

If the cap is breached the individual can elect to withdraw any excess non-concessional contributions + 85% of any associated earnings. Total amount of associated earnings taxed to the individual at marginal rates and subject to 15% tax offset.

#### Superannuation Guarantee Charge (SGC)

- Minimum Contribution Rate 9.5% of employee's earnings
- Maximum Contribution Base \$50,810 earnings per quarter
- Contribution payment date 28th day after the end of each quarter.

#### Private Company Loans

Division 7A loan interest until 30 June 2017 5.40%

#### Motor Vehicle Expenses

Motor vehicle depreciation cost limit 2016/17 \$57,581

Car Expenses – cents per km Rates – Flat rate of 66 cents per kilometre for up to a maximum of 5,000 business kilometres per vehicle.

#### Payment of Tax

##### BAS Due Dates

- Annual (GST payment only) by due date for lodgement of 2016 income tax return or 28 February 2017 if no income tax return required
- Quarterly (non-deferred\*) 21st day of Oct, Jan, Apr & July
- Quarterly (deferred \*) + GST quarterly 28th day of Oct, Feb, Apr & July
- Monthly (non-deferred\*) + GST Monthly 21st day of following month
- Monthly (deferred \*) Monthly payments for Sept, March and June are on 28th of the next month, Dec on 28 Feb; other months on 21st of the next month
- Weekly (large PAYG withholders only) Approx. one week after deducting tax.

\*Deferred generally applies if GST not paid monthly and not head company of a consolidated group. Deferral regime does not apply to GST payments and lodgments.

#### PAYG Instalments Calculations

##### Monthly PAYG Instalments

New rules introduced progressively will require certain entities to make monthly PAYG Instalment payments. Special rules apply for the calculation of the instalment amounts.

- From 1 January 2016 - Corporate tax entities (CTEs) that meet or exceed \$20 million income threshold and all other entities that meet or exceed \$1 billion income threshold; and
- From 1 January 2017 – all non-corporate entities (including super funds, trusts and individuals) that meet or exceed \$20 million income threshold.

#### Quarterly PAYG Instalments

Quarterly instalment income (gross) x instalment rate; or if an individual or annual turnover less than \$2 million, you can choose the GDP adjusted instalment amount as advised by ATO.

#### Annual PAYG Instalments (30 June balance date)

Notional tax < \$8,000 + select the annual payment option + not GST registered + not part of a GST or consolidated group; or if you are voluntarily registered for GST and choose to remit GST annually.

- **Payment Date** 21 Oct after end of tax year
- **Payment Amount:** Commissioner's instalment rate x your instalment income; or notional tax amount notified by Commissioner; or your estimated benchmark tax for the income year

#### Fringe Benefits Tax

Quarterly payment dates for FBT instalments based on notional or estimated tax liability are same as quarterly BAS dates as shown above. Where the previous year's FBT liability is below \$3,000 a single payment is due on 21 May 2017.

FBT Rate for FBT year ending 31 March 2017	49%
FBT Rate from 1 April 2017	47%
Benefit Value Gross-up:	
– If input taxed or GST free (Type 2)	1.9608 until 31 March 2017 1.8868 from 1 April 2017
– If employer entitled to an input tax credit (Type 1)	2.1463 until 31 March 2017 2.0802 from 1 April 2017
FBT year end	31 March 2017
FBT return lodgement and final payment date	21 May 2017
FBT statutory interest until 31 March 2017	5.65%

#### Motor vehicle statutory formula percentage for 2016/17

Annualised kilometres	Acquired pre 10 May 2011	Acquired post 10 May 2011
Less than 15,000	26%	20%
15,000 – 24,999	20%	20%
25,000 – 40,000	11%	20%
More than 40,000	7%	20%

#### Benefits from Family Assistance Office

##### Family Tax Benefit

###### Part A

- Benefit per child up to \$6,927.70 p.a. depending on age
- Benefit reduced by 20 cents for each dollar over \$51,903 of family income

###### Part B

- Benefit per family \$4,409.20 (\$3,186.45 if youngest child aged less than 5 years)
- No benefit if primary earner's income (ATI\*) > \$100,000
- Benefit reduced by 20 cents for each dollar over \$5,475 of income earned by other earner
- Single parent gets full amount if income (ATI\*) < \$100,000
- Not claimable if receiving Paid Parental Leave.

