

Levy liability on surrender of service provider authorisation policy

Purpose

The purpose of this policy is to outline what the Point to Point Transport Commission (the Commission) will do in the event an authorised service provider surrenders their authorisation during an assessment period in which they may have an outstanding passenger service levy (PSL) liability.

1. Mandatory requirements

2.1 Passenger Service Levy

The PSL is payable by taxi service providers and booking service providers, including taxis, hire cars, rideshare and others providing passenger service transactions for a fare in vehicles with 12 seats or less (including the driver).

Under Clause 3 of Part 2 of Schedule 4 of the *Point to Point Transport (Taxis and Hire Vehicles) Act 2016* (the Act), a person who, during any assessment period, was the provider of a taxi service or booking service is liable to pay on or before the last day of the following assessment period, or on such other day as may be specified by the assessor.

Schedule 4 of the Act is a taxation law for the purposes of the *Taxation Administration Act 1996* (Administration Act) and the provisions of the Administration Act applying to assessment and payment of taxes apply to the levy (subject to any modifications made by or under Schedule 4 of the Act).

Clause 9(3) of Schedule 4 of the Act, in conjunction with Section 8(2) of the Administration Act allows for an assessment of tax liability to consist of a determination that there is not a particular liability.

2.2 PSL liability following a registered taxpayer surrendering their authorisation

The Commission's handling of PSL liability following a service provider surrendering their authorisation will vary depending on the number of passenger service transactions carried out in an assessment period, or part thereof, in which their authorisation is surrendered. This may result in a taxpayer having no levy liability, or being issued an assessment as outlined below.

For authorised service providers conducting not more than 600 annual passenger service transactions, or operating in a remote or very remote area of NSW, the Commission may make a determination that there is no PSL liability.

For authorised service providers conducting more than 600 annual passenger service transactions, their levy liability will be based on the actual number of passenger service transactions in the month, or part thereof, in which they surrender their authorisation. The authorised service provider will need to submit a levy return covering the part of the assessment period they were operating, along with their request to surrender their authorisation.

2.3 PSL liability following an unregistered taxpayer surrendering their authorisation

In order to issue an assessment of liability for the PSL, an assessor needs to be satisfied that there is evidence the service provider conducted passenger service transactions during the assessment period in which they surrendered their authorisation.

A reasonable attempt should be made to collect evidence of passenger service transactions, such as, asking the service provider whether or not they have been conducting passenger service transactions in the assessment period, or reviewing the service provider's website or social media page where available.

If it cannot be reasonably determined that passenger service transactions were conducted, an assessment cannot be calculated. As a result, an assessment cannot be issued to the service provider and their authorisation can be surrendered and no PSL liability outstanding.

In the event that evidence comes to light the service provider was conducting passenger service transactions during the assessment period in which they surrendered their authorisation, the Commission can reconsider their PSL liability. Where evidence exists of passenger service transactions, the *Passenger Service Levy – Estimated Assessment Policy* is to be used to calculate the taxpayer's levy liability. Where possible, a levy assessment should be issued prior to the Commission accepting surrender of an authorisation.

2. Accountabilities

Functions relating to assessments are generally performed by staff in the Operations branch of the Commission under delegation from the Commissioner.

3. Breaches of this policy

TfNSW may commence applicable disciplinary action if a person to whom this Policy applies breaches this, including and up to termination of employment.

4. Document history

Date & Policy No	Approved by	Amendment Notes
13 April 2018 OP18013	Point to Point Transport Commissioner	Approved
12 October 2018 OP18013	Point to Point Transport Commissioner	Approved for website publication