

Tax

Resident Income Tax Rates

Taxable Income	Tax Rate %*
\$0 - \$18,200	0%
\$18,201 - \$45,000	19% of excess over \$18,200
\$45,001 - \$120,000	\$5,092 + 32.5% of excess over \$45,000
\$120,001 - \$180,000	\$29,467 + 37% of excess over \$120,000
\$180,001 +	\$51,667 + 45% of excess over \$180,000

* Rates shown exclude the Medicare levy.

Minors Under 18 (Unearned Income)

Taxable Income	Tax Rate %*
\$0 - \$416	0%
\$417 - \$1,307	66% of the excess over \$416
\$1,308+	45% of unearned income

* Rates shown exclude the Medicare levy. Income from employment taxed at normal adult rates.

Bona fide redundancy

First \$11,985 plus \$5,994 for each completed year of service is tax free. The balance is taxed as an ETP (Employment Termination Payment) which are lump sum payments received when employment arrangement has come to an end. Must be under age pension age.

Seniors and Pensioner Tax Offset (SAPTO)

Family Situation	Maximum Tax Offset Level	Income Shade-Out Threshold	Income Cut-Out Threshold
Single	\$2,230	\$32,279	\$50,119
Couple (each)	\$1,602	\$28,974	\$41,790

Notes:

- Offset reduces by 12.5 cents per dollar in excess of cut-out threshold.
- Income includes taxable income, adjusted fringe benefits, reportable super contributions and total net investment losses.
- Must be of Age Pension Age and eligible to apply for a pension

Small Business Taxation

Annual Aggregated Turnover	Tax Rate
< \$50 million	25%
\$50 million+	30%

Low Income Tax Offset (LITO)

Taxable income (TI)	LITO Amount
\$0 - \$37,500	\$700
\$37,501 - \$45,000	\$700 - [(TI - \$37,500) x 5%]
\$45,001 - \$66,666	\$325 - [(TI - \$45,000) x 1.5%]
\$66,667+	Nil

Capital Gains Tax

Taxpayer	Asset Acquired	CGT payable
Individual	Before 19/09/1985	0%
	20/09/1985 - 21/09/1999	Tax on 50% of nominal gain, or Tax on 100% of real gain* (CPI frozen at 30/09/1999)
	From 22/09/1999	Tax on 50% of nominal gain*
Company	Before 19/09/1985	0%
	20/09/1985 - 21/09/1999	Tax on 100% of real gain (CPI frozen at 30/09/1999)
	From 22/09/1999	Tax on 100% of nominal gain
Complying super fund	Before 21/09/1999	Tax on 2/3rds of nominal gain*, or Tax on 100% of real gain (CPI frozen at 30/09/1999)
	From 22/09/1999	Tax on 2/3rds of nominal gain*

* If asset was held for 12 months or less, full nominal gain is taxable.

Superannuation

Contribution Eligibility

Contribution type	Work test	Maximum age
Mandatory Employer (includes SG)	No	None
Voluntary Employer (includes salary sacrifice)		75 *
Personal		75 *
Spouse		75 *
Downsizer contribution (must be 60+ and meet other eligibility criteria)**		N/A

* Must be received within 28 days of end of month in which member reaches age 75.

** Maximum contribution \$300,000 per person. Must have been residence for 10 years prior to selling. Cannot claim as tax deduction. Amount not assessed against Non-Concessional Contribution Cap.

Concessional Contribution Caps (CCs)

Financial Year	Annual CC Cap
2023/24	\$27,500 (plus any carried forward amounts that can be used)

Concessional contributions include: Superannuation Guarantee (SG), employer, salary sacrifice, personal deductible contributions.

If individual Total Super Balance is below \$500,000 at 30 June prior, unused CC amounts can be carried forward for up to 5 years.

Non-Concessional Contribution Caps (NCCs)

Cap	Total Super Balance (on 30 June of previous financial year)	Cap Amount
Annual cap	< \$1.9m	\$110,000
Bring forward* (to determine eligibility to trigger bring-forward)	< \$1.68m	\$330,000
	\$1.68m to < \$1.79m	\$220,000
	\$1.79m to < \$1.9m	\$110,000
	\$1.9m+	Nil

*Bring-forward rule requirements apply

Superannuation Guarantee (SG)

	Per quarter	Per Financial year
Maximum contribution base	\$62,270	\$249,080

* 11.0% of each eligible employee's Ordinary Time Earnings (OTE) is to be paid to a complying super fund. The maximum contribution base is the maximum OTE an employer is required to make SG payments for (an employer may pay SG on a higher amount as stated in a contract for employment).

