

Building and Construction Industry

Contributing as a contractor

Contributing into the scheme as a contractor

The following is information regarding the portable long service leave scheme as it applies to Working Directors, Sole Traders or individual Partners in a Partnership who wish to register and accumulate long service leave benefits for themselves.

Registering as a contractor

To register please contact the Authority to obtain a Contractor Application Form.

Recording service

Contractors who elect to be in the portable scheme are required to lodge a quarterly return through the ACT Leave online portal. If a contractor is also registered as an employer then the accounts can be linked, allowing the user to lodge both the employer and contractor returns in the employer portal.

Each quarter the contractor will need to declare how many days they worked and their ordinary remuneration or their profit component of the income for the quarterly return period. A 2.5% levy is then calculated on the ordinary remuneration or profit component that is declared. Most contractors use a minimum daily rate of pay of \$130 to calculate the ordinary remuneration to be declared.

Long service leave benefit

To be eligible to claim, you need to have reached one of the below entitlements. Service can be made up of both contractor service and employee service. Contractor service will be a refund of contribution levies paid plus interest; however you should declare the refund of contributions and interest as income on the tax return you lodge for the year in which the payment is made to you. Tax will only be deducted from your employee service component.

Entitlement	<ul style="list-style-type: none">10 years (2200 days) of service in the industry
Other entitlements for Employees registered after 1 July 2012	<ul style="list-style-type: none">7 years (1540 days) – for leaving the industry5 years (1100 days) – for total incapacity, age retirement (ages 55 and over) and deceased claims
Other entitlements for Employees registered before 1 July 2012	<ul style="list-style-type: none">5 years (1100 days) – for leaving the industry55 days + - for total incapacity, age retirement (ages 55 and over) or deceased claims

Please note that if you do not record any service for a period of 4 continuous years, your registration will be deregistered.

Need more information?

If you need further information or clarification, please call the Authority on 02 6247 3900 or email construction@actleave.act.gov.au.