



# 2014-15 lodgement rates and thresholds

## Income tax rates & thresholds for individuals

The Medicare levy is not included in rates and does not apply to non-residents.

### General individual income tax rates for residents: 2013-14 and 2014-15

Taxable income	Rate (%)	Calculate as
\$0 – \$18,200	0	Nil tax payable
\$18,201 – \$37,000	19	19c for each \$1 over \$18,200
\$37,001 – \$80,000	32.5	\$3,572 plus 32.5c for each \$1 over \$37,000
\$80,001 – \$180,000	37	\$17,547 plus 37c for each \$1 over \$80,000
\$180,001 and above	45*	\$54,547 plus 45c for each \$1 over \$180,000

### Resident minors' tax rate on eligible income 2013-14

Taxable income	Calculate as
Up to \$416	Nil
\$417 – \$1,307	66% for the part over \$416
\$1,308 & above	45%* on the entire amount

### General individual income tax rates for non-residents 2013-14 and 2014-15

Taxable income	Rate (%)	Calculate as
\$0 – \$80,000	32.5	32.5c for each \$1
\$80,001 – \$180,000	37	\$26,000 plus 37c for each \$1 over \$80,000
\$180,001 and above	45*	\$63,000 plus 45c for each \$1 over \$180,000

## About this newsletter

Welcome to Watson Erskine & Co's client information newsletter, your monthly tax and super update keeping you on top of the issues, news and changes you need to know. Should you require further information on any of the topics covered, please contact us via the details below.

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### Non-resident minors' tax rate on eligible income 2013-14 and 2014-15

Taxable income	Calculate as
Up to \$416	32.5% on the entire amount
\$417 to \$663	\$135.20 + 66% on the part over \$416
\$664 and above	45%* on the entire amount

\*The 2% Temporary Budget Repair Levy has not been included in these tables. Note that this increase will apply from 1 July 2014 (ie. 2014-15 income year).

## Medicare levy & Medicare levy surcharge

The Medicare levy applies to individuals with a taxable income of more than \$20,542, although this is adjusted for certain families and individuals eligible for the Senior Australian and Pensioner Tax Offset (SAPTO). The rate of Medicare increased from 1 July 2014 from 1.5% to 2%.

Individual taxpayers and couples with 'Income for Medicare Levy Surcharge Purposes' that are above the relevant thresholds and who do not have private health insurance may be required to pay the Medicare Levy Surcharge (MLS).

'Income for MLS purposes' is the sum of taxable income, reportable fringe benefits, total net investment losses, reportable superannuation contributions, exempt foreign employment income and any net amount subject to family trust distribution tax.

### Medicare levy for individuals 2013-14

Taxable income	Medicare levy payable
\$0 – \$20,542	Nil
\$20,543 – \$24,167	10% of excess over \$20,542
\$24,168 and above	1.5% of entire taxable income

### Medicare levy for individuals eligible for Senior Australian and pensioner tax offset: 2013-14

Taxable income	Medicare levy payable
\$0 – \$32,279	Nil
\$32,280 – \$37,975	10% of excess over \$32,279
\$37,976 and above	1.5% of taxable income

**Medicare levy for families with dependants 2013-14**

Number of dependents	Family taxable income		
	Nil levy payable	Reduced levy shade-in range (10% of excess over nil band)	Normal 1.5% payable
0	To \$34,367	\$34,368 – \$40,431	\$40,432 & above
1	To \$37,523	\$37,524 – \$44,144	\$44,145 & above
2	To \$40,679	\$40,680 – \$47,857	\$47,858 & above
3	To \$43,835	\$43,836 – \$51,570	\$51,571 & above
4	To \$46,991	\$46,922 – \$55,283	\$55,284 & above
5	To \$50,147	\$50,148 – \$58,996	\$58,997 & above
6	To \$53,303	\$53,304 – \$62,709	\$62,710 & above
Extra child	Add \$3,156 per child		Add amount per child*

\*Add appropriate statutory amount for each child, see subsection 8(5) of the Medicare Levy Act 1986.

