

GENERAL TAX FIGURES AND DETAILS – 2011

Disclaimer:

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GENERAL RATES - INDIVIDUAL

Taxable Income \$	Tax Payable 2010/2011 \$	Taxable Income \$	Tax Payable 2011/2012*
\$0 - \$6,000	Nil	\$0 - \$6,000	Nil
\$6,001 - \$37,000	Nil + 15%	\$6,001 - \$37,000	Nil + 15%
\$37,001 - \$80,000	\$4650 + 30%	\$37,001 - \$80,000	\$4650 + 30%
\$80,001 - \$180,000	\$17550 + 37%	\$80,001 - \$180,000	\$17550 + 37%
\$180,000 +	\$54550 + 45%	\$180,000 +	\$54550 + 45%

* Flood Levy Payable – see next page

MEDICARE LEVY – 1.5% of taxable income

INDIVIDUAL & FAMILY THRESHOLD

Category of Taxpayer	No levy payable if Taxable Income (or Family Income) does not exceed ...	Reduced levy payable if Taxable Income (or Family Income) is within the range ... 10% of excess	Ordinary rate of levy payable where Taxable Income (or Family Income) exceeds ...
Individual Taxpayer	\$18,839	\$18,840 - \$22,163	\$22,164
Married taxpayer* with the following children and/or students:			
0	\$31,789	\$31,790 - \$37,398	\$37,399
1	\$34,708	\$34,709 - \$40,832	\$40,833
2	\$37,627	\$37,628 - \$44,266	\$44,267
3	\$40,546	\$40,547 - \$47,700	\$47,701
4	\$43,465	\$43,466 - \$51,134	\$51,135

* The figures applicable to married taxpayers also apply to taxpayers who would be entitled to a sole parent, child-housekeeper or housekeeper rebate if entitlement to such rebates had not been restricted from 1 July 2000.

- For each dependent child add \$2,919 to lower limit.

- For each dependent child add \$3,434 to upper limit.

See Senior Australians Offset for Medicare levels for Senior Australian pensioners.

See Pensioner Offset for Medicare levels for pensioners below pension age.

FLOOD LEVY – Flood levy is payable for **2012** financial year **only**. Payable on taxable income over \$50,000. Anyone receiving an Australian Government Disaster Recovery Payment for a natural disaster that occurred in the 2010-11 year by 30 June 2012 are exempt from paying the levy.
 Levy Payable:

Taxable Income	Flood Levy Payable
\$0 - \$50,000	Nil
\$50,001 - \$100,000	0.5%
\$100,000 +	\$250 + 1%

EXTRA MEDICARE SURCHARGE 1%

Is applied to taxpayers whose income for the year is higher then the thresholds below and where the person(s) are not covered by private patient hospital cover.

From 1 July 09

There is a new test to determine who is liable to pay the Medicare levy surcharge called the ‘income for surcharge purposes’. Income for surcharge purposes is the sum of: Taxable Income, Exempt Foreign Employment Income, Reportable Fringe Benefits, total net investment losses (including rental losses) and Reportable Super Contributions.

Note: This test is only used to determine who is liable to pay the surcharge, it is not used to calculate how much surcharge they pay – this is still based on the total of your taxable income & reportable fringe benefits.

Surcharge Thresholds

No of Dependent Children	2009/2010		2010/2011		2011/2012	
	Single	Couples	Single	Couples	Single	Couples
0	\$73,000	\$146,000	\$77,000	\$154,000	\$80,000	\$160,000
1	\$146,000	\$146,000	\$154,000	\$154,000	\$160,000	\$160,000
2	\$147,500	\$147,500	\$155,500	\$155,500	\$161,500	\$161,500
Each extra child	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500

SENIOR AUSTRALIANS TAX OFFSET

Taxpayer at some point during the year must have been eligible for pension, allowance or benefit under the DVA rules and had reached veteran pension age and was not in gaol.

Or

Taxpayer at some point during the year must have qualified for the age pension under the social security rules and was not in gaol.

Taxable Income Thresholds – rebate reduces 12.5 cents for each dollar over minimum threshold.

