


# ***TGD 93/9 - Training guarantee: when calculating annual national can each business conducted by an employer be treated as being a separate employer?***

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## Training Guarantee Determination

**Training guarantee: when calculating annual national payroll can each business conducted by an employer be treated as being a separate employer?**

1. No. The *Training Guarantee (Administration) Act 1990* (the TGAA) imposes obligations on each employer, not on each business operation.
2. Where an individual or an unincorporated entity (e.g. a partnership) carries on more than one business (none of which are incorporated) that person is the one employer, and the total of all payrolls must be added together to determine the training guarantee obligation.
3. Similarly an incorporated entity which conducts more than one business under a corporate structure is the one employer.

Note: However by virtue of section 11C of the TGAA a person (an individual or a corporation) acting as trustee for one or more trusts is taken to be a separate person in relation to each trust.

*Example:*

*Michael Murray owns two businesses which are not incorporated entities (ie; he is a sole trader). The businesses are located in different geographical areas and he runs them independently of each other - a hairdressing salon; and an interstate road transport depot. Each business has its own Group Employer Number and uses a separate registered business name.*

*For the year ended 30/6/1992 the hairdressing salon had an annual national payroll of \$180,000 and the transport operation \$200,000.*

*Michael Murray is the employer of the staff in both businesses and he has an annual national payroll of \$380,000 for the purposes of the TGAA.*

**Commissioner of Taxation**  
17/6/93

FOI INDEX DETAIL: Reference No. I 1215172

Previously issued as Draft TGD 93/D3

Related Determinations:

Related Rulings:

Subject Ref: annual national payroll; employer

Legislative Ref TGAA 4, 24

Case Ref:

ATO Ref: ALB/TG/TGR 4