**Medicare levy surcharge 2013-14 – Income for MLS purposes and rates**

	Singles	Families	All ages
<\$88,000	\$88,001 – 102,000	\$102,001 – 136,000	>\$136,001
<\$176,000	\$176,001 – 204,000	\$204,001 – 272,000	>\$272,001
0%	1.0% of taxable income	1.25% of taxable income	1.5% of taxable income

**Medicare levy surcharge 2014-15 – Income for MLS purposes and rates\***

	Singles	Families	All ages
<\$90,000	\$90,001 – 105,000	\$105,001 – 140,000	>\$140,001
<\$180,000	\$180,001 – 210,000	\$210,001 – 280,000	>\$280,001
0%	1.0% of taxable income	1.25% of taxable income	1.5% of taxable income

**Note:** Single parents and couples (including de facto couples) are subject to the family tiers. For families with children, the thresholds are increased by \$1,500 for each child after the first.

\*The government has announced a freeze to the indexation of the income thresholds. At the time of writing, no legislative change has passed.

**Rebates and offsets**

Various rebates and tax offsets apply to reduce an individual’s income tax. This table summarises the 2013-14 tax offsets for senior Australians and pensioners, mature age workers, net medical expenses and private health insurance. Tax offsets for low income earners for 2013-14 through to 2015-16 are also outlined.

**Mature age worker tax offset (MAWTO) 2013-14\***

Net income from working	Entitlement to mature age worker tax offset
Less than \$10,000	5% x net income from working
\$10,000 – \$53,000	\$500
\$53,001 – \$62,999	\$500 – [5% x (net income from working – \$53,000)]
\$63,000 and over	Nil

**Note:** In order to claim the offset, the taxpayer must be born before 1 July 1957.

\*The MAWTO may be abolished as of 1 July 2014 to be replaced by the Restart Wage Subsidy Program for employers.

**Low income tax offset**

2013-14 and 2014-15		2015-16*	
\$0 – \$37,000	\$445	\$0 – \$37,000	\$300
\$37,001 – \$66,666	\$445 – (1.5% of excess over \$37,000)	\$37,001 – \$66,999	\$300 – (1% of excess over \$37,000)
\$66,667 & above	Nil	\$67,000 & above	Nil

\*At the time of writing, the Bill to maintain the 2014-15 LITO rates for the 2015-16 year had not yet passed.

**Senior Australian and pensioner tax offset 2013-14 (SAPTO)**

Family status (pensioner)	Maximum tax offset	Shade-out income threshold	Cut-out income threshold
Single	\$2,230	\$32,279	\$50,119
Married or de facto (each)	\$1,602	\$57,948*	\$83,580*
Separated due to illness (each)	\$2,040	\$62,558*	\$95,198*

\*Combined partner income.

**Note:** The above tax offsets entitlements reduce by 12.5c for each dollar of rebate income in excess of the shade out threshold. No entitlement when taxable income exceeds the cut-out threshold. Senior Australian and Pensioner Tax Offset replaces both the Pensioner Tax Offset and Senior Australian Tax Offset from the 2012-13 income year.

**Dependant tax offsets 2013-14**

Maximum tax offset assumes dependant status for full income year	Basic full-year tax offset	Tax offset cuts out at ATI <sup>2,3</sup>
Dependant (Invalid and Carer) Offset <sup>1</sup>	\$2,471	\$10,166
Spouse <sup>4</sup>	\$2,471	\$10,166

- 1: From 2012-13, the Dependant (Invalid and Carer) Tax Offset replaces the other dependant tax offsets (except in limited circumstances).
- 2: ATI = Adjusted Taxable Income. ATI includes: taxable income, reportable superannuation contributions, deductible personal superannuation contributions, adjusted fringe benefits, certain tax-free government pensions or benefits, target foreign income, net financial investment loss, net rental property loss and any child support payments provided to another person.
- 3: For the 2013-14 year the full offset is available where ATI is less than \$286. Where ATI is \$286 or more deduct \$282 from the ATI and divide the reduced amount by four.
- 4: Only available to taxpayers born before 1 July 1952. The rate and cut out threshold are estimates as no official amount has been published.