Category	Maximum Rebate available	Lower Threshold	Upper Threshold	Combined Taxable Income
Single, Widowed, Separated	\$2,230	\$30,685	\$48,525	N/A
Married, living apart due to illness – both eligible	\$2,040	\$29,600	\$45,920	\$91,840
Married, living apart due to illness – spouse not eligible	\$2,040	\$29,600	\$45,920	\$91,840
Married, living together – both eligible	\$1,602	\$26,680	\$39,496	\$78,992
Married, living together – spouse not eligible	\$1,602	\$26,680	\$39,496	\$78,992

*Where the taxpayer has a spouse (married or defacto) this eligibility test is based on the combined taxable income. If the couple's taxable income exceeds their combined taxable income level (above) then neither partner is eligible for the Senior Australians Tax Offset.

***NOTE: From 1 July 2009** the rebate is calculated based on the 'rebate income' of the individual.

Rebate income includes:

- Taxable Income
- Adjusted fringe benefits (total reportable FB amount x 0.535)
- Total net investment loss
- Reportable superannuation contributions

Low income Medicare Levy Threshold for persons qualifying for the Senior Australians Tax Offset

Category of Taxpayer	No levy payable if Taxable Income (or Family Income) does not exceed ...	Reduced levy payable if Taxable Income (or Family Income) is within the range ... 10% of excess	Ordinary rate of levy payable where Taxable Income (or Family Income) exceeds ...
Individual Taxpayer	\$30,685	\$30,686 - \$36,100	\$36,101
Married taxpayer with the following children and/or students:			
0	\$44,500	\$44,501 - \$52,352	\$52,353
1	\$47,419	\$47,420 - \$55,786	\$55,787
2	\$50,338	\$50,339 - \$59,220	\$59,221
3	\$53,257	\$53,258 - \$62,656	\$62,655
4	\$56,176	\$56,177 - \$66,088	\$66,089

PENSIONER TAX OFFSET

Pensioner Tax Offset is available if taxpayer:

- receives assessable pension, payment or government allowance AND
- is not eligible for SATO

If entitled to both SATO and Pensioner Tax Offset, the taxpayer will receive the one which provides the highest offset.

Taxable Income Thresholds – rebate reduces 12.5 cents for each dollar over minimum threshold.

Category	Maximum Rebate available	Lower Threshold	Upper Threshold	Combined Taxable Income
Single, Widowed, Separated	\$2,857	\$25,047	\$47,903	N/A
Married, apart due to illness	\$2,700	\$24,000	\$45,600	\$91,200
Married, living together	\$2,003	\$19,354	\$35,378	\$70,756

*Where the taxpayer has a spouse (married or defacto) this eligibility test is based on the combined taxable income. If the couple's taxable income exceeds their combined taxable income level (above) then neither partner is eligible for the offset.

***NOTE: From 1 July 2009** the rebate is calculated based on the 'rebate income' of the individual.

Rebate income includes:

- Taxable Income
- Adjusted fringe benefits (total reportable FB amount x 0.535)
- Total net investment loss
- Reportable superannuation contributions

Low income Medicare Levy Threshold for persons qualifying for the Pensioner Offset

Medicare levy threshold \$30,439

Medicare levy shade-in for this group is 10 cents for every \$ between \$30,440 and \$35,810

Over \$35,811 Medicare Levy is 1.5% of taxable income.

MATURE AGE WORKER TAX OFFSET

To be eligible for the mature age worker tax offset the taxpayer must:

- Be an Australian resident for tax purposes
- Be 55 years or more at the end of the income year; and
- Have received net income from working

Year	Net Income from Working*	Mature Age Worker Tax Offset
2007/08 & Beyond	<\$10,000	5 cents per dollar from 0 - \$9,999
	\$10,000 - \$53,000	\$500
	\$53,001 - \$62,999	\$500 max is reduced by 5 cents per dollar over \$53,000
	>\$63,000	Nil

* Net income now includes reportable super contributions

TAX OFFSETS

	Maximum Rebate	Maximum SNI (separate net income)	Shading out Taxable Income
Spouse with no dependent child	\$2,286	\$9,426	Reduced by \$1 for every \$4 where net income exceeds \$286
Spouse – with child	NOT ELIGIBLE	FOR REBATE WHERE ELIGIBLE	FAMILY TAX PART B
Child Housekeeper with no dependent child	\$1,863	\$7,733	Reduced by \$1 for every \$4 where net income exceeds \$286
Child housekeeper with dependent child	\$2,232	\$9,209	Reduced by \$1 for every \$4 where net income exceeds \$286
Invalid Relative	\$839	\$3642	Reduced by \$1 for every \$4 where net income exceeds \$286
Parent or parent-in-law	\$1676	\$6990	Reduced by \$1 for every \$4 where net income exceeds \$286
Sole Parent (notional)	REPLACED	FAMILY TAX	PART B
Low Income (Offset ceases when taxable income exceeds \$67,500 in 2011)	\$1,350 (2010) \$1,500 (2011)	N/A	Reduced by 4 cents for every \$1 exceeding \$30,000
Medical Expenses Exclusions exist see following page	20% of excess of net medical expenses over \$2,000	-	-
Private Health Insurance Premiums	<65 years old – 30% 65-69 years old – 35% >70 years old – 40%	-	-

