State Duties and Taxes Exemptions

Do Schools need to comply?

Yes, the exemptions described below will probably apply to your school.

Conditions of compliance:

Exemptions are available to educational institutions from several State Government Taxes listed below:

1. **Land Tax**
   - Section 4 (1) (h) of the Land Tax Act 1936 exempts land that is owned or occupied by any person or association carrying on an educational institution on a non-profit basis. This exemption only applies to land used for educational purposes and does not apply to any land that is being used by an educational institution for investment purposes.

2. **Pay-roll Tax**
   - Part 3, Division 1 (10) of the Pay-Roll Tax Act 2009 exempts wages for pay-roll tax that were paid or payable by a school or college that provides education at or below, but not above, the secondary level, to a person engaged exclusively in work of the school or college of a kind ordinarily performed in connection with the conduct of schools or colleges providing education of that kind.

3. **Council Rates**
   - Section 165 (1) (b) of the Local Government Act 1999 states that rates on land occupied by a non-government school registered under the Education and Early Childhood Services (Registration and Standards) Act 2011 and being used for educational purposes will be rebated at 75 per cent (or, at the discretion of the council, at a higher rate).

If you have to comply, what do you have to do?

If you are claiming exemption under any of the Acts listed above, make sure that the land or the employee the exemption is based on fits the category of the exemption being claimed e.g. the land is being used directly for the purpose of education not the purpose of investment.

If you are not currently receiving the exemption then refer to the Revenue SA website or your local Council.

Useful links:

- **Revenue SA**
- **Local Government Act 1999 (SA) – Sect 165**