**Net Medical Expenses Tax Offset (NMETO)**

Year	Offset
2013-14	Singles and families earning up to the income limit in adjusted taxable income* receive an offset of 20% for eligible medical expenses over the CPI adjusted threshold (if NMETO was claimed in 2012-13)
	Singles and families earning above the income limit in adjusted taxable income* receive an offset of 10% for eligible net medical expenses over \$5,000 (if NMETO was claimed in 2012-13)
2014-15	Singles and families earning up to the income limit in adjusted taxable income* receive an offset of 20% for eligible medical expenses over the CPI adjusted threshold (if NMETO was claimed in 2013-14 and 2012-13)
	Singles and families earning above the income limit in adjusted taxable income* receive an offset of 10% for eligible net medical expenses over \$5,000 (if NMETO was claimed in 2013-14 and 2012-13)

\*See *Dependant tax offsets* above for definition of 'adjusted taxable income'.

**Note:** This offset is being phased out entirely by 1 July 2019. In order to claim this offset in the 2013-14 income year, a taxpayer must have claimed the offset in the 2012-13 income year. This additional requirement does not however apply to disability aids, attendant care or aged care expenses. Family income threshold is increased by \$1,500 for each dependent child after the first.

**Private health insurance rebate****Income for MLS purposes and rebate percentage: 2013-14<sup>^</sup>**

	<\$88,000	\$88,001 – 102,000	\$102,001 – 136,000	>\$136,001
Singles				
Families	<\$176,000	\$176,001 – 204,000	\$204,001 – 272,000	>\$272,001
<Age 65	30%	20%	10%	0%
Age 65-69	35%	25%	15%	0%
Age 70+	40%	30%	20%	0%

**Note:** Single parents and couples (including de facto couples) are subject to the family tiers. For families with children, the thresholds are increased by \$1,500 for each child after the first.

<sup>^</sup>The government has announced a freeze to the indexation of the income thresholds. At the time of publishing, no legislative changes had passed.

**Companies**

There is no change to the corporate tax rate of 30%. Note that some trusts are also subject to the company tax rate.

Corporate entity	Rate
Private companies	30%
Public companies	30%
Life Insurance companies	
Ordinary class	30%
Complying superannuation class	15%
Non-profit companies	
First \$416 taxable income	Nil
Shade-in range (taxable income \$417 – \$915)	55% on excess over \$416
Taxable income \$916 and above	30% on entire amount

**Division 7A – benchmark interest rate**

**2012-13:** 7.05%    **2013-14:** 6.20%    **2014-15:** 5.95%

**Company loss carry-back**

The *Mineral Resource Rent Tax Repeal and Other Measures Bill 2014* received Royal Assent on 5 September 2014. Consequently, the company loss carry-back rules is repealed with retrospective application from 1 July 2013. The Tax Office has provided administrative measures for the 2013-14 income year.

## Trusts

Trustees are typically assessed and liable to tax where there is no presently entitled beneficiary to trust income, the beneficiary is under a legal disability (such as a minor) or the beneficiary is a non-resident. The following table contains the rates applicable to trust income. A trustee assessed under s98, s99 or s99A of the *Income Tax Assessment Act 1936* will be subject to the Medicare levy except where the trust is a deceased estate.