Conditions of Release

Reached Preservation Age (see table below), retired and no intention to return to employment
Attaining Preservation Age but not retired - can commence a Transition to Retirement pension or paid as a lump sum
Termination of employment after age 60
First Home Super Saver Scheme (FHSSS) - aged 18+ and never owned property in Australia
Permanent & temporary incapacity
Terminal medical condition
Financial hardship or compassionate grounds
Death

Preservation Age

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 – 30 June 1961	56
1 July 1961 – 30 June 1962	57
1 July 1962 – 30 June 1963	58
1 July 1963 – 30 June 1964	59
After 1 July 1964	60

Pre-retirement Pensions (Transition To Retirement)

Minimum payment	4% of account balance at commencement and at 1 July each year
Maximum payment	- 10% of account balance at start of pension and on 1 July each year - Does not need to be pro-rated - Only applies until certain condition of release are met with a nil cashing restriction
Lump sum commutations allowed	- From any unrestricted non-preserved amount - To give effect to a Family Law split - Upon meeting a condition of release with a nil cashing restriction - To give effect to a release authority for excess contributions tax
Rolled back to accumulation interest	Can be done at any time
Taxation of earnings	Fund income taxed as accumulation phase income while in pre-retirement phase.
TTR and transfer balance cap	- A TTR pension will enter retirement phase automatically when a member reaches age 65, or at time trustee is notified that member has retired, is terminally ill, or is permanently incapacitated - Value of income stream at time it enters retirement phase will reflect as a credit to member's transfer balance account.

Superannuation Guarantee (SG) Due Dates

SG quarter	Due date for quarterly SG	Due date for SG charge if late
1 Jul - 30 Sep	28 Oct	28 Nov
1 Oct - 31 Dec	28 Jan	28 Feb
1 Jan - 31 Mar	28 Apr	28 May
1 Apr - 30 Jun	28 Jul	28 Aug

Superannuation

Taxation of Lump Sum Payments from a Superannuation Fund*		
Component	Age	Maximum Tax Rate
Tax-Free	Any	Tax-free
Taxable (taxed element)	< Preservation age	20%*
	Preservation age to 59	Up to \$235,000 - 0% Above \$235,000 - 15%*
	Age 60+	Tax-free

* Plus Medicare levy.

Note: Caps are indexed annually. Different rates apply to untaxed superannuation funds.
Death & disability income streams also receive a 15% tax offset

Taxation of Death Benefit Income Streams		
Age of deceased/beneficiary ¹	Component ²	Tax Treatment
Either aged 60 or over	Tax Free	Tax Free
	Taxable (taxed element)	Tax Free
Both under age 60	Tax Free	Tax Free
	Taxable (taxed element)	Taxed at Marginal Tax Rate less 15% offset ^{3,4}

¹ This tax treatment also applied to a child in receipt of a death benefit income stream. Income stream payments are taxed at adult marginal tax rates (if applicable).
² Proportional drawdown rules apply.
³ Plus Medicare levy.
⁴ Income is tax-free once beneficiary reaches age 60.

Note: Income payments received from capped DB income streams may be subject to additional rates of tax in certain circumstances.

Government Co-Contribution		
Maximum contribution	Lower total income threshold	Cut-off total income threshold
\$500	\$43,445 or less	\$58,445

The government co-contributes 50 cents for every \$1 of personal eligible contributions. It reduces by 3.333 cents for every \$1 of total income over the lower income threshold.

Total income also includes reportable employer superannuation contributions

Retirement Income Streams

Minimum Pension Rates - Account Based and Transition to Retirement Pensions	
Age at start of pension and 1 July each year	Minimum amount for 2023/24
Under 65	4%
65 - 74	5%
75 - 79	6%
80 - 84	7%
85 - 89	9%
90 - 94	11%
95+	14%

A minimum annual payment does not need to be made where an account based income stream is commenced June. A pro-rata minimum payment is required if pension commenced before 1 June.

