

TAX REFERENCE

2021 - 2022

INDIVIDUALS

RESIDENT TAX RATES

Taxable Income	Tax Payable	% Tax on Excess
\$18,200	Nil	19%
\$45,000	\$5,092	32.5%
\$120,000	\$29,467	37%
\$180,000	\$51,667	45%

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

NON RESIDENT TAX RATES

Taxable Income	Tax Payable	% Tax on Excess
\$0	Nil	32.5%
\$120,000	\$39,000	37%
\$180,000	\$61,200	45%

Non-residents and certain temporary residents are not required to pay the Medicare levy.

LOW INCOME TAX OFFSET (LITO)

Taxable Income (TI)	LITO
\$0 - \$37,500	\$700
\$37,500 - \$45,000	\$700 - ((TI - \$37,500) x 5.0%)
\$45,000 - \$66,667	\$325 - ((TI - \$45,000) x 1.5%)
\$66,668 or more	Nil

Minors cannot access the LITO to reduce tax payable on their unearned income.

LOW AND MIDDLE INCOME TAX OFFSET (LAMITO)

Taxable Income (TI)	LAMITO
\$0 - \$37,000	\$255
\$37,001 - \$48,000	\$255 + ((TI* - \$37,000) x 7.5%)
\$48,001 - \$90,000	\$1,080
\$90,001 - \$126,000	\$1,080 - ((TI* - \$90,000) x 3%)
\$126,001 or more	Nil

The benefit of the LAMITO is in addition to the existing low income tax offset.

PRIVATE HEALTH INSURANCE OFFSET (PHIO)

Tier	Adjusted Taxable Income*		Private Health Insurance Offset^			Medicare Levy Surcharge
	Singles	Families	Under 65yrs	65-69	70 or over	
Base	\$0 - \$90,000	\$0 - \$180,000	25.059%	29.236%	33.413%	Nil
1	\$90,001 - \$105,000	\$180,001 - \$210,000	16.706%	20.883%	25.059%	1%
2	\$105,001 - \$140,000	\$210,001 - \$280,000	8.352%	12.529%	16.706%	1.25%
3	\$140,001 or more	\$280,001 or more	0%	0%	0%	1.5%

*Adjusted Taxable Income = Taxable Income + Reportable Fringe Benefits + Reportable Superannuation Contributions + Total Net Investment Loss + Tax-free Government Pensions or Benefits - Deductible Child Maintenance Expenditures

^These percentages are only for premiums paid up to 31 March 2021.

HECS/HELP REPAYMENTS

Repayment Income*	Rate	Repayment Income*	Rate
Below \$47,014	Nil	\$86,519	6%
\$47,014	1%	\$91,710	6.5%
\$54,283	2%	\$97,213	7%
\$57,539	2.5%	\$103,046	7.5%
\$60,922	3%	\$109,228	8%
\$64,652	3.5%	\$115,782	8.5%
\$68,530	4%	\$122,729	9%
\$72,642	4.5%	\$130,093	9.5%
\$77,002	5%	\$137,898	10%
\$81,621	5.5%		

*Repayment Income = Taxable Income + Total Net Investment Loss + Total Reportable Fringe Benefits + Reportable Superannuation Contributions + Exempt Foreign Employment Income.

FOREIGN RESIDENT CGT WITHHOLDING

Sale of real property where contract price < \$750,000	0% withholding
Sale of real property where contract is > \$750,000*	12.5% withholding^

*If the vendor is an Australian tax resident it must provide a clearance certificate to the purchaser prior to settlement to avoid any withholding tax on sale.

^The withholding tax rate can be varied down to nil

BUSINESSES

COMPANY INCOME TAX RATE

Annual aggregated turnover of \$50 million or more	30%
Annual aggregated turnover of less than \$50 million (*BRE)	25% (base rate)

*Base Rate Entity (rate decreased from 26% with effect from 1 July 2021)

SMALL BUSINESS INCOME TAX OFFSET

Unincorporated entities* with annual aggregated turnover of less than \$5 million 16% tax discount (capped at \$1,000)

*Partnerships, Trusts and Sole Traders

PRIVATE COMPANY LOANS

Division 7A Benchmark Interest Rate 4.52%

MOTOR VEHICLE

Depreciation cost limit \$60,733

RESEARCH AND DEVELOPMENT TAX INCENTIVE

Under the Research & Development (R&D) tax incentive, entities may be eligible for a R&D tax offset for expenditure on eligible R&D activities and for the decline in value of depreciating assets used for eligible R&D activities.

Refundable* R&D tax offset	43.5%	Non-refundable R&D tax offset	38.5%
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A \$100 million annual cap on the amount of R&D expenditure companies can claim as a tax offset at the above rate applies.