MEDICAL EXPENSES TAX OFFSET

The tax offset is calculated as 20% of the excess of net medical expenses over the threshold of \$2,000. In the 2009/10 and earlier years this threshold was \$1,500 and from 1 July 2011 will be increased annually via indexation.

The following exclusions now exist when calculating the medical expenses tax offset:

- Cosmetic operations which have no Medicare benefit payable
- Solely cosmetic dental services

SMALL BUSINESS ENTITY REGIME

From 1 July 2007 the Small Business Entity (SBE) regime replaced the Simplified Tax System (STS).

A small business entity is an individual, partnership, company or trust that:

- carries on a business for all or part of the income year, and
- has less than \$2 million aggregated turnover.

A small business entity is eligible for the following concessions:

Income tax concessions

- Entrepreneurs' tax offset
- Simplified depreciation rules
- Simplified trading stock rules
- Capital gains tax concessions
 - 50% active asset reduction
 - 15-year exemption
 - Retirement exemption
 - Roll over Relief

Pay as you go instalments concessions

- GDP adjusted PAYG and GST instalment amounts

Goods and services tax concessions

- Cash accounting
- GST and annual private apportionment
- GST instalments

A small business entity does not need to elect to enter the small business entity regime and may select those concessions it wishes to use.

ENTREPRENEURS' TAX OFFSET (ETO)

The entrepreneurs' tax offset (ETO) is a tax offset equal to 25% of the income tax payable on business income if the business' aggregated turnover of \$50,000 or less.

If the business aggregated turnover is more than \$50,000, the ETO is phased out so that the offset stops once the turnover reaches \$75,000.

An additional Income Test also applies from 1 July 2009. Under this test the ETO amount is reduced where the income test amount exceeds the threshold (\$70,000 for singles & \$120,000 for families).

From 1 July 2012 the ETO will be **abolished**.

EDUCATION TAX REFUND

	Primary School	Secondary School
Expense Limit	\$794	\$1,588
Maximum Refund	\$397	\$794

Limited to 50% of actual expenditure for lower amounts and covers computer (purchase and ongoing costs), home internet, education software, school textbooks and materials, trade tools.

CHILDRENS TAX

Net Income	Tax Payable
Nil - \$416	Nil
\$417 - \$1307	66% of the excess over \$416
\$1308 +	45% of the total tax income

If only income is distribution from family trusts, can earn up to \$3,333 with low income tax offset.

NOTE: 2011 is the last financial year the LITO is available to minors. From 1 July 2011, LITO is not available to minors – reducing the tax free distribution to minor to \$416.

SFSS (Student Financial Supplement Scheme)

SFSS repayment income (RI) 2010/11	Repayment rate (of RI)	SFSS repayment income (RI) 2011/12	Repayment rate (of RI)
\$0 - \$44,912	Nil	\$0 - \$47,196	Nil
\$44,912-\$55,143	2%	\$47,196 - \$57,947	2%
\$55,144-\$78,273	3%	\$57,948 - \$82,253	3%
\$78,274 +	4%	\$82,254 +	4%

RI = Taxable income + any net investment losses (including net rental losses) + total reportable fringe benefits + exempt foreign employment income + reportable super contributions

HELP (Higher Education Loan Programme)

On 1 June 2006 all accumulated HECS debts became an Accumulated HELP debt.

