Individual Rates of Tax – 2018/19

Resident Individual

The rates for resident individuals in the following table apply for the 2018/19 income year.

Taxable Income $	Tax Payable[1,2]
0 – 18,200	Nil
18,201 – 37,000	19% of excess over $18,200
37,001 – 90,000	$3,572 + 32.5% of excess over $37,000
90,001 – 180,000	$20,797 + 37% of excess over $90,000
180,001+	$54,097 + 45% of excess over $180,000

1 The above rates do not include the Medicare levy of 2%.

2 The tax-free threshold may effectively be higher for taxpayers eligible for the Low-Income Tax Offset, the Low and Middle Income Tax Offset, the Seniors and Pensioners Tax Offset and/or certain other tax offsets

Pro-Rated Tax-Free Threshold – Ceasing or Becoming a Resident

The tax-free threshold that applies to residents ($18,200 in 2018/19) is effectively pro-rated in an income year in which a taxpayer either ceased to be, or became, a resident for tax purposes. For the 2019 income year, the pro-rated threshold is calculated using the following formula:

$13,464 + ($4,736 x number of months taxpayer was resident for the year ÷ 12)

Non-resident Individual

The following rates apply to individuals who are not residents of Australia for tax purposes for the entire income year:

Taxable Income $	Tax Payable[1]
0 – 90,000	32.5% of the entire amount
90,001 – 180,000	$29,250 + 37% of excess over $90,000
180,001+	$62,550 + 45% of excess over $180,000

1 Medicare Levy is not payable by non-residents.

Working Holiday Makers

The following rates apply to the 'working holiday taxable income' of an individual who is a 'working holiday maker' ('WHM') on or after 1 July 2018:

Working Holiday Taxable Income[1] $	Tax Payable[1]
0 – 37,000	15% of the entire amount
37,001 – 90,000	$5,550 + 32.5% of excess over $37,000
90,001 – 180,000	$22,775 + 37% of excess over $90,000
180,001+	$56,075 + 45% of excess over $180,000

1 Medicare levy is not payable by WHMs that are non-residents for tax purposes.

Resident Minor – Unearned (Division 6AA) Income

The following rates apply to the income of certain minors (e.g., persons under 18 years of age on the last day of the income year who are not classed as being in a full-time occupation) that is not excepted income (e.g., employment income):

Division 6AA Income $	Tax Payable[1,2]
0 – 416	Nil
417 – 1,307	66% of excess over $416
1,308+	45% of the entire amount

1 Medicare Levy may also be payable.

2 Resident minors are not entitled to the Low-Income Tax Offset or the Low and Middle Income Tax Offset in respect of 'unearned' income.

Non-resident Minor – Unearned (Division 6AA) Income

The following rates apply to the income of certain non-resident minors (e.g., non-resident persons under 18 years of age on the last day of the income year who are not classed as being in a full-time occupation) that is not excepted income (e.g., employment income):

Division 6AA Income $	Tax Payable[1]
0 – 416	32.5% of the entire amount
417 – 663	$135.20 + 66% of excess over $416
664+	45% of the entire amount

1 The Medicare Levy is not payable by non-residents.

Medicare Levy and Medicare Levy Surcharge – 2018/19

General Rate

Income Year	Rate %
2019	2% of taxable income

Low-income Thresholds – Individuals - 2018/19

Single Taxpayer	Threshold Amount[1] $	Phase-in Limit[2] $	2% at or Above[3] $
Single taxpayer not eligible for the Seniors and Pensioners Tax Offset	22,398	22,399 – 27,997	27,998
Single taxpayer eligible for the Seniors and Pensioners Tax Offset	35,418	35,419 – 44,272	44,273

1 No Medicare Levy is payable on taxable income levels at or below the Threshold Amount.

2 Where taxable income falls within the Phase-in Limit, the Medicare Levy is payable at 10% of the excess over the Threshold Amount.

3 The Medicare Levy of 2% applies to the entire amount of taxable income.

Low-income Thresholds – Families

A taxpayer may be eligible to pay no (or a reduced) Medicare Levy if their family income is within the thresholds set out below, and the taxpayer:

- has a spouse (including de facto and same-sex) on the last day of the income year; or
- has not remarried after their spouse died during the income year; or
- is entitled to the Dependant (Invalid and Carer) Tax Offset in respect of the taxpayer's child; or
- is entitled to a notional tax offset by having sole care of another individual (e.g., child) under 21 or under 25 if a full-time student.

The 2018/19 Medicare Levy low-income thresholds for families are as follows:

No. of Dependent Children/Students	Family Income Threshold[1] $	Reduced Levy[2] $	2% at or Above[3] $
Taxpayer Not Eligible for Seniors and Pensioners Tax Offset			
0	37,794	37,795 – 47,242	47,243
1	41,265	41,266 – 51,581	51,582
2	44,736	44,737 – 55,920	55,921
3	48,207	48,208 – 60,258	60,259
4	51,678	51,679 – 64,597	64,598
5	55,149	55,150 – 68,936	68,937
6	58,620	58,621 – 73,275	73,276
Extra child	3,471		4,339
Taxpayer Eligible for Seniors and Pensioners Tax Offset			
0	49,304	49,305 – 61,630	61,631
1	52,775	52,776 – 65,968	65,969
2	56,246	56,247 – 70,307	70,308
3	59,717	59,718 – 74,646	74,647
4	63,188	63,189 – 78,985	78,986
5	66,659	66,660 – 83,323	83,324
6	70,130	70,131 – 87,662	87,663
Extra child	3,471		4,339

1 Family Income is the combined taxable income of a taxpayer and their spouse. If the taxpayer does not have a spouse, Family Income is the taxpayer's taxable income only. No Medicare Levy is payable on taxable income levels at or below the Family Income Threshold.

2 Where the family income falls within the range stated in this column, then each spouse who is liable for the Medicare levy will receive a reduction in the amount that is otherwise payable, in accordance with the formula in S.8(2) of the *Medicare Levy Act 1986*. This effectively limits the levy payable by taxpayers with families to 10% of the amount of family income that exceeds their family income threshold.