*Generally only available to eligible entities with an annual aggregated turnover of less than \$20 million.

DEPRECIATION ALLOWANCES

Assets Installed and Ready For Use	Asset Threshold	Turnover Threshold
From 2 April 2019 until 11 March 2020	<\$30,000*	<\$50 million
	>\$30,000^	<\$50 million
From 12 March 2020 until 6 October 2020	<\$150,000*	<\$500 million
	>\$150,000+	<\$500 million
From 6 October 2020 until 30 June 2023*	Any*	<\$5 billion

*Instant Asset Write-off

^Normal depreciation rules apply, for SBE pool - depreciate at 15% in 1st year and 30% in following years

+Immediate deduction of 50% and balance depreciated under normal depreciation rules

#As announced in the May 2021 Federal Budget but not yet legislated (previously 30 June 2022)

FRINGE BENEFITS TAX (FBT)

FBT Rates for Year Ending 31 March 2022	
FBT Rate	47%
FBT Benchmark Interest Rate	4.52%
FBT Gross-up Rate	Type 1 benefits - 2.0802 / Type 2 benefits - 1.8868
Car Parking Threshold (per day)	\$9.25
Small business car parking exemption turnover threshold	\$50 million from 1 April 2021
Statutory Fraction - Car Benefits	20% (where acquired after 10 May 2011)

CORPORATE LOSS CARRY BACK

Under the corporate loss carry back regime, entities may be eligible for a tax offset, representing a carry back of tax losses to a prior year's tax liability.

FBT Rates for Year Ending 31 March 2022	
Turnover threshold	<\$5 billion
Tax loss income years	30 June 2020, 30 June 2021 & 30 June 2022
Tax liability income years	30 June 2019, 30 June 2020 & 30 June 2021
Tax offset available in returns for	30 June 2021 and 30 June 2022

SUPERANNUATION

Concessional Contribution Caps	Non-Concessional Contribution Caps
\$27,500*	Up to \$110,000 per year Able to contribute up to \$330,000 in a single year under the three year bring forward (subject to eligibility)^

*If the total superannuation balance is less than \$500,000 at the end of the previous financial year, some individuals may be entitled to contribute more than the general concessional contribution cap for the year. They can make additional concessional contributions for any "unused amounts" from previous years (commencing 1 July 2018). These unused amounts are available for a maximum of five years before they expire.

^The non-concessional contribution limit is nil if an individual's total superannuation balance is greater than or equal to the general transfer balance cap (currently \$1.7 million)

SUPERANNUATION GUARANTEE

Rate	Maximum Contribution Base
10%	\$58,920 per quarter

ACCOUNT BASED PENSIONS*

Age	Minimum % Withdrawal	Age	Minimum % Withdrawal
Under 65	2%	85-89	4.5%
65-74	2.5%	90-94	5.5%
75-79	3%	95 or more	7%
80-84	3.5%		

*Minimum pension requirements for 2021/22 have been reduced by 50% under COVID-19 concessions.

No maximum annual payment applies, except for non-commutable allocated pensions paid under transition to retirement rules, in which case a maximum annual payment of 10% of the account balance applies.

TAX ON SUPERANNUATION LUMP SUMS

Lump Sum Withdrawals (excluding death benefits and departing Australia superannuation payments) ^

Age at Date of Payment	Tax-free Component	Taxable Component			
		Taxed Element*		Untaxed Element*	
Under preservation age	Tax Free	Total Amount:	22%	Up to \$1.615 million: Excess:	32% / 47%
Preservation age to under 60	Tax Free	First \$225,000: Excess:	0% / 17%	First \$225,000: Between \$1.615 million Excess:	17% / 32% / 47%
60 and over	Tax Free	Tax Free	0%	Up to \$1.615 million: Excess:	17% / 47%

*The above rates include Medicare levy, where relevant. The % is the lower of your marginal tax rate or the % provided.

^Tax rates shown are maximum rates. Where a person would be subject to a lower rate of tax than the maximum specified, the lower rate applies.

TAX ON INCOME STREAMS

Pensions (excluding death and disability benefits)

Age at Date of Payment	Tax-free Component	Taxable Component	
		Taxed Element	Untaxed Element
Under preservation age	Tax Free	Subject to tax at MTR*	Subject to tax at MTR*
Preservation age to under 60	Tax Free	Subject to tax at MTR* with 15% tax offset	Subject to tax at MTR*
60 and over	Tax Free	Tax Free	Subject to tax at MTR* with 10% tax offset

*Marginal Tax Rate.

^If the income stream is a disability super benefit, a 15% tax offset is available.

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