HELP repayment income (HRI) \$ 2010/11	Repayment rate (of HRI)	HELP repayment income (HRI) \$ 2011/12	Repayment rate (of HRI)
\$0 - \$44,911	Nil	\$0 - \$47,196	Nil
\$44,912-\$50,028	4%	\$47,196 - \$52,572	4%
\$50,029-\$55,143	4.5%	\$52,573 - \$57,947	4.5%
\$55,144-\$58,041	5%	\$57,948 - \$60,993	5%
\$58,042-\$62,390	5.5%	\$60,994 - \$65,563	5.5%
\$62,391-\$67,570	6%	\$65,564 - \$71,006	6%
\$67,571-\$71,126	6.5%	\$71,007 - \$74,743	6.5%
\$71,127-\$78,273	7%	\$74,744 - \$82,253	7%
\$78,274-\$83,407	7.5%	\$82,254 - \$87,649	7.5%
\$83,408 +	8%	\$87,650 +	8%

HRI = Taxable income + any net investment losses (including net rental losses) + total reportable fringe benefits + exempt foreign employment income + reportable super contributions

ENERGY GRANTS SCHEME
Fuel tax credit rates from 1 July 2009

Activity/business use	Eligible fuel	From 1 January 2009	From 1 July 2009	From 1 July 2010	From 1 July 2011
In a vehicle (including emergency vehicles) greater than 4.5 tonne GVM travelling on a public road (diesel vehicles acquired before 1 July 2006 can equal 4.5 tonne GVM).	All taxable fuels - for example, diesel and petrol.	17.143*	16.443*	15.543*	15.043*
Specified activities eligible since 1 July 2006 in: agriculture fishing forestry mining marine transport rail transport, and nursing and medical.	All taxable fuels for example diesel, petrol and fuel oil. Note: Don't include fuel used in vehicles greater than 4.5 tonne travelling on a public road.	38.143	38.143	38.143	38.143
Burner applications.	All taxable fuels - for example, diesel, petrol, heating oil, kerosene and fuel oil.	38.143	38.143	38.143	38.143
Non-fuel uses such as: fuel you use directly as a mould release, and fuel you use as an ingredient in the manufacture of products.	All taxable fuels - for example, kerosene, fuel oil, toluene, mineral turpentine and white spirit.	38.143	38.143	38.143	38.143
Packaging fuels in containers of 20 litres or less for non-internal combustion engine use.	Mineral turpentine, white spirit, kerosene and certain other fuels.	38.143	38.143	38.143	38.143
Supply of fuel for domestic heating.	Heating oil and kerosene.	38.143	38.143	38.143	38.143
Electricity generation by a commercial generation plant, a stationary generator or a portable generator.	All taxable fuels - for example, diesel, petrol, heating oil, kerosene, and fuel oil.	38.143	38.143	38.143	38.143
Emergency vessels.	All taxable fuels for example diesel, petrol	38.143	38.143	38.143	38.143

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	and fuel oil.				
All other activities, machinery, plant and equipment are eligible for fuel acquired from 1 July 2008. Examples of activities are: construction manufacturing wholesale/retail property management, and landscaping.	All taxable fuels - for example, diesel and petrol. These activities have only been eligible since 1 July 2008.	19.0715**	19.0715**	19.0715**	19.0715**

* This rate accounts for road user charge, which is subject to change.

** The rate of 19.0715 cents per litre is 50% of the full rate of 38.143 cent per litre. The full rate will apply to all these activities from 1 July 2012.

Energy grants credits scheme (EGCS) rates for alternative fuels

Following the introduction of fuel tax credits on 1 July 2006, the rates for fuel grants for alternative fuels reduce yearly until 2010.

Fuel type	Rate from 1 July 2006	Rate from 1 July 2007	Rate from 1 July 2008	Rate from 1 July 2009	Rate from 1 July 2010
Biodiesel (cents per litre)	14.808	11.106	7.404	3.702	0.00
Ethanol (cents per litre)	16.647	12.485	8.324	4.162	0.00
LPG (cents per litre)	9.540	7.155	4.770	2.385	0.00
LNG (cents per litre)	6.504	4.878	3.252	1.626	0.00
CNG (cents per cubic metre)	10.094	7.570	5.047	2.523	0.00

There are no changes to the way you claim alternative fuels and you should continue to use the *Energy grants credits scheme claim form*.