### Beneficiary presently entitled, under legal disability (ss98(1) and 98(2) ITAA36): residents (other than eligible part\*)

#### 2013-14 tax threshold

Taxable income	Rate (%)	Calculate as
\$0 – \$18,200	0	Nil tax payable
\$18,201 – \$37,000	19	19c for each \$1 over \$18,200
\$37,001 – \$80,000	32.5	\$3,572 plus 32.5c for each \$1 over \$37,000
\$80,001 – \$180,000	37	\$17,547 plus 37c for each \$1 over \$80,000
\$180,001 and above	45 <sup>^</sup>	\$54,547 plus 45c for each \$1 over \$180,000

### Beneficiary presently entitled, under legal disability (ss98(1) and 98(2) ITAA36): non-residents (other than eligible part\*)

#### 2013-14 tax threshold

Taxable income	Rate (%)	Calculate as
\$0 – \$80,000	32.5	32.5c for each \$1
\$80,001 – \$180,000	37	\$26,000 plus 37c for each \$1 over \$80,000
\$180,001 and above	45 <sup>^</sup>	\$63,000 plus 45c for each \$1 over \$180,000

\*The 'eligible part' of income is discussed in Schedule 12 to the *Income Tax Rates Act 1986*. Where the income is not an eligible part, the tax rate will be at the top marginal rate.

### No beneficiary presently entitled, trustee assessed (s99 ITAA36) other than the estate of a person who died less than three years prior to year end: 2013-14 tax threshold from 1 July 2013

Taxable income	Rate (%)	Calculate as
\$0 – \$416	0	Nil
\$417 – \$670	50	50% of excess over \$416
\$671 – \$37,000	19	\$127 plus 19% on the excess over \$670
\$37,001 – \$80,000	32.5	\$7,029.70 plus 32.5c for each \$1 over \$37,000
\$80,001 – \$180,000	37	\$21,004.70 plus 37c for each \$1 over \$80,000
\$180,001 & above	45 <sup>^</sup>	\$58,004.70 plus 45c for each \$1 over \$180,000

### No beneficiary presently entitled, trustee assessed (s99A ITAA36): 2013-14 tax threshold from 1 July 2013

Taxable income	Rate (%)	Calculate as
\$1 and above	45 <sup>^</sup>	45% of taxable income

<sup>^</sup>For the 2014-15 year, an additional 2% Temporary Budget Repair Levy applies (giving a top marginal rate of 47%).

## CGT improvement thresholds

Capital gains tax applies to CGT improvements that exceed the thresholds. The improvement threshold amount is indexed annually.

CGT improvement threshold		
2012-13	2013-14	2014-15
\$134,200	\$136,884	\$140,443

## Simplified depreciation for SBEs

Taxpayers who satisfy the definition of a Small Business Entity (SBE) pursuant to Division 328 ITAA97 may choose to adopt the simplified depreciation rules. For SBEs, these rules allow for the allocation of depreciating assets to a pool for write off at an accelerated rate and immediate deductions for assets below a certain cost. From 1 July 2012, changes apply such that SBEs are only required to maintain a single general pool and can claim immediate deductions for motor vehicles and other depreciating assets at a higher cost.

**▶ IMPORTANT:** The *Mineral Resource Rent Tax Repeal and Other Measures Bill 2014* received Royal Assent on 5 September 2014. Consequently, the instant asset write-off was reduced to \$1,000 and the accelerated depreciation for motor vehicles was abolished. This has effect from 1 January 2014. The Tax Office has provided administrative measures for affected SBEs.

### SBE depreciation rates and thresholds

	Pre-1/7/12	Post-1/7/12	Post-1/1/14
Small business general business pool <sup>^</sup>			
Rate: First year asset allocated	15%	15%	15%
Rate: Subsequent years	30%	30%	30%
Long life asset pool (effective life of 25 years or more) <sup>^</sup>			
Rate: First year asset allocated	2.5%	N/A	N/A
Rate: Subsequent years	5%		
Immediate deduction – low-cost asset threshold*	\$1,000	\$6,500	\$1,000
Immediate deduction for motor vehicles	N/A	First \$5,000 (balance for first year @15% then allocated to general pool)	N/A

<sup>^</sup>From 1 July 2012, SBEs are only required to maintain a single general business pool. Assets in the long life pool are consolidated with the general pool.

\*Where a motor vehicle costs less than \$6,500, an immediate deduction can be claimed as a low cost asset.

## Travel accommodation and meals

The following table lists the 2013-14 travel accommodation and meal allowance rates (refer to TD 2013/16).