#### Payroll tax (State and Territories tax)

##### Pay-roll tax thresholds and rates applicable from 1 July 2016 to 30 June 2017

State	Rate	Annual exemption threshold
NSW	5.45%	\$750,000
VIC	4.85%	\$575,000
QLD <sup>1</sup>	4.75%	\$1,100,000
SA	4.95%	\$600,000
WA <sup>2</sup>	5.50%	\$850,000
TAS	6.10%	\$1,250,000
ACT	6.85%	\$2,000,000
NT <sup>3</sup>	5.50%	\$1,500,000

1. Qld exemption threshold reduces progressively by \$1 for every \$4 of taxable wages over the threshold until wage threshold reaches \$5.5 million.
2. No exemption threshold for payrolls of \$7.5 million and above per annum.
3. NT exemption threshold reduces progressively by \$1 for every \$4 of taxable wages over the threshold.

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# TAX FACTS DATACARD 2016/2017



## Tax payable calculation

Taxable income = assessable income – allowable deductions  
 Tax payable = (Taxable income x tax rate) – tax offsets + Medicare levy

## Tax rates

The tax rates below are based on the 2016/17 Federal Budget, which was not legislated at the time of publication.

**Company tax rate for 2016 – 2017 year** 30% of taxable income or 27.5% of taxable income for companies that are small business entities, i.e. turnover less than \$10 million

## Resident Individuals – Rates 2016 – 2017

Taxable Income	Tax Payable*
\$0 – \$18,200	\$Nil
\$18,201 – \$37,000	\$Nil + 19% over \$18,200
\$37,001 – \$87,000	\$3,572 + 32.5% over \$37,000
\$87,001 – \$180,000	\$19,822 + 37% over \$87,000
Over \$180,000	\$54,232 + 47% over \$180,000**

\*Resident individuals including minors may also be subject to Medicare Levy of 2% and Medicare Levy Surcharge (MLS) of between 1% and 1.5%.

\*\*2% temporary Budget repair levy included.

## Unearned income of resident minors (under 18 years) not in full time employment

Unearned Income	Tax Payable
\$0-\$416	\$Nil
\$417-\$1,307	68% over \$416*
Over \$1,307	47% flat*

\*rates include 2% temporary Budget repair levy.

## Non-Resident Individuals – Rates 2016 - 2017

Taxable Income	Tax Payable
\$0 – \$87,000	32.5 cents for each \$1
\$87,001 – \$180,000	\$28,725 + 37% over \$87,000
Over \$180,000	\$62,685 + 47% over \$180,000*

\*2% temporary Budget repair levy included.

## Tax Offsets

### Low income tax offset

\$445 if resident individual's taxable income less than \$37,000 - reduced offset up to \$66,667 taxable income. Minors not in full time employment are not eligible to apply against unearned income.

### Seniors and Pensioner Tax Offset

Eligible taxpayers	Maximum amount of Rebate	ATI* threshold for maximum tax offset	ATI* threshold for phased out tax offset
Single taxpayer	\$2,230	\$32,279	\$50,119
Couple living together	\$1,602 each	\$57,948 combined	\$83,580 combined
Couple with one living apart due to illness or in a nursing home	\$2,040 each	\$62,558 combined	\$95,198 combined

\*ATI is 'adjustable taxable income', which generally includes taxable income, adjusted fringe benefits, reportable superannuation contributions and deductible personal superannuation contributions and net investment and rental property losses are added back. The threshold and rebate amounts in this table are based on the 2015/2016 rates as the 2016/2017 thresholds are not available at the time of printing.

### Superannuation contribution offset

Non-working spouse superannuation contributions:

- 18% of up to \$3,000 of contribution – maximum rebate: \$540.

### Net Medical Expenses Tax Offset

Rebate restricted to net medical expenses for disability aids, attendant care, or aged care expenses which exceed the relevant thresholds and means-tested income bands and rates as follows:

**Tier 1** – ATI\* of \$90,000 or less for singles and \$180,000 or less for couples or families - Rebate claimable at 20% of unreimbursed eligible medical expenses over threshold estimated at \$2,299.

**Tier 2** – ATI\* over \$90,000 for singles and over \$180,000 for couples or families - Rebate claimable at 10% of unreimbursed eligible medical expenses over threshold estimated at \$5,423.

Family ATI thresholds for both tiers increase by \$1,500 for each dependent child after the first for both singles and couples.

## Invalid Carer Tax Offset

This offset is generally available for an individual with ATI of \$100,000 or less who contributed to the maintenance of a dependant where the dependant is genuinely unable to work due to invalidity or carer obligations. The dependant must be an Australian resident who receives, or cares for somebody who receives, an eligible pension; or a carers payment/allowance.

Eligible dependants may include:

- A taxpayer's spouse who is an invalid or carer for an invalid
- a parent of either the taxpayer or their spouse, who is an invalid or a carer for an invalid
- A child (aged 16 years and over) of either the taxpayer or their spouse, who is an invalid
- A brother or sister (aged 16 years and over) of either the taxpayer or their spouse, who is an invalid.

