

---

**NARROMINE SHIRE COUNCIL**  
**ORDINARY MEETING BUSINESS PAPER – 13 NOVEMBER 2024**  
**MAYORAL MINUTE**

---

**1. MAYORAL DIARY**

October 2024

- 9 October 2024      Ordinary Council Meeting
- 11 October 2024      Radio Interview on 2DU  
Meeting with General Manager and Deputy Mayor
- 12 October 2024      Morning: Judged best dressed shop for the Narromine Dolly Parton Festival along with Member for Dubbo Mr Dugald Saunders, MP. Announcement of winner.
- Evening: Welcome to Minister for Regional Transport and Roads the Hon. Jenny Aitchison MP, Member for Dubbo Mr Dugald Saunders MP, MC Timberlina and all present to the evening part of the Dolly Parton Festival event.
- 14 October 2024      Interview with Prime 7 to acknowledge the success of the Australian Skin Cancer Foundation Truck delivering free skin checks to Shire residents.
- 15 October 2024      NSW Police Medal Presentation ceremony at the Dubbo RFDS Hall. Met new Area Police commander Mr Holland.
- Councillor workshop, and onsite visit regarding modification to DA 2022/58.2
- Attended McGrane Way with Cr Leak and Director Infrastructure & Engineering Services to look at road safety concerns.
- Attended Narromine Jets AGM, with Cr Leak.
- 16 October 2024      Interview on 2DU regarding rezoning of Craigie Lea property.
- 23 October 2024      Extraordinary Council Meeting
- 24 October 2024      Interview on 2DU to discuss the outcomes of the Extraordinary Council meeting held on 23 October 2024 and my concerns relating to the Aged Care Quality and Safety Commissioner report for Timbrebongie House Narromine.
- 28 October 2024      Councillor Induction training by LGNSW.
- 29 October 2024      Attended Transport for NSW (TFNSW) workshop in Dubbo with Director Infrastructure & Engineering Services.

**RECOMMENDATION**

That the information be noted.

---

**NARROMINE SHIRE COUNCIL**  
**ORDINARY MEETING BUSINESS PAPER – 13 NOVEMBER 2024**  
**MAYORAL MINUTE**

---

## **2. DEPUTY MAYORAL DIARY**

October 2024

- 9 October Ordinary Council Meeting  
14 October Audit Risk and Improvement Committee Meeting  
15 October Welcome Dinner for the AAC National Aerobatic Championships  
Councillor workshop, and onsite visit regarding modification to  
DA 2022/58.2  
18 October Presentation Dinner for the AAC National Aerobatic Championships  
22 October Meeting with Murray Darling Basin Authority, along with representatives  
from the Federal Department of Climate Change, Energy, Environment  
and Water (DCCEEW); and the Commonwealth Environmental Water  
Office.  
23 October Extraordinary Council Meeting  
24 October Meeting with the Leader of the Nationals - the Hon David Littleproud MP,  
Member for Parkes - the Hon Mark Coulton MP and Nationals Candidate  
for Parkes - Jamie Chaffey.  
26 October Pam's Big Pink Breakfast  
30 October Meeting with Timbregongie House Board Members

### **RECOMMENDATION**

That the information be noted.

---

## **3. DETERMINATION OF INCOME TAXATION FOR COUNCILLORS**

This report is presented to Council to consider if Mayor and Councillor fees be subject to income tax withholding under Part 2-5 of the Taxation Administration Act 1953 - section 446-5 of Schedule 1.

Currently Mayor and Councillor fees are not subject to income tax withholding, meaning that Councillors must manage their own income tax liability to the Australian Taxation Office (ATO).

Pay as you go (PAYG) instalments are regular prepayments of the tax on an individual's business and investment income. By paying regular instalments throughout the year, an employee will avoid having an unnecessarily large tax bill when they lodge their annual tax return.

All Council employees and contractors are subject to PAYG. Councillors, however, are currently required to manage their annual tax liability to the Federal Government.

Sections 12-45 of the Taxation Administration Act 1953 (TAA) - Payment to Office Holder provides:

- (1) *An entity must withhold an amount from salary, wages, commission, bonuses or allowances it pays to an individual as:*

---

**NARROMINE SHIRE COUNCIL**  
**ORDINARY MEETING BUSINESS PAPER – 13 NOVEMBER 2024**  
**MAYORAL MINUTE**

---

**3. DETERMINATION OF INCOME TAXATION FOR COUNCILLORS (Cont'd)**

- (e) *a member of a "local governing body where there is in effect, in accordance with section 446-5, a unanimous resolution by the body that the remuneration of members of the body be subject to withholding under this part"*

The Mayor and Councillor fees (including sitting fees) will be subject to PAYG withholding where there is a unanimous resolution to support the payment in this manner.

If the resolution is not unanimous, Council will be unable to withhold the tax in this manner and Councillors will continue to be responsible for managing their own taxation circumstances.

***Financial Implications***

Treating the Mayor and Councillors as employees will see a reduction in their current take home monthly pay, with the corresponding amount paid by Council to the ATO on behalf of the Councillor towards their estimated annual income tax liability.

There is no financial impact to Council and ratepayers from treating the Mayor and Councillors as being subject to PAYG.

The unanimous resolution in respect of PAYG withholding will deem Councillors to be treated as employees for the purposes of the Superannuation Guarantee Administration Act 1992 (Cth). Under the current arrangement, a Councillor can elect to forgo superannuation payments.

In addition, the making of a unanimous resolution in respect of withholding income taxation will result in the Mayor and Councillors being treated as employees for FBT purposes. NSC will therefore also be subject to FBT on the taxable value of fringe benefits provided to the Mayor and Councillors. This is expected to be a negligible amount of funds.

***Implementation Plan/Implications***

If a unanimous resolution is carried, the implementation will be as follows:

- I. The resolution must be enacted within a 28-day period.
- II. The resolution continues in force in spite of a change in the membership of the elected Council.
- III. Council must give written notice of the resolution to the Taxation Commissioner within seven days after the resolution is made.
- IV. The Taxation Commissioner will publish in a Gazette a notice setting out:
  - a. the name of the council; and
  - b. the day on which the resolution takes effect.

If Council does not unanimously endorse the recommendation and the Mayor and Councillors remain individually responsible for their own financial circumstances.

---

**NARROMINE SHIRE COUNCIL  
ORDINARY MEETING BUSINESS PAPER – 13 NOVEMBER 2024  
MAYORAL MINUTE**

---

**3. DETERMINATION OF INCOME TAXATION FOR COUNCILLORS (Cont'd)**

***Legal and Regulatory Compliance***

Taxation Administration Act 1953

Fringe Benefits Tax Assessment Act 1986

Superannuation Guarantee (Administration) Act 1992

Council does not provide individual taxation advice and Councillors should seek their own independent advice

***Risk Management Issues***

Compliance with legislative provisions.

***Internal/External Consultation***

Director Finance and Corporate Strategy

Manager Accounting Services

Manager Human Resources

**RECOMMENDATION**

That Council resolves that Mayor and Councillor fees be subject to income tax withholding under Part 2-5 of the Taxation Administration Act 1953 - sections 446-5 of Schedule 1, with effect from 14 November 2024.

Cr Ewen Jones

**Mayor**