MOTOR VEHICLE RATE PER KILOMETRE

Ordinary Cars	Rotary Drive Cars	Rate per kilometre	
		2009/2010	2010/2011
Up to 1600 cc	Up to 800 cc	63.0 cents	63.0 cents
1601 – 2600 cc	801 - 1300 cc	74.0 cents	74.0 cents
2601 - + cc	1301 - + cc	75.0 cents	75.0 cents
Luxury Car Limit (DCL)		57,180 (Fuel Efficient \$75,000)	\$57,466 (Fuel Efficient \$75,375)

PAYROLL TAX – NSW

Threshold	1 July 2010 – 31 December 2010	1 January 2011 – 30 June 2011
\$658,000 Yearly	Nil	Nil
>\$658,000	5.5%	5.45%

Threshold	1 July 2011 – 31 December 2011	1 January 2012 – 30 June 2012
\$678,000 Yearly	Nil	Nil
>\$678,000	5.45%	5.45%*

* As at 30/06/11 this rate was applicable – is subject to change.

NSW LAND TAX

For the 2007 and future land tax years the land tax threshold will be averaged. The threshold will be the average of the 'indexed amount' for the new tax year and the previous two land tax years.

The threshold cannot fall below that of the previous year and where the average threshold is less than the previous year's threshold, the previous year's threshold will continue to apply.

The land tax rate for 2011 is 1.6% (plus \$100) on the combined value of all taxable land in excess of the threshold.

The average threshold for the last three years is calculated as follows:

Threshold	
Year	Indexed amount
For the 2009 land tax year	\$380,000
For the 2010 land tax year	\$380,000
For the 2011 land tax year	\$401,000
Average	\$387,000

Principal place of residence is exempt.

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Primary production land is exempt.

Discretionary trusts, certain unit trusts & non-concessional companies taxed at 1.6% on the combined value of the taxable land value.

PRIMARY PRODUCERS – STOCK VALUE

Tax assessed on average income – can elect out

Sheep	\$ 4	Horses	\$20*
Cattle	\$20	Pigs	\$12
Emus	\$ 8	Poultry	\$0.35
Goats	\$ 4	Deer	\$20

* Minimum of “service” fee paid if appropriate - See Regulation 1997 70/55.01

TRAVEL ALLOWANCES – DOMESTIC AND OVERSEAS

Each year the ATO publish limits of amounts expended on travel by employees that do not have to be substantiated. The 2011 limits are detailed in TD 2010/19 (2010 limits are in TD 2009/15).

FRINGE BENEFITS TAX

Grossed up taxable values of fringe benefits provided to employees during the FBT year, where the value exceeds \$2,000 must be shown on PAYG Withholding Payment Summaries (From 1 April 2007). If a taxpayer’s FBT liability last year was \$3,000 or more, they will need to pay four quarterly instalments.

Gross Up Rate – Type 2 – No GST	1.8692
Gross Up Rate – Type 1 – employer entitled to GST Input Tax Credit	2.0647

FBT tax rate for year is 46.5%

BENCHMARK INTEREST RATES (for FBT purposes)

Year ended 31 March	%
2011	6.65
2010	5.85
2009	9.00
2008	8.05
2007	7.30
2006	7.05
2005	7.05
2004	6.55
2003	6.05
2002	7.55
2001	7.30
2000	6.50

STATUTORY FORMULA	
Less than 15,000 kms	26%
15,000 – 24,999 kms	20%
25,000 – 40,000 kms	11%
40,000 kms +	7%

NOTE: From 10 May 2011 a new statutory formula will apply. The current rates will be replaced and a rate of 20% will be applied regardless of the distance travelled. The rate will be phased in over four years.

DEEMED DEPREICATION RATES

Date car purchased	FBT year ending 31 March 2008	FBT year ending 31 March 2009
Up to and including 30 June 2002	22.5%	22.5%
From 1 July 2002 to 9 May 2006	18.75%	18.75%
On or after 10 May 2006	18.75%	25%

SUPERANNUATION

QUARTERLY SUPERANNUATION CONTRIBUTIONS

From 1 July 2003 employers are required to remit superannuation guarantee contributions quarterly. The contributions are required to be made within 28 days of the end of the quarter with ATO reporting by the 28th of the next month.

Advisors should identify those small businesses which employ its owners as staff and as such are required to comply with the SG legislation. While in the past contributions made on an adhoc basis met SG requirements this will need to be more co-coordinated to ensure compliance with the quarterly regime.

The SG reporting requirements have changed; employer SG contributions made on or after 1 January 2005 no longer have to be reported to employees however some employers under the new *Workplace Relations Regulations 2006* and employers under award agreements that require them to report superannuation contributions to employees must still comply with SG reporting requirements.

The super choice initiative has been extended to workers under state awards from 1 July 2006.