Social Security Income and Asset test for retirement income streams		
Income stream	Income test	Assets test
Pre 1 Jan 2015		
Account based pensions	$P/A - \frac{PP-CA-RCV}{RN}$	Account balance
Post 1 Jan 2015		
Account based pensions	Deeming rate applied to income stream	Account balance
Grandfathering Rules		
An account based income stream qualifies for the grandfathering rules if : -The income stream commenced prior to 1 January 2015, and -You received an eligible income support payment prior to 1 January 2015 and continuously receive an eligible income support payment from that time		
If you have an account based income stream that has an automatic reversionary beneficiary and qualifies for grandfathering, its grandfathering status can continue when it reverts to the reversionary beneficiary (provided that the reversionary is receiving an eligible income payment at that time)		
Legend		
P/A – Pension or Annuity Payment	PP – Purchase Price	CA – Commuted Amounts
	RCV – Residual Capital Value	RN – Relevant Number at commencement

Low Income Superannuation Tax Offset (LISTO)		
Adjusted taxable income ¹	Concessional Contribution	Refund of contributions tax
\$37,000 or less	Any amount	Concessional contributions x 15% (max. \$500*)

¹ Adjusted taxable income includes taxable income, adjusted fringe benefits, target foreign income, net investment losses, tax free pension or benefit, reportable super contributions less deductible child maintenance.

* Minimum amount payable is \$10

Rates	
Age pension payment rates	
Family situation	Pension rate p.a.
Single	\$27,664*
Couple (each)	\$20,852*
* Rates above are shown per annum but are payable per fortnight. Rates include the pension supplement and clean energy supplement and are current at 27 Jun 2023.	

Income tests – Deeming rates	
Family situation	Amount and rate
Single	\$0 - \$60,400 @ 0.25%
Couple	\$0 - \$100,200 @ 0.25%
A deeming rate of 2.25% applies to financial investments above these thresholds.	

Pension Assets test			
Family situation	Full pension	Cut off limit	
Homeowner	Single	\$301,750	\$656,500
	Couple (combined)	\$451,500	\$986,500
Non-homeowner	Single	\$543,750	\$898,500
	Couple (combined)	\$693,500	\$1,228,500
Note: The pension will reduce by \$3.00 per fortnight for every \$1,000 of assets above the lower threshold.			
Rates and thresholds are indexed in March and September each year. The above rates and thresholds are as at 1 Jul 2023.			

Pension Income test		
Family Situation	Income p.a.	Cut off limit
Single	Up to \$5,304	Less than \$60,632
Couple	Up to \$9,360	Less than \$92,768
Income over these amounts reduces the pension payable by 50 cents in the dollar for a single person and 25 cents in the dollar each for a couple.		

Age Pension Age	
Date of birth	Qualifying Age
Prior to 1 Jan 1954	Already qualified
1 Jan 1954 - 30 Jun 1955	66
1 Jul 1955 - 31 Dec 1956	66.5
1 Jul 1957 onwards	67

Commonwealth Seniors Health Card	
Income Limits p.a.	
Singles	\$90,000
Couples	\$144,000
Thresholds indexed annually on 20 September.	
Adjusted taxable income (ATI) includes:	
<ul style="list-style-type: none"> - taxable income - target foreign income - total net investment losses - employer provided benefits - reportable superannuation contributions, and - from 1-Jan-2015, deemed income from individual's account based income streams (which do not qualify for grandfathering). 	
If cardholder's partner < 60 and has an income stream, account based pension of younger spouse is not subject to deeming, as income payments are already captured in ATI definition.	
Superannuation benefits held in accumulation do not generate ATI for individual.	

Life Expectancy Factors (Australian Life Tables 2015-2017)					
Age	Male	Female	Age	Male	Female
55	28.35	31.49	68	17.45	19.87
56	27.47	30.57	69	16.67	19.02
57	26.60	29.66	70	15.90	18.18
58	25.73	28.75	71	15.14	17.35
59	24.87	27.84	72	14.39	16.53
60	24.02	26.93	73	13.66	15.73
61	23.17	26.03	74	12.95	14.93
62	22.33	25.14	75	12.25	14.15
63	21.50	24.24	76	11.57	13.39
64	20.67	23.36	77	10.90	12.64
65	19.86	22.47	78	10.25	11.90
66	19.04	21.60	79	9.63	11.18
67	18.24	20.73	80	9.02	10.49

Disclaimer: This information is believed to be accurate at the date of completion, 12 July 2023. However, no warranty of accuracy is made. You should not act on this information without first seeking appropriate professional advice.