The maximum offset is \$2,627 for each eligible dependant (limited to one spouse). The offset reduces by \$1 for every \$4 by which the dependant's ATI\* + exempt pension amounts exceeds \$282 (phasing out completely at ATI of \$10,791).

### Employment Termination Payments (ETP) exemptions and offsets

Exempt component	Exemption
Pre 1/7/1983 component	Fully exempt
Invalidity component	
Genuine Redundancy	\$9,936 plus \$4,969 per completed year of employment is exempt
Eligible early retirement scheme	
Taxable component	Tax Offset

Taxpayer under 56 years

- Up to ETP caps\*
  - Excess over ETP caps\*
- Tax at maximum rate of 30%
- No offset - tax at rate of 45%\* + 2% temporary budget repair levy if the taxpayer's taxable income exceeds \$180,000

Taxpayer 56 years or more

- Up to ETP caps\*
  - Excess over ETP caps\*
- Tax at maximum rate of 15%
- No offset - tax at rate of 45%\* + 2% temporary budget repair levy if the taxpayer's taxable income exceeds \$180,000

\*ETP caps

There are two ETP caps (the lowest cap applies):

- General ETP tax offset cap of \$195,000 of the ETP amount
- Whole of income cap of \$180,000 less non ETP income. Only applies to reduce ETP offset for life benefit ETP's excluding genuine hardship amounts, taxable redundancy payments, early retirement scheme payments, and compensation payments due to an employment related dispute.

### Private Health Insurance Rebate

Private Health Insurance rebate can be claimed through tax return or direct from health fund as a premium reduction

Family Group	ATI* Ranges	Increase ATI range by \$1,500 per extra child		
Single	<\$90,000	\$90,001 – \$105,000	\$105,001 – \$140,000	>\$140,001
Couples/Family with one child	<\$180,000	\$180,001 – \$210,000	\$210,001 – \$280,000	>\$280,001
Rebate percentage				
Under 65 years	26.791 % of premium	17.861% of premium	8.930% of premium	Nil rebate
65 – 69 years	31.256% of premium	22.326% of premium	13.395% of premium	Nil rebate
70 years +	35.722% of premium	26.791% of premium	17.861% of premium	Nil rebate

Note, the rebate percentage rates are effective from 1 March 2016 to 31 March 2017.

### Medicare Levy (for resident individuals)

- Medicare levy is 2% of taxable income plus Medicare levy surcharge (if applicable)
- There are exemptions or reductions for low income taxpayers

### Medicare Levy Surcharge (MLS)

Additional Medicare Levy for higher income taxpayers without private health insurance:

Family Group	ATI ranges	Plus \$1,500 per extra child in family	
Single	\$90,001 – \$105,000	\$105,001 – \$140,000	>\$140,001
Couple/Family with one child	\$180,001 – \$210,000	\$210,001 – \$280,000	>\$280,001
MLS Rate	1.0%	1.25%	1.5%

## Superannuation

### Preservation Age

The superannuation preservation age is 55 years for those born before 1 July 1960 increasing by one year per year up to 60 years for those born after 1 July 1964.

### Concessional Superannuation Contributions for 2016/2017 (Deductible Contributions)

All employer contributions to complying superannuation funds are fully deductible. Concessional contributions are taxed at 15% if paid to a complying superannuation fund.

For 2016/2017 the concessional contributions caps are as follows:

- \$35,000 cap for individuals aged 49 and over on 30 June 2015
- \$30,000 cap for all other individuals.

Where there are excess concessional contributions, the individual has the following options:

- Excess concessional contributions above caps are taxed to the individual at their marginal tax rate (including Medicare levy) less a non-refundable tax offset of 15% for contributions paid into the fund. In addition, there is an interest component (excess contributions charge (ECC)).
- An individual can elect to release an amount equal to the excess concessional contributions + 85% of any associated earnings.

### Income Exceeding \$300,000 – extra tax on contributions

Individuals with combined taxable income, reportable fringe benefits, net investment losses + low taxed superannuation contributions (i.e. concessional contributions below the contributions cap) of at least \$300,000 are subject to an additional 15% tax on the lesser of their low taxed concessional contributions (up to the concessional contributions cap) or the excess over \$300,000.

### Non-Concessional Superannuation Contributions for 2016/2017 (Non-Deductible Contributions)

Non-concessional contributions cap: \$180,000 p.a., or \$540,000 over three years. Individuals subject to tax on contributions exceeding these caps at 49%.

The 2016/17 Federal Budget proposes to apply a lifetime cap of \$500,000 on non-concessional contributions made after 3 May 2016 which was not legislated at the date of publication.