From 1 July 2008 you must use ordinary times earnings (OTE) as defined in the superannuation guarantee law, and not employment awards, to calculate the superannuation guarantee.

TIMETABLE

SG Quarter	Due date for payment	Due date for lodgment of SGC statement
1 July – 30 September	28 October	14 November
1 October – 31 December	28 January	14 February
1 January – 31 March	28 April	14 May
1 April – 30 June	28 July	14 August

Funds to pay tax at 15% on earnings and deductible contributions.

Funds to be subject to capital gains tax on all assets from 01.07.1988 regardless of acquisition date.

All non-cash assets should be revalued each year at 30 June.

AGE BASE LIMITS

	2009/10 FY	2010/11 FY	2011/12 FY
Concessional Contributions Cap	\$25,000	\$25,000	\$25,000
Non-Concessional Contributions Cap	\$150,000	\$150,000	\$150,000
Lump Sum Low Rate Cap (Lifetime limit no tax)	\$150,000	\$160,000	\$165,000
Capital Gains Tax Cap	\$1,100,000	\$1,155,000	\$1,205,000
Untaxed Plan Cap	\$1,100,000	\$1,155,000	\$1,205,000
Over 50 Concessional Cap (See Below)	\$50,000	\$50,000	\$50,000

Excess contributions tax is to be paid if concessional (31.5%) or non-concessional (45%) caps are exceeded.

From 1 July 2007 there is no distinction between concessional (deductible) contributions made by self-employed persons, employers or employees as personal contributions.

CONCESSIONAL CONTRIBUTIONS CAP FOR OVER 50's

A transitional concessional contributions cap applies until 30 June 2012 for people 50 years old or over. If you have more than one fund, all concessional contributions made to all your funds are added together and count towards the cap. This cap is not indexed.

The government has announced changes that, if passed by parliament, will permanently increase the concessional contributions cap to \$50,000 for individuals who have total super balances below \$500,000 and are 50 years old or over.

SELF-EMPLOYED

Self employed persons are eligible to claim a tax deduction for personal superannuation contributions.

From 1 July 2007 self employed persons are eligible for the government co-contribution as specified below.

GOVERNMENT SUPERANNUATION CO-CONTRIBUTION

From 1 July 2007, a taxpayer is eligible for the co-contribution in a year of income if:

- they make a personal superannuation contribution by 30 June each year into a complying superannuation fund or retirement savings account
- their total assessable income is less than the amount specified below (this is indexed annually to reflect changing average wages)
- 10% or more of their total income is from eligible employment, running a business or a combination of both
- they are less than 71 years old at the end of the year of income
- they do not hold an eligible temporary resident visa at any time during the year

Year	Assessable Income	Maximum Co-Contribution
01.07.08 – 30.06.09	\$30,342	\$1,500 (limited to 150% of contribution)
		\$1,500 reduced by 5 cents per dollar where assessable income is over \$30,342 Formula: $\$1,500 - [(AI - 30342) \times 0.05]$
	\$60,342	Nil
01.07.09 – 30.06.12	\$31,920	\$1,000 (limited to 100% of contribution)
		\$1,000 reduced by 3.333 cents per dollar where assessable income is over \$31920 Formula: $\$1,000 - [(AI - 31920) \times 0.03333]$
	\$61,920	Nil
01/07/2012 to 30/06/2014	Not yet known	125%
From 01/07/2014	Not yet known	150%

REASONABLE BENEFITS LIMIT

RBL's were abolished from 1 July 2007.

SUPERANNUATION GUARANTEE CHARGE

From the 2002-03 year onwards the Superannuation Guarantee Charge is 9%

MAXIMUM EARNINGS BASE

(Maximum salary on which SGC is required to be paid)

2003/04	\$122,240 (\$30,560 per quarter)
2004/05	\$128,720 (\$32,180 per quarter)
2005/06	\$134,880 (\$33,720 per quarter)
2006/07	\$140,960 (\$35,240 per quarter)
2007/08	\$145,880 (\$36,470 per quarter)
2008/09	\$152,720 (\$38,180 per quarter)
2009/10	\$160,680 (\$40,170 per quarter)
2010/11	\$168,880 (\$42,220 per quarter)
2011/12	\$175,280 (\$43,820 per quarter)

ELIGIBLE TERMINATION PAYMENTS

Low rate Threshold -	30.06.1998 - \$ 90,916
	30.06.1999 - \$ 94,189
	30.06.2000 - \$ 97,109
	30.06.2001 - \$101,188
	30.06.2002 - \$105,843
	30.06.2003 - \$112,405
	30.06.2004 - \$117,576
	30.06.2005 - \$123,808
	30.06.2006 - \$129,751
	30.06.2007 - \$135,590

From 1 July 2007 the concept of "Eligible Termination Payments" has been abolished.

