15 May 2024

Payroll Tax – Threshold changes

Key takeaways

- Payroll Tax threshold to be lifted to "make things easier" for small business
 - 1 July 2024 – from \$700k to \$900k
 - 1 July 2025 – from \$900k to \$1m
- Phased out from 1 July 2024 for large business with payroll over \$3m with no benefit for payrolls over \$5m

Opportunities

The Victorian Government estimate that 28,000 small business will benefit from the threshold increases.

Did the Budget measure up?

While the change is a positive step for small business, the Victorian threshold is still lower than the average across the other jurisdictions.

The introduction of a diminishing threshold for larger businesses aligns Victoria with some other Australian jurisdictions that employ a similar scaling approach. However, the cutoff point for benefits in Victoria is lower than in many other places.

We score it: **3/5**



*This budget is like an office cup of coffee
- it's not the fanciest brew, but it'll get us
through.*



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