3 More specifically, where the family income equals or exceeds the amount stated in this column, then the levy payable by each spouse will be determined separately in accordance with the relevant threshold set out on page 4.

Medicare Levy Surcharge

The Medicare levy surcharge ('MLS') may apply in respect of a resident taxpayer where the taxpayer, their spouse and/or dependent children (if any) did not have the appropriate level of private patient hospital cover (subject to certain exceptions for 'prescribed persons') and the applicable 'income test' threshold is exceeded.

From 1 July 2012, the rate at which the MLS is applied is determined under a tiered income system whereby a taxpayer's level of 'income for surcharge purposes'[5] (on a spouse inclusive basis, where relevant) is classified as either 'Base Tier', 'Tier 1', 'Tier 2' or 'Tier 3'.

The following table sets out the income thresholds and MLS rates that apply in respect of:

- taxpayers who were single for the whole income year; and
- taxpayers who were married (including de facto, same, or opposite sex partners) and/or had at least one 'dependent child' for the whole income year.

The MLS only applies in respect of periods in which private patient hospital cover was not held for the taxpayer, their spouse and dependants (if relevant).

	Base Tier $	Tier 1 $	Tier 2 $	Tier 3 $
Medicare Levy Surcharge Income Thresholds[1]				
Singles	90,000 or less	90,001 – 105,000	105,001 – 140,000	140,001+
Families and Couples[2,3]				
0 dependants	180,000 or less	180,001 – 210,000	210,001 – 280,000	280,001+
1 dependant	180,000 or less	180,001 – 210,000	210,001 – 280,000	280,001+
2 dependants	181,500 or less	181,501 – 211,500	211,501 – 281,500	281,501+
3 dependants	183,000 or less	183,001 – 213,000	213,001 – 283,000	283,001+
4 dependants	184,500 or less	184,501 – 214,500	214,501 – 284,500	284,501+
5 dependants	186,000 or less	186,001 – 216,000	216,001 – 286,000	286,001+
Each extra child	1,500	1,500	1,500	1,500
Medicare Levy Surcharge Rate[4]				
Rate	0.0%	1.0%	1.25%	1.5%

1 Due to a freeze on indexation, the above income thresholds will remain unchanged until 30 June 2021.

2 For a couple, their combined 'income for surcharge purposes' (defined below) is generally applied against the family surcharge threshold (but levied against each of the taxpayer's own taxable income, reportable fringe benefits and on any amounts on which family trust distribution tax has been paid). However, if the income for surcharge purposes of one member of the couple does not exceed the applicable Medicare levy low income threshold (being $22,398 for 2018/19) that member is not liable for the MLS.

3 Where the taxpayer is not married but has one or more dependants, only the taxpayer's income for surcharge purposes is taken into account. For these purposes, a dependant is a resident child that is aged less than 21 years (or between 21 years and less than 25 years and receiving full-time education at a school, college or university) and the taxpayer contributed to the maintenance of the child.

4 If the MLS applies, it is levied on the taxpayer's taxable income, reportable fringe benefits and on any amounts on which family trust distribution tax has been paid.

5 'Income for surcharge purposes' is generally calculated as follows (Refer to S.995-1 (1) of the ITAA 1997):

(a) the person's taxable income for the income year (disregarding the net amount on which any family trust distribution tax was paid and any assessable amounts released under the first home super saver scheme); plus

(b) the person's reportable fringe benefits total (if any) for the income year; plus

(c) the person's reportable superannuation contributions for the income year; plus

(d) the person's total net investment loss for the income year; less

the amount mentioned in S.301-20(3) of the ITAA 1997 where the person is entitled to a tax offset under S.301-20(2) in relation to a superannuation lump sum amount for the income year.

Note, where a taxpayer's circumstances change during the income year, (e.g, if the taxpayer marries, or ceases to be married) the MLS is calculated separately for each of these periods (based broadly on the rules set out above).

Personal Tax Offsets – 2018/19

Dependant (Invalid and Carer) Tax Offsets

The Dependant (Invalid and Carer) Tax Offset ('DICTO') is a non-refundable tax offset. A taxpayer may be entitled to this tax offset if, broadly, they maintain:

- their spouse, who is an invalid or who cares for an eligible invalid;
- their parent or their spouse's parent, who lives in Australia and is an invalid or who cares for an eligible invalid; or
- their or their spouse's invalid child, brother or sister who is aged 16 years or older.

Note, the ATO generally refers to this offset as the **Invalid and Invalid Carer Tax Offset** to avoid the impression that it may be claimed in respect of any dependant of a taxpayer.

Description	2018/19	
	Max Offset $	Max ATI[1] $
DICTO[1]	2,717	11,150

1 If the taxpayer is claiming the DICTO in respect of a dependant other than a spouse, the combined Adjusted Taxable Income ('ATI') of the taxpayer and their spouse must not exceed $100,000. If claiming for a spouse, the taxpayer's ATI must not exceed $100,000. In addition, the amount of the dependant offset reduces by $1 for every $4 by which the dependant's ATI exceeds $282. This means that the offset completely cuts out when the dependant's ATI reaches the maximum amount set out in the above table.

A taxpayer's ATI includes their:
- taxable income;
- adjusted fringe benefits total;
- tax-free pensions or benefits;
- target foreign income;
- reportable superannuation contributions; and
- total net investment losses;

Less Deductible child maintenance expenditure (i.e., child support paid).

Notionally Retained Dependant Tax Offsets

The following dependant tax offsets have been abolished or replaced, however they have been notionally retained for various purposes (e.g., for calculating a taxpayer's entitlement to the Zone Tax Offset and/or Overseas Forces Tax Offset).

Description	Max Offset $	Max ATI $
First child under 21 (not being a student)	376	1,786
Each other child under 21 (not being a student)	282	1,410
Each student under 25	376	1,786
Sole parent	1,607	N/A

Low Income Tax Offset

Resident individuals (including trustees assessed under S.98 of the ITAA 1936 in respect of presently entitled resident beneficiaries) are entitled to the low-income tax offset[1].