The tax treatment of employment termination payments is now covered by ITAA97 – Part 2-40.

Life Benefit Termination Payment

ETP Cap	2007/08 - \$140,000
	2008/09 - \$145,000
	2009/10 - \$150,000
	2010-11 - \$160,000
	2011/12 - \$165,000

BONA FIDE REDUNDANCY

Tax Free Amounts -	2005	\$6,194 + \$3,097 per year
	2006	\$6,491 + \$3,246 per year
	2007	\$6,783 + \$3,392 per year
	2008	\$7,020 + \$3,511 per year
	2009	\$7,350 + \$3,676 per year
	2010	\$7,732 + \$3,867 per year
	2011	\$8,126 + \$4,064 per year
	2012	\$8,435 + \$4,218 per year

PRIVATE COMPANY LOANS TO SHAREHOLDERS

Div 7 Interest Rates	2005	7.05%
	2006	7.30%
	2007	7.55%
	2008	8.05%
	2009	9.45%
	2010	5.75%
	2011	7.40%

NSW STAMP DUTY – SHARE TRANSFERS IN UNLISTED COMPANIES

Min \$10 60 cents per \$100

* Will be abolished on 1 July 2012.

NSW STATE TAXES/DUTIES

Duties amendment (abolition of state taxes) is due to abolish the following state taxes.

Hire of goods	1 July 2007
Leases	1 January 2008
Unlisted marketable securities	1 July 2012
Mortgages	1 July 2012
Business assets other than land	1 July 2012

TAX VALUE OF GOODS TAKEN FOR PRIVATE USE FROM BUSINESS

(to be included as taxable income)

Taxation Determination TD 2011/11

This determination updates the schedule of amounts that the Tax Office will accept as estimates of the value of goods taken from stock for private use for certain industries for the 2010/11 income year. The basis for determining values of goods taken from stock was derived from the latest Household Expenditure Survey (HES) results issued by the Australian Bureau of Statistics adjusted for Consumer Price Index (CPI) movements for each category of items.

This method can NOT be used for companies as actual sale values of goods used is required in this situation.

The Tax Office says it intends to adjust the values annually to reflect the most recent HES data or the HES data uplifted for CPI movements, and reissue the schedule at the commencement of each income year.

The Schedule for the value of goods taken from trading stock for private use is:

Type of business	Amount (excluding GST) for adult/child over 16 years \$	Amount (excluding GST) for child 4-16 years \$
Bakery	\$1,140	\$570
Butcher	\$770	\$385
Restaurant/cafe (licensed)	\$3,950	\$1,565
Restaurant/cafe (unlicensed)	\$3,130	\$1,565
Caterer	\$3,390	\$1,695
Delicatessen	\$3,130	\$1,565
Fruiterer/greengrocer	\$820	\$410
Takeaway food shop	\$2,970	\$1,485
Mixed business (includes milk bar, general store, and convenience store)	\$3,750	\$1,875

CORRECTING GST MISTAKES

(ATO Publication: NAT4700-07.2004)

The Tax Office notes that while the normal way to correct mistakes is to revise the previous BAS, in some cases taxpayers can make corrections on a later BAS. The table below sets out when businesses can use a later BAS to correct mistakes made on an earlier BAS. Corrections may be made to decrease or increase GST payable or to decrease input tax credits. There is no time limit for corrections that increase your input tax credits – these can be corrected on any BAS at any point in the future.

