



FIN26	PERSONAL TAX LIABILITY
Approval Date:	27 March 2024
Council Decision Reference:	OCM-2024/28
Policy Type:	Corporate
Policy Custodian:	Executive Director, Corporate Services
Review Date:	February 2027
Version	3.0

Purpose

The purpose of this policy is to highlight the nature of certain payments that Elected Members and Employees receive from West Daly Regional Council that are not subject to PAYG tax. The policy also provides information on the accounting treatment of these payments and the impact on employees in regards their own PAYG Tax obligations.

Scope

This policy applies to all Elected Members and Employees of West Daly Regional Council.

Policy Statement

From time to time, various allowances are paid to both Elected Members and Employees of West Daly Regional Council. There are two types of allowances paid (A) and (B).

- (A) Allowances to Elected Members are made pursuant to the Determination of Allowances for Members of Local Government Councils which cover various types of allowances comprising:
 - i. Councillors allowance
 - ii. Deputy Principle Member allowance
 - iii. Principle Member allowance
 - iv. Extra meeting allowance
 - v. Professional Development allowance; and
 - vi. Vehicle allowances.

These payments are generally made through the Council payroll system and thereby PAYG tax is calculated and remitted to the ATO on behalf of the elected members.

- (B) Allowances to Employees as well as Elected Members can also include Travel, Mobile Phone, use of a personal Vehicle (when a Council vehicle is unavailable), and other expense Allowances / Reimbursements. These payments are generally made directly to the recipient without consideration of personal taxation, that is to say, no taxation deduction is made.



If an Elected Member is an employee of a community agency or otherwise, the amount of allowances will also be included in their gross earnings and *may* affect their annual taxation return calculations. Should an Elected Member or an Employee have concerns as to the level of taxation being deducted from their payments, they should discuss the matter with the People and Culture Manager or the Chief Executive Officer. Note however that neither of these employees can provide tax advice.

References

Local Government Act 2019

Further Information

Chief Executive Officer

Definitions

In the context of this policy the following definitions apply:

Term	Definition
WDRC	West Daly Regional Council
CEO	Chief Executive Officer
PAYG	Pay as you go taxation
ATO	Australian Taxation Office

Related Documents

Nil

Review History

Date	Review details	Action/Resolution/Document ID
January 2019 - V2	Due in January 2022	HR 15 Personal Tax Liability Policy approved on 30 January 2019 - 013/2019
27 March 2024 – V3	Due in February 2027	Moved from HR 15 to FIN 26 and reviewed on 27 March 2024 - OCM-024/28/ID:24844

Signature of Endorsement:	
Position:	A/Chief Executive Officer