In the 2018/19 income year, the maximum offset of $445 is reduced by 1.5 cents for every dollar of taxable income over $37,000. The offset is not automatically indexed.

Taxable Income $	Tax Offset[1]
0 – 37,000	$445
37,001 – 66,666	$445 – [(Taxable Income – $37,000) x 1.5%]
66,667+	Nil

1 Minors who are not classified as an 'excepted person' are not eligible to apply the low-income tax offset to reduce tax payable on their unearned (i.e., Division 6AA) income.

Low and Middle Income Tax Offset – 2018/19

Resident individuals (including trustees assessed under S.98 of the ITAA 1936 in respect of presently entitled resident beneficiaries) are entitled to the Low and Middle Income Tax Offset.

Taxable Income $	Tax Offset[1,2]
0 – 37,000	Up to $200
37,001 – 48,000	$200 + 3% of excess over $37,000
48,001 – 90,000	$530
90,001 – 125,333	$530 – 1.5% of excess over $90,000
125,334+	Nil

1 As part of its 2019/20 Federal Budget, the Government has proposed an increase to the Low and Middle Income Tax Offset from 1 July 2018 (i.e., the 2019 income year) to provide tax relief of up to $1,080 per annum, as well as an increased base amount of $255 per annum. At the time of writing, the proposed increase in the Low and Middle Income Tax Offset had not progressed past the budget announcement and is not yet law.

2 Minors who are not classified as an 'excepted person' are not eligible to apply the Low and Middle Income Tax Offset to reduce tax payable on their unearned (i.e., Division 6AA) income.

Net Medical Expenses Tax Offset

The Net Medical Expenses Tax Offset ('NMETO') has traditionally allowed eligible resident taxpayers to claim a non-refundable tax offset equal to a certain percentage of out-of-pocket (eligible) medical expenses paid by a taxpayer in respect of themselves or for a resident dependant, where those (net) expenses exceeded the relevant NMETO claim threshold. The NMETO has been income tested since 1 July 2012.

From 1 July 2013, the NMETO is being phased-out, basically as follows:

- **Category 'A' expenses** – From the 2014 to 2019 income years, the NMETO is available in respect of expenses related to **disability aids**, **attendant care** and **aged care**. The NMETO will be abolished from 1 July 2019.
- **Category 'B' expenses** – The NMETO was available in respect of all **other eligible medical expenses**, only for the 2014 and 2015 income years.

For the 2019 income year, the NMETO can only be claimed in respect of **Category A expenses**, as follows:

Status	Adjustable taxable income for rebates[1,2]	Medical expenses	Rate of Offset
Single	$90,000 or less	$2,377 or less	0
		Greater than $2,377	20
	Greater than $90,000	$5,609 or less	0
		Greater than $5,609	10
Family[3,4]	$180,000 or less	$2,377 or less	0
		Greater than $2,377	20
	Greater than $180,000	$5,609 or less	0
		Greater than $5,609	10

1 'Adjusted taxable income for rebates' is calculated as the taxpayer's taxable income (excluding any assessable FHSS released amount) + adjusted fringe benefits total + reportable super contributions + target foreign income + total net investment loss + any tax free pension or benefit – deductible child maintenance expenditure.

2 A taxpayer will be eligible for the family threshold if they are married on the last day of the income year or have a dependant on any day of the income year.

3 The threshold is increased by $1,500 for each dependant child under 21 or full-time student under 25, after the first.

4 Where the taxpayer is married it is the combined total of the taxpayer's and their spouse's 'adjusted taxable income for rebates' that is compared to the threshold.

Private Health Insurance Tax Offset (Rebate)

The private health insurance ('PHI') rebate is an amount that the government contributes towards the cost of PHI premiums. The rebate is only available in relation to a 'complying PHI policy' (basically, a policy offered by a registered health insurer that provides hospital cover, general treatment cover or both), excluding 'lifetime health cover loading' applied to the cost of a policy from 1 July 2013.

From 1 July 2012, the PHI rebate is income tested. Furthermore, from 1 April 2014, PHI rebate percentages are adjusted downwards by a single rebate adjustment factor. This means that in each year, two separate PHI rebate percentages will be applied in calculating a taxpayer's PHI rebate - one for the period 1 July to 31 March, and a separate percentage for the period 1 April to 30 June.

The following table sets out the PHI rebate income thresholds and percentages that apply for the 2019 income year:

	Base Tier $	Tier 1 $	Tier 2 $	Tier 3 $
		Income Thresholds[1]		
Singles[2]				
Singles	90,000 or less	90,001 – 105,000	105,001 – 140,000	140,001+
Families/Couples[3]				
0 dependants	180,000 or less	180,001 – 210,000	210,001 – 280,000	280,001+
1 dependant	180,000 or less	180,001 – 210,000	210,001 – 280,000	280,001+
2 dependants	181,500 or less	181,501 – 211,500	211,501 – 281,500	281,501+
3 dependants	183,000 or less	183,001 – 213,000	213,001 – 283,000	283,001+
4 dependants	184,500 or less	184,501 – 214,500	214,501 – 284,500	284,501+
5 dependants	186,000 or less	186,001 – 216,000	216,001 – 286,000	286,001+
Each extra child	1,500	1,500	1,500	1,500
		Rebate 1 July 2018 to 31 March 2019		
Aged under 65[4]	25.415%	16.943%	8.471%	0%
Aged 65 - 69[4]	29.651%	21.180%	12.707%	0%
Aged 70 or over[4]	33.887%	25.415%	16.943%	0%
		Rebate 1 April 2019 to 30 June 2019		
Aged under 65[4]	25.059%	16.706%	8.352%	0%
Aged 65 - 69[4]	29.236%	20.883%	12.529%	0%
Aged 70 or over[4]	33.413%	25.059%	16.706%	0%

1 Due to a freeze on indexation, the above income thresholds will remain unchanged until 30 June 2021.

2 A 'single' taxpayer is someone who is not married on the last day of the income year and does not have any dependent children or siblings.