Annual turnover	Time limit in which you can correct errors
Less than \$20m	Up to 18 months (18 monthly BASs, 6 quarterly BASs or 1 annual GST return)
\$20m to less than \$100m	Up to 3 months (3 monthly BASs)
\$100m to less than \$500m	Up to 3 months (3 monthly BASs)
\$500m to less than \$1bn	Up to 3 months (3 monthly BASs)
\$1bn and over	Up to 3 months (3 monthly BASs)

Annual turnover	Dollar Value Correction limits
Less than \$20m	Less than \$5,000
\$20m to less than \$100m	Less than \$10,000
\$100m to less than \$500m	Less than \$25,000
\$500m to less than \$1bn	Less than \$50,000
\$1bn and over	Less than \$300,000

TAX SHORTFALL PENALTIES

Summary of Rate of Penalty				
Culpable behaviour	Base penalty	Base penalty increased/decreased to:		
		If hindrance	If disclosure made	
			During audit	Before audit
Intentional Disregard (s 284-90)	75	90	60	15
Recklessness (s 284-90)	50	60	40	10
Tax avoidance/Scheme benefit (s 284-160)	50 (25)*	60(30)*	40(20)*	10(5)*
Profit shifting (no dominant tax avoidance purpose) (s 284-160)	25(10)*	30(12)*	20(8)*	5(2)*
No reasonable care (s 284-90)	25	30	20	5
No reasonable arguable position (s 284-90)	25	30	20	5
Private Ruling disregarded	25	30	20	5
Failure to provide documents	75	90	N/A	N/A
Profit shifting (tax avoidance purpose)	50(25)*	60(30)*	40(20)*	10(5)*

* The rates of penalty in brackets apply if the position adopted by the taxpayer is reasonably arguable.

LATE LODGEMENT PENALTIES

Culpable behaviour for failure to lodge	Base penalty for a small entity	Medium withholder/entity	Large withholder/entity
Income tax returns	1 penalty unit (currently \$110) per 28 day period or part thereof	Twice the base penalty i.e. \$220 per 28 day period or part thereof	Maximum penalty being 5 times the base penalty i.e. \$550 per 28 day period or part thereof
FBT returns			
Business Activity Statements			
Other tax returns			

SUMMARY OF KEY DATES

Issue	Legislative reference (refers to the <i>ITAA 1997</i> unless otherwise stated)	Commencement Date
STS Entrepreneurs' Tax Offset	<i>Income Tax Assessment Act 1997, Subdivision 61-J</i>	1 July 2005
Quarterly remission of SGC	<i>Superannuation Guarantee Charge Act 1992</i>	1 July 2003
Co-contribution mechanism	<i>Government Co-contribution for Low Income Earners Act 2003</i>	1 July 2003
Div 7A & trust distributions	Replacement of s 109UB <i>ITAA 1936</i> (Subdiv EA <i>ITAA 1936</i>)	12 December 2002 & 19 February 2004
Taxation of financial arrangements	<i>NBTS (Taxation of Financial Arrangements) Bill (No1) 2003</i>	14 May 2002 & 1 July 2003
Consolidations	Part 3-90	1 July 2002 (concessions extended to 2004 income year)
General value shifting regime	Divs 723, 725 & 727	1 July 2002
Demergers	Div 125	1 July 2002
Simplified imputation regime	Part 3-6	1 July 2002
STS	Div 328	1 July 2001
Uniform capital allowance regime	Div 40	1 July 2001
Debt & equity	Div 974	1 July 2001
Thin capitalisation	Div 820	1 July 2001
Non-commercial losses	Div 35	1 July 2000
Personal services income measures	Divs 84, 85, 86 and 87	1 July 2000
Small Business Entity Regime introduced		1 July 2007
30% Child Care Tax Rebate	<i>Tax Laws Amendment (2005 Measures No. 4) Act 2005</i> Royal Assent; 19/12/05	1 July 2004 However first claim will not be available to be made until 2005/2006 income tax return
New definitions of income for tax offsets & thresholds	Various	1 July 2009

SUMMARY OF KEY DATES – SUPERANNUATION

Issue	Legislative reference	Commencement Date
Abolishment of Super Surcharge	Superannuation laws amendment (abolishment of surcharge) Act 2005	1 July 2005
Quarterly remittance of SGC	<i>Superannuation Guarantee Charge Act 1992</i>	1 July 2003
Co-contribution mechanism	<i>Superannuation (Government Co-contribution for Low Income Earners) Act 2003</i>	1 July 2003
Super splitting on marriage breakdown	<i>Family Law Legislation Amendment (Superannuation) Act 2001</i>	28 December 2002
New simplified Superannuation	Tax laws Amendment (Simplified Superannuation) Act 2007	1 July 2007
Lost + unclaimed super	Superannuation Legislation Amendment (simplification) Act 2007	1 July 2007
Use Ordinary Times Earnings (OTE) as defined by superannuation guarantee legislation to calculate superannuation guarantee		1 July 2008