

Does Statehood Mean State Taxes?

- Territory taxes are similar to State based taxes.
- Neither State nor Territory Governments raise income tax, that is the responsibility of the Federal Government.
- The Northern Territory Government receives funds generated by the Commonwealth imposed Goods and Services Tax (GST) as well as raising its own revenue.
- A typical State or Territory tax is payroll tax.
- Payroll tax is a general purpose tax assessed in the Northern Territory currently at a rate of 6.2% on taxable wages paid by an employer for services rendered by employees.
- For detailed information on Territory Taxes and Duties visit the Treasury website at www.nt.gov.au/ntt/revenue/
- The Commonwealth expects States to abolish a range of state based taxes in order to receive their GST allocation.
- On 20 April 2005, the Territory Government announced the abolition of four Territory taxes over a period of five years.
- The taxes abolished or to be abolished are:
 - 1 July 2005 - Debits tax and electronic debit transaction duty.
 - 1 July 2006 - Stamp duty on unquoted marketable securities and stamp duty on the grant and renewal of leases and franchises.
 - 1 July 2007 - Stamp duty on hiring arrangements.
 - 1 July 2009 - Stamp duty on the 'business asset' component of non-residential conveyances, not including land.
- Taxes and duties vary from State to State. Some states have Land Tax. NSW, for example, levies a tax on some land valued at over \$330 000 as assessed by the Valuer General.
- Taxation depends on Government policy and the agreement with the Commonwealth about the GST.
- Statehood for the Northern Territory does not necessarily mean the Territory Government would introduce land or any other new taxes.
- It is your choice who you elect to the Territory Parliament. On Statehood you will retain the ability to choose the politicians with the tax policy that most closely agrees with your own views.