3 A person will generally be assessed under the 'families/couples' tier thresholds if the person:

- is married on the last day of the income year (including a de facto couple) – in this case, it is the combined income for surcharge purposes (i.e., the Base Tier) of the taxpayer and their spouse which is included; or
- at any time during the year, contributes in a substantial way to the maintenance of at least one dependent child who is either the person's 'child' (as defined in S.995-1 of the ITAA 1997) or their 'sibling' who is dependent on them for economic support.

4 This is a reference to the age of the oldest person covered by the policy.

Seniors and Pensioners Tax Offset

The Seniors and Pensioners Tax Offset ('SAPTO') is broadly available to a taxpayer who:

- on at least one day during the income year is eligible for a pension, allowance or benefit under the *Veterans' Entitlements Act 1986,* has reached pension age under that Act and is not in gaol; or
- on at least one day during the income year is qualified for an age pension under the *Social Security Act 1991* and is not in gaol; or
- has included in their assessable income, a social security pension or education entry payment (as defined in the *Social Security Act 1991*), or a service pension, carer service pension, income support supplement or Defence Force Income Support Allowance (DFISA), as defined in the *Veterans' Entitlements Act 1986*, or DFISA-type payment mentioned in Div. 4 of Part VIIAB of that Act; and on at least one day during the income year, is not in gaol.

The second condition that must be satisfied is that the taxpayer's 'rebate income' for the year is less than the amount prescribed by the Regulations (refer to the table below).

The 2018/19 maximum offset and threshold amounts for SAPTO are as follows:

Family Situation[1,2]	Maximum Offset $	Shade-out Threshold[3] $	Cut-out Threshold[3] $
Single	2,230	32,279	50,119
Each member of a couple (married or de facto, whether of the same or opposite sex)[4]	1,602	28,974	41,790
Each member of a couple (married or de facto, whether of the same or opposite sex) separated due to illness or because one was in a nursing home[3]	2,040	31,279	47,599

1 For a taxpayer who is a member of a couple, eligibility is established by halving the combined 'rebate' income of the taxpayer and their spouse and comparing this amount against the relevant Cut-out Threshold. If this figure reaches the Cut-out Threshold, then neither person is eligible for SAPTO. If this figure is below the Cut-out Threshold, then the amount of each person's SAPTO entitlement depends on their own rebate income and their eligibility for any unused portion of their spouse's SAPTO.

An individual's 'rebate' income for a year of income is the sum of the individual's:

(a) taxable income for the year (excluding any assessable FHSS released amount);

(b) reportable superannuation contributions for the year;

(c) total net investment loss for the year; and

(d) the individual's adjusted fringe benefits total for the income year.

2 A person married for part of the year can claim on whatever basis gives the highest entitlement.

3 The maximum offset reduces by 12.5 cents for every dollar of rebate income over the Shade-out Threshold and reduces to nil for rebate income levels at or above the Cut-out Threshold.

4 The transfer of any unused portion of a spouse's SAPTO may occur if both the taxpayer and their spouse are eligible for SAPTO, the spouse's tax offset entitlement exceeds their tax payable, and tax payable by the taxpayer exceeds their tax offset entitlement.

Superannuation Spouse Contribution Tax Offset

The tax offset applies to non-concessional contributions made by a taxpayer to a Complying Superannuation Fund or Retirement Savings Account in respect of their low-income earning, or non-working, spouse (married or de facto). The amount of the offset for 2018/19 is set out in the table below.

Spouse's Assessable Income (SAI)[1,2] $	Maximum Rebatable Contributions (MRC) $	Maximum Offset[3] $
0 – 37,000	3,000	540
37,001 – 39,999	3,000 – [SAI – 37,000]	MRC x 18%
40,000+	Nil	Nil

1 Including reportable fringe benefits and reportable employer superannuation contributions.

2 No tax offset is available if the spouse exceeds their non-concessional contributions cap for the 2019 income year, or if the spouse's total superannuation balance (as at 30 June 2018) equals or exceeds $1.6 million.

3 The offset is calculated as 18% of the actual contributions, if this results in a lower amount.

Zone Tax Offset

Taxpayers who live in remote areas of Australia may be entitled to a Zone Tax Offset ('ZTO') depending on the amount of time spent in the relevant zones. Generally speaking, taxpayers qualify as residents of a zone where they reside in the zone (not necessarily continuously) for 183 days or more. Remote areas do not include offshore rigs.

To find out whether a location is currently in a zone or special area, refer to the 'Australian Zone List', which can be found on the ATO website.

The 2018/19 zone rebate levels are set out below:

Description[1,4]	Maximum Offset[2] $
Special Area in Zone A	1,173 + 50% of the relevant rebate amount[3]
Special Area in Zone B	1,173 + 50% of the relevant rebate amount[3]
Zone A	338 + 50% of the relevant rebate amount[3]
Zone B	57 + 20% of the relevant rebate amount[3]

1 The Zone A offset applies to a taxpayer who is a resident of Zone A during the year of income but has not resided or actually been in the special area of either zone (these areas are particularly isolated) during any part of the year. The Zone B offset applies to a taxpayer who is a resident of Zone B during the year of income but has not resided or actually been in Zone A, or the special area of either zone during any part of the year. Where a taxpayer does not fall into any of the previous categories but resided in a zone area for some of the year, the Commissioner can determine a reasonable amount of tax offset to allow in the circumstances.

2 Eligible taxpayers may claim both the DICTO and either the ZTO or the Overseas Forces Tax Offset.

3 The 'relevant rebate amount' is the total of certain rebates or notional rebates to which the taxpayer is entitled or deemed to be entitled. Refer to page 7.