► **IMPORTANT:** For the 2014-15 rates, refer to TD 2014/19.

2013-14 Salary levels \$108,810 or below						
Location	Accommodation	Breakfast	Lunch	Dinner	Incidentals	TOTAL
Adelaide	\$157	\$24.90	\$28.00	\$47.75	\$18.20	\$275.85
Brisbane	\$201	\$24.90	\$28.00	\$47.75	\$18.20	\$319.85
Canberra	\$168	\$24.90	\$28.00	\$47.75	\$18.20	\$286.85
Darwin	\$202	\$24.90	\$28.00	\$47.75	\$18.20	\$320.85
Hobart	\$132	\$24.90	\$28.00	\$47.75	\$18.20	\$250.85
Melbourne	\$173	\$24.90	\$28.00	\$47.75	\$18.20	\$291.85
Perth	\$233	\$24.90	\$28.00	\$47.75	\$18.20	\$351.85
Sydney	\$183	\$24.90	\$28.00	\$47.75	\$18.20	\$301.85
High cost country	Variable <sup>1</sup>	\$24.90	\$28.00	\$47.75	\$18.20	Variable <sup>1</sup>
TIER 2 country centres	\$132	\$22.30	\$25.45	\$43.85	\$18.20	\$241.80
Other country centres	\$110	\$22.30	\$25.45	\$43.85	\$18.20	\$219.80
2013-14 Salary range \$108,811 to \$193,520						
Location	Accommodation	Breakfast	Lunch	Dinner	Incidentals	TOTAL
Adelaide	\$208	\$27.10	\$38.35	\$53.70	\$26.05	\$353.20
Brisbane	\$251	\$27.10	\$38.35	\$53.70	\$26.05	\$396.20
Canberra	\$223	\$27.10	\$38.35	\$53.70	\$26.05	\$368.20
Darwin	\$269	\$27.10	\$38.35	\$53.70	\$26.05	\$414.20
Hobart	\$176	\$27.10	\$38.35	\$53.70	\$26.05	\$321.20
Melbourne	\$228	\$27.10	\$38.35	\$53.70	\$26.05	\$373.20
Perth	\$255	\$27.10	\$38.35	\$53.70	\$26.05	\$400.20
Sydney	\$229	\$27.10	\$38.35	\$53.70	\$26.05	\$374.20
High cost country	Variable <sup>1</sup>	\$27.10	\$38.35	\$53.70	\$26.05	Variable <sup>1</sup>
TIER 2 country centres	\$152	\$24.90	\$25.45	\$49.60	\$26.05	\$278.00
Other country centres	\$127	\$24.90	\$25.45	\$49.60	\$26.05	\$253.00
2013-14 Salary \$193,521 and above						
Location	Accommodation	Breakfast	Lunch	Dinner	Incidentals	TOTAL
Adelaide	\$209	\$32.00	\$45.25	\$63.40	\$26.05	\$375.70
Brisbane	\$252	\$32.00	\$45.25	\$63.40	\$26.05	\$418.70
Canberra	\$246	\$32.00	\$45.25	\$63.40	\$26.05	\$412.70
Darwin	\$284	\$32.00	\$45.25	\$63.40	\$26.05	\$450.70
Hobart	\$195	\$32.00	\$45.25	\$63.40	\$26.05	\$361.70
Melbourne	\$265	\$32.00	\$45.25	\$63.40	\$26.05	\$431.70
Perth	\$326	\$32.00	\$45.25	\$63.40	\$26.05	\$492.70
Sydney	\$265	\$32.00	\$45.25	\$63.40	\$26.05	\$431.70
Country centres	\$190 <sup>2</sup>	\$32.00	\$45.25	\$63.40	\$26.05	Variable <sup>3</sup>