4 From 1 July 2015, the tax offset is limited to those people who are genuinely living (i.e, who have their usual place of residence) in a designated (or prescribed) zone (or remote area). As a result, the ZTO will no longer be available to fly-in-fly-out ('FIFO') and drive-in-drive-out ('DIDO') workers who work within a particular zone during the income year, but who otherwise have their usual place of residence located outside of the zone in which they are working.

Key Trustee Rates of Tax – 2018/19

S.98(1) and (2) Assessments – Resident Beneficiary

The following rates apply where an individual resident beneficiary presently entitled to a share of the income of a trust is under a legal disability or, is not under a legal disability and is deemed to be presently entitled to a share of the income by virtue of S.95A(2) of the ITAA 1936.

Taxable Income $	Rate[1,2] %
Ordinary Income	
0 – 18,200	Nil
18,201 – 37,000	19% of excess over $18,200
37,001 – 90,000	$3,572 + 32.5% of excess over $37,000
90,001 – 180,000	$20,797 + 37% of excess over $90,000
180,001+	$54,097 + 45% of excess over $180,000
Division 6AA Income[2]	
0 – 416	Nil[3]
417 – 1,307	66% of excess over $416
1,308+	45% of the entire amount

1 The 2% Medicare Levy is not included, but may apply.

2 Assuming the individual is a beneficiary of only one trust.

3 Note that where the Eligible Taxable Income ('ETI') is under $416, it is added to other non-ETI and subject to normal marginal rates.

S.99 Trustee Assessment – Resident Deceased Estate

The following rates apply where a trustee is assessed under S.99 of the ITAA 1936 in respect of a resident deceased estate. Where the date of death is less than 3 years before the end of the income year, the trustee is assessed as a resident individual.

Taxable Income $	Rate[1] %
Less than 3 years since death	
0 – 18,200	Nil
18,201 – 37,000	19% of excess over $18,200
37,001 – 90,000	$3,572 + 32.5% of excess over $37,000
90,001 – 180,000	$20,797 + 37% of excess over $90,000
180,001+	$54,097 + 45% of excess over $180,000
3 years or more since death	
0 – 416	Nil
417 – 670	50% of excess over $416
671 – 37,000	$127.30 + 19% of excess over $670[2]
37,001 – 90,000	$7,030 + 32.5% of excess over $37,000
90,001 – 180,000	$24,255 + 37% of excess over $90,000
180,001+	$57,555 + 45% of excess over $180,000

1 The 2% Medicare Levy does not apply to S.99 assessments of deceased estate trustees.

2 If the share of taxable income is between $670 and $37,000, the entire amount from $0 will be taxed at the rate of 19%.

Company Rates of Tax – 2018/19

A reduced corporate tax rate applies in respect of a corporate tax entity that is a Base Rate Entity ('BRE'). For the 2019 income year, a company is a BRE if, in that year:

(a) its aggregated turnover is less than $50 million; and

(b) no more than 80% of its assessable income is BRE passive income (as defined in S.23AB of the *Income Tax Rates Act 1986*).

General Company Tax Rate[1]

Description of Taxpayer	Rate
Corporate tax entity that is a BRE[2]	27.5%
Private company (non-BRE)	30%
Public company (non-BRE)	30%
Corporate Limited Partnership (non-BRE)	30%
Public Trading Trust (non-BRE)	30%
Strata Title Body Corporate (non-BRE)	30%

1 This table does not apply to Retirement Savings Account Providers, Life Insurance Companies, Pooled Development Funds, credit unions or non-profit companies. The tax rates for non-profit entities are set out below.

2 A 'corporate tax entity' (as defined in S.960-115 of the ITAA 1997) includes companies and certain entities taxed as companies (e.g., corporate limited partnerships and public trading trusts).

Non-profit Company Tax Rates (other than BREs)

Taxable Income	Rate
$0 – $416	Nil
$417 – $915	55% of excess over $416
$916+	30% of the entire amount

Non-profit BRE Company Tax Rates

Taxable Income	Rate
$0 – $416	Nil
$417 – $832	55% of excess over $416
$833+	27.5% of the entire amount

Superannuation Fund Rates of Tax – 2018/19

Complying Superannuation Fund

Type of Receipt	Rate of Tax %
Earnings (other than non-arm's length income and exempt pension income – refer Subdivision S.295-H and 295-F)	
Income received including realised capital gains	15
Discount capital gains (asset held for 12 months or more)[1]	10
Employer Contributions[2,3]	
Portion covered by S.295-180 choice[4]	0
SGC shortfall component	15
All other employer contributions (no S.295-180 choice)	15
Personal Contributions	
Portion covered by S.290-170 notice (of intention to claim a deduction)[3]	15
All other personal contributions (no S.290-170 notice)	0
Contributions – other person (excluding trustee of exempt life assurance fund or of complying superannuation fund, ADF or PST)	
Portion covered by S.295-180 choice[4]	0
Spouse contributions (where the contributor cannot deduct the contribution) (S.295-165)	0
Contributions for minor (not by an employer) (S.295-170)	0
Government Co-contributions (S.295-170)	0
Generally, all other contributions (no S.295-180 choice)	15
Roll-overs[5]	
Originating from taxable source (e.g., another complying fund)	
– tax-free component	0
– taxable component (taxed element)	0
– taxable component (untaxed element)[5]	15
Non-arm's Length Component	
Non-arm's length income (less attributable deductions) – S.295-550	45
Transfer from Foreign Superannuation Funds	
– amount specified in a choice under S.305-80	15
Transfer from Superannuation Holding Accounts ('SHA') special account[6]	
All	15
Change of Status	
Foreign fund to complying fund	
– market value of assets less member contributions (S.295-330)	15

1 Effective tax rate when the 15% complying superannuation fund rate is applied to two-thirds of a discount capital gain.

2 Where a superannuation contribution has been made in respect of an individual who has not provided their TFN to the superannuation fund by the end of the income year, then these contributions will generally be subject to additional tax of 32% (calculated as 47% less the ordinary rate of tax paid by the fund (i.e., 15%)). However, a tax offset is generally available if the TFN is provided to the fund in any of the three income years after the year of contribution.

3 Subject to certain exceptions, the tax rate on concessional contributions made by, or on behalf of an individual whose 'income' as defined plus 'low tax contributions' exceeds $250,000 increases from 15% to 30%. The additional 15% (known as Division 293 tax) is assessed to the individual, who has the option of having the fund pay. If an individual's 'income' (excluding their concessional contributions) is less than $250,000 but the inclusion of the contributions pushes them over this threshold, then the 30% rate will only apply to the amount of the contributions that are in excess of $250,000.

4 The choice applies to contributions made to a public sector superannuation scheme (other than one that came into existence after 5 September 2006) and the contributor must consent to the choice.

5 The rollover benefit will be taxed in the receiving fund to the extent it is not an 'excess untaxed rollover amount'. If the rollover amount exceeds the untaxed plan cap amount, the excess is taxed to the member (and not the fund) at 47% for the 2019 income year, with the tax withheld by the fund that makes the rollover payment.

6 The 'superannuation holding accounts (SHA) special account' (previously known as the superannuation holding accounts reserve) was closed to employer deposits after 30 June 2006.

Non-complying Superannuation Fund

Type of Receipt	Rate of Tax %
Earnings	
Income received including realised capital gains	45
Discount capital gains (asset held for 12 months or more)[1]	22.5
Contributions (Australian fund)[2]	
Personal (S.295-190)	0
Employer (excluding trustee of exempt life assurance fund, complying superannuation fund, complying ADF or PST) (S.295-160, Item 1)	45
Contributions (Foreign fund)	
Personal	0
Employer[2] and other persons	
– for temporary resident (S.295-185)	0
– relates to a period as resident (S.295-160, Item 2(a))	45
– for foreign resident (S.295-160, Item 2(b))	
– for period deriving assessable salary or wages[3]	45
– for period not deriving assessable salary or wages	0
Transfer (Australian fund)	
From foreign fund	
– only amount exceeding member's vested benefit (S.295-200)	45
Change of Status	
Complying to non-complying	
– market value of assets less undeducted contributions and the contributions segment (S.295-320, Item 2 and S.295-325)	45
Foreign fund to Australian fund	
– market value of assets less member contributions (S.295-330)	45

1 A non-complying fund is entitled to a 50% discount as a trust. Refer to S.115-100 (a)(ii). The effective tax rate when the 45% superannuation fund rate is applied to one-half of the discount capital gain is 22.5%.

2 Where a superannuation contribution has been made in respect of an individual who has not provided their TFN to the superannuation fund by the end of the year, then these contributions will be subject to additional tax of 2%. However, a tax offset is generally available if the TFN is provided to the fund in any of the three years after the year of contribution.

3 Includes payments made to employees, company directors and office holders. Refer to S.295-160, Item 2(b).

Key Superannuation Thresholds – 2018/19

Concessional Contributions Caps – 2019 and 2018

Concessional contributions include employer contributions (including contributions made under a salary sacrifice arrangement) and personal contributions claimed as a tax deduction by a self-employed person.

Income Year	Age at Year-end	Amount of Cap[1]
2018/19	N/A	$25,000
2017/18	N/A	$25,000

1 Individuals with a total superannuation balance of less than $500,000, are broadly able to make additional catch-up concessional contributions of unused concessional contribution cap amounts accruing from the 2019 income year.

Non-concessional Contributions Caps – 2019 and 2018

Non-concessional contributions include personal contributions for which taxpayers do not claim an income tax deduction[1].

Income Year	Amount of Cap[1]
2018/19	$0 or $100,000 annually or $200,000 over 2 years or $300,000 over 3 years[2]
2017/18	$0 or $100,000 annually or $200,000 over 2 years or $300,000 over 3 years[2]

1 If an NCC is made in excess of the annual cap in an income year, this will trigger an increased NCC cap under the 'bring-forward rule' for eligible fund members. If this rule was triggered prior to the 2018 income year, a 3-year NCC cap applies in respect of NCCs made over the following 3 income years (the 3-year cap amount is subject to transitional rules in some cases – noted below). However, if the 'bring forward rule' was triggered in the 2018 or 2019 income years, the period over which the 'bring-forward rule' applies varies depending broadly on the member's total superannuation balance ('TSB') at specified times.

Note that, in order to access the 'bring-forward rule', the member must be aged less than 65 years at any time in the income year in which the rule is first triggered (the 'work test' must also be considered, if NCCs are made after the member turns 65).

2 If the member's TSB on 30 June of the previous income year was $1.6 million or more, the member's NCC cap for the income year is reduced to nil and the member is unable to make a NCC in that income year (without breaching their cap). If the fund member's TSB on that date was less than $1.4 million, the NCC cap under the 'bring-forward rule' is $300,000 over the following 3-year period (although their TSB must also be reassessed if NCCs are made under this cap in the subsequent 2-year period). If the fund member's TSB on 30 June of the previous income year was between $1.4 million and less than $1.5 million, the NCC cap under the 'bring-forward rule' is $200,000 over the following 2-year period (note that, the member's TSB must be reassessed if NCCs are made under this cap in the subsequent year). If the member's TSB on that date was $1.5 million to less than $1.6 million, the $100,000 annual NCC cap applies.

CGT Cap Amount

An individual can elect for certain contributions made to a superannuation fund in connection with applying the CGT small business 15-year exemption or the retirement exemption to count towards the CGT cap rather than their non-concessional contributions cap. The CGT cap amount is a lifetime limit.

Income Year	Amount of Cap
2018/19	$1.480 million

Government Co-contribution Table for Low Income Employees

The superannuation co-contribution was initially introduced by the Government from 1 July 2003 as an incentive to encourage low income earners to save for their own retirement.

If an individual satisfies the income tests for the co-contribution (and other eligibility requirements), and they make personal (non-concessional) superannuation contributions, the Government will match their contribution with a 'co-contribution'.

The government will contribute $0.50 for every $1 an eligible individual contributes into superannuation, up to the maximum co-contribution outlined in the following table for these years. From 1 July 2017, an individual is ineligible for a co-contribution if the individual's non-concessional contributions ('NCCs') exceed their NCC cap or their total superannuation balance is $1.6 million or more on 30 June of the prior income year.

Income Year	Total Income[1]	Calculation of Maximum Co-contribution
2018/19	$0 - $37,697	$500
	$37,698 - $52,696	$500 - [3.333% x (total income - $37,697]
	$52,697 +	Nil

1 Total Income is calculated as the sum of assessable income, the reportable fringe benefits total and reportable employer superannuation contributions. Where the taxpayer carries on business, deductions can be taken into account (other than for the 10% test where relevant).

General Transfer Balance Cap

The general transfer balance cap amount is used for a number of purposes, including:

- to determine the total capital amount that can be transferred into the retirement (pension) phase; and
- to determine eligibility for making non-concessional contributions from 1 July 2017.

Income Year	General Transfer Balance Cap
2019	$1.6 million

Lump Sum Superannuation Benefits – Low Rate Cap Amount

The application of the low rate threshold for superannuation lump sum payments is capped. The low rate cap amount is reduced by any amount previously applied to the low rate threshold

Income Year	Cap Amount
2018/19	$205,000

Superannuation Guarantee Rate

Employers who provide less than a prescribed level of superannuation support (the 'charge percentage', generally applied to the employee's ordinary time earnings) for their employees are liable to pay a superannuation guarantee charge based on the shortfall (calculated with reference to "salary and wages") plus an interest component and an administration charge.

Income Year	Charge Percentage
2018/19	9.5%

Superannuation Guarantee – Maximum Contribution Base

Income Year	Maximum Employee Earnings (per quarter)[1]
2018/19	$54,030

1 For superannuation guarantee purposes, employers do not have to provide superannuation support for a quarter on that part of an individual employee's ordinary time earnings above this limit.

Fringe Benefits Tax – 2019 & 2020

FBT Rate

FBT is imposed on the grossed-up taxable value of the benefits provided. The FBT rate is as follows:

FBT Year Ended 31 March	Rate
2020	47%
2019	47%

Gross-up Rates

FBT Year Ended 31 March	Gross-up Rate	
	Type 1	Type 2
2020	2.0802	1.8868
2019	2.0802	1.8868

Car Fringe Benefits – Statutory Formula Method – Statutory Fraction

Annualised kilometres	Statutory Fraction	
	Agreements in existence before 7.30pm 10 May 2011	Agreements entered into from 7.30pm 10 May 2011
0 – 14,999	0.26	0.20
15,000 – 24,999	0.20	0.20
25,000 – 40,000	0.11	0.20
40,001+	0.07	0.20

Rates for Vehicles other than Cars[1]

Engine Capacity	Cents per Km 2020 FBT Year	Cents per Km 2019 FBT Year
0 – 2,500cc	$0.55	$0.54
2,501cc+	$0.66	$0.65
Motorcycles	$0.16	$0.16

1 These are residual fringe benefits.

Benchmark Interest Rate for Loan Fringe Benefits

FBT Year Ended 31 March	Rate
2020	5.37%
2019	5.20%

Car Parking Threshold

FBT Year Ended 31 March	Threshold
2020	$8.95
2019	$8.83

Other Key Rates and Thresholds

HELP Repayment Thresholds – 2018/19

The Higher Education Loan Programme ('HELP') offers Commonwealth loans to eligible students to assist them with paying their higher education fees and to study overseas. A HELP debt is repaid through the taxation system, based on a taxpayer's HELP 'repayment income'. HELP repayment income is the sum of the taxpayer's:

- taxable income;
- total net investment loss;
- reportable fringe benefits;
- exempt foreign employment income; and
- reportable superannuation contributions.

HELP Repayment Income Thresholds and Rates[1,2]

Rate of Repayment	HELP Repayment Income
Nil	$0 – $51,956
2%	$51,957 - $57,729
4%	$57,730 – $64,306
4.5%	$64,307 – $70,881
5%	$70,882 – $74,607
5.5%	$74,608 – $80,197
6%	$80,198 – $86,855
6.5%	$86,856 – $91,425
7%	$91,426 – $100,613
7.5%	$100,614 – $107,213
8%	$107,214+

1 From 1 July 2017, taxpayers living overseas and earning income that exceeds the minimum repayment threshold will be required to make compulsory repayments towards their debt.

2 The relevant repayment rates and thresholds outlined above have been amended to include the introduction of a lower minimum repayment threshold and a maximum repayment rate of 10%. These changes will commence in the 2019/20 income year.

Genuine Redundancy Payments – Tax-free Amounts

The tax-free amount of a genuine redundancy payment in 2018/19 is $10,399 plus $5,200 for each completed year of service.

Per Kilometre Claims for Car Deductions

The 2018/19 cents per kilometre (km) rate for car deductions (up to a maximum of 5,000 business kms per car) is 68 cents per kilometre.

Car Depreciation Cost Limit[1]

The depreciation cost limit applies to the income year in which the car is acquired or first held.

Income Year	Cost Limit
2018/19	$57,581

1 A hearse is not subject to the depreciation car limit.

CGT Improvement Thresholds

Certain improvements to pre-CGT assets will be deemed to be separate post-CGT assets where the cost base of the improvement (and 'related improvements') exceeds both the improvement threshold for the income year in which a CGT event happens in relation to the original asset (e.g., the sale of the asset) and 5% of the capital proceeds from the event.

Income Year	Improvement Threshold
2018/19	$150,386

Consumer Price Index Rates

Indexation based on movements in the Consumer Price Index ('CPI') is relevant to some provisions in the tax and superannuation law including, amongst other things, calculating the taxable value of a fringe benefit relating to the repurchase of remote area residential property.[1]

The latest CPI rates are set out in the table below:

Income Year	Quarter Ending 30 September	Quarter Ending 31 December	Quarter Ending 31 March	Quarter Ending 30 June
2018/19	113.5	114.1	114.1	Not Available

1 Note, the Australian Bureau of Statistics changed the index reference base in September 2012 from 1999/2000 to 2011/12. As a result all CPI rates have been reset and the previous rates no longer apply. The rates reported in the above table are the reset rates.

Valuation of Natural Increase – Prescribed Cost Rates – 2018/19

Description	Rate per Head	Description	Rate per Head
Cattle	$20.00	Horses[1]	$20.00
Deer	$20.00	Pigs	$12.00
Emus	$8.00	Poultry	$0.35
Goats	$4.00	Sheep	$4.00

1 A horse's livestock cost will be the greater of the above or, the insemination service fee.

Goods Taken from Stock for Private Use – 2018/19[1]

Type of Business	2018/19	
	Adult/Child[2] Over 16 years	Child[2] 4-16 years
Bakery	$1,350	$675
Butcher	$830	$415
Restaurant/cafe (licensed)	$4,640	$1,750
Restaurant/cafe (unlicensed)	$3,500	$1,750
Caterer	$3,790	$1,895
Delicatessen	$3,500	$1,750
Fruiterer/greengrocer	$800	$400
Take-away food shop	$3,430	$1,715
Mixed business (e.g., milk bar, general store and convenience store)	$4,260	$2,130

1 Refer to TD 2019/2

2 Amounts are GST-exclusive.

Income-producing Building Write-off Rates

Use of Building	Capital Works Commenced	Write-off Rate
Non-residential buildings		
Industrial	27/2/1992+[1]	4%
Non-industrial buildings	20/7/1982 – 21/8/1984	2.5%
	22/8/1984 – 15/9/1987	4.0%
	16/9/1987+	2.5%
Research & Development buildings	21/11/1987+	2.5%
Residential buildings		
Short-term traveller accommodation	22/8/1979 – 21/8/1984	2.5%
	22/8/1984 – 15/9/1987	4.0%
	16/9/1987 – 26/2/1992	2.5%
	27/2/1992+	4.0%
Residential income-producing buildings	18/7/1985 – 15/9/1987	4.0%
	16/9/1987+	2.5%
Structural improvements	27/2/1992+	2.5%
Environment protection earthworks	18/8/1992+	2.5%

1 For an industrial building constructed before 27 February 1992, the rates for non-industrial non-residential buildings are applied.

Prime Cost and Diminishing Value Rates (150% and 200%)

For most items of plant and equipment acquired* on or after 10 May 2006, the diminishing value method ('DVM') rate was increased from 150% to 200%. This means that the DVM depreciation rate is twice the prime cost ('PC') rate of depreciation for such assets.

Note(*): For these purposes, a taxpayer acquires an asset when they commence to hold it (e.g., on settlement of a contract). Therefore, a taxpayer may acquire an asset on or after 10 May 2006 under a contract entered into before 10 May 2006, and still use the 200% DVM rate.

The 200% DVM depreciation rates apply to new and second-hand assets, including those with statutory caps (e.g., certain trucks). The rates also apply to both business assets and investment assets (e.g., assets used in a rental property).

However, the 200% DVM depreciation rates do not apply to taxpayers using the SBE rules and assets classes for which there are special arrangements (e.g., new horticultural plants).

Furthermore, the 200% DVM depreciation rates cannot be used for certain intangible depreciating assets. That is, depreciation deductions for these assets must be calculated using the PC rates. The types of assets excluded from the 200% DVM depreciation rates are:

- in-house software;
- intellectual property assets (except copyrights in a film);
- spectrum licences;
- datacasting transmitter licences; and
- telecommunications site access rights.

The following table sets out the effective PC and DVM rates of depreciation that apply to an asset based on its effective life.

For example, a taxpayer may choose to use the Commissioner's effective life of 10 years for a particular asset. In that case, the PC rate of depreciation would be 10% (i.e., 100% divided by 10 (years)). The equivalent DVM rate of depreciation would be either 15% (at 150% DVM rates) or 20% (at 200% DVM rates) depending on whether the depreciating asset was acquired before 10 May 2006 or on or after 10 May 2006.

Effective Life (years)	Prime cost rate %	Diminishing value rate (150%) %	Diminishing value rate (200%) %
0.5	*	*	*
1	100	*	*
1.5	66.67	100	*
2	50	75	100
3	33.33	50	66.67
3.33	30	45	60
3.5	28.57	42.86	57.14
4	25	37.5	50
4.5	22.22	33.33	44.44
5	20	30	40
5.5	18.18	27.27	36.36
6	16.67	25	33.33
6.67	15	22.5	30
7	14.29	21.43	28.57

Effective Life (years)	Prime cost rate %	Diminishing value rate (150%) %	Diminishing value rate (200%) %
7.5	13.33	20	26.67
8	12.5	18.75	25
8.33	12	18	24
9	11.11	16.67	22.22
10	10	15	20
11	9.09	13.64	18.18
12	8.33	12.5	16.67
12.5	8	12	16
13	7.69	11.54	15.38
13.33	7.5	11.25	15
14	7.14	10.71	14.28
15	6.67	10	13.33
16	6.25	9.38	12.5
16.67	6	9	12
17	5.88	8.82	11.76
17.5	5.71	8.57	11.43
18	5.56	8.33	11.11
20	5	7.5	10
22	4.55	6.82	9.09
23	4.35	6.52	8.70
25	4	6	8
30	3.33	5	6.67
33	3.03	4.55	6.06
33.33	3	4.5	6
35	2.86	4.29	5.71
40	2.5	3.75	5
45	2.22	3.33	4.44
47.5	2.11	3.16	4.21
50	2	3	4
80	1.25	1.88	2.5
100	1	1.5	2

Note: Where assets are acquired during the year, depreciation must be calculated on a per day basis. Therefore a 100% or higher depreciation rate does not equate to an immediate write-off unless the asset is held for (up to) a full year.

* In the first year, the depreciation claim cannot be greater than the original cost and, over the life of the asset, total depreciation claimed cannot exceed the asset's original cost.