1: See High cost country centres table

2: Or the relevant amount in High cost country centres table if higher

3: See High cost country centres table if applicable

## High cost country centres – accommodation

### High cost country centres – accommodation expenses

Alice Springs (NT) \$150	Cocos (Keeling) Is \$285	Horn Island (QLD) \$180	Norfolk Island \$329
Ararat (VIC) \$179	Dalby (QLD) \$144	Jabiru (NT) \$192	Northam (WA) \$163
Bourke (NSW) \$165	Dampier (WA) \$175	Kalgoorlie (WA) \$159	Port Hedland (WA) \$259
Bright (VIC) \$136	Derby (WA) \$182	Karratha (WA) \$347	Port Pirie (SA) \$140
Broome (WA) \$233	Devonport (TAS) \$135	Katherine (NT) \$134	Thursday Island (QLD) \$200
Bunbury (WA) \$155	Emerald (QLD) \$156	Kingaroy (QLD) \$134	Wagga Wagga (NSW) \$141
Burnie (TAS) \$135	Exmouth (WA) \$255	Kununurra (WA) \$202	Weipa (QLD) \$138
Cairns (QLD) \$140	Geraldton (WA) \$175	Mackay (QLD) \$152	Whyalla (SA) \$145
Carnarvon (WA) \$151	Gladstone (QLD) \$187	Mount Isa (QLD) \$160	Wilpena-Pound (SA) \$167
Castlemaine (VIC) \$133	Gold Coast (QLD) \$149	Mudgee (NSW) \$135	Wollongong (NSW) \$136
Chinchilla (QLD) \$143	Halls Creek (WA) \$199	Newcastle (NSW) \$143	Wonthaggi (VIC) \$138
Christmas Is (WA) \$150	Hervey Bay (QLD) \$157	Newman (WA) \$195	Yulara (NT) \$244

### Tier 2 country centres

Albany (WA)	Dubbo (NSW)	Mildura (VIC)	Rockhampton (QLD)
Armidale (NSW)	Echuca (VIC)	Mount Gambier (SA)	Roma (QLD)
Bairnsdale (VIC)	Esperance (WA)	Muswellbrook (NSW)	Seymour (VIC)
Ballarat (VIC)	Geelong (VIC)	Naracoorte (SA)	Shepparton (VIC)
Bathurst (NSW)	Gosford (NSW)	Nowra (NSW)	Swan Hill (VIC)
Bendigo (VIC)	Goulburn (NSW)	Orange (NSW)	Tamworth (NSW)
Bordertown (SA)	Hamilton (VIC)	Port Augusta (SA)	Tennant Creek (NT)
Broken Hill (NSW)	Horsham (VIC)	Port Lincoln (SA)	Toowoomba (QLD)
Bundaberg (QLD)	Innisfail (QLD)	Port Macquarie (NSW)	Townsville (QLD)
Ceduna (SA)	Kadina (SA)	Portland (VIC)	Tumut (NSW)
Coffs Harbour (NSW)	Launceston (TAS)	Queanbeyan (NSW)	Warrnambool (VIC)
Cooma (NSW)	Maitland (NSW)	Renmark (SA)	

## Long distance truck drivers

Separate reasonable meal allowance rates apply for employee truck drivers who are required to sleep away from home. The following table shows the rates for the 2013-14 and 2014-15 years.

### Acceptable daily rates

Year	Salary range	Breakfast	Lunch	Dinner	Total
2014-15	\$112,610 and below	\$22.70	\$25.95	\$44.75	\$93.40
	\$112,611 and above	\$25.35	\$25.95	\$50.55	\$101.85
2013-14	\$108,810 and below	\$22.30	\$25.45	\$43.85	\$91.60
	\$108,811 and above	\$24.90	\$25.45	\$49.60	\$99.95

## Overtime meal allowances

Overtime meal expenses do not need to be substantiated, if the allowance is a bona fide meal allowance.

### Overtime meal allowances

2013-14: \$27.70

2014-15: \$28.20

## Superannuation rates and thresholds

Superannuation lump sum and employment termination payment rates and thresholds	2013-14	2014-15
<b>SLS* low rate cap amount (indexed)<sup>1,2</sup></b>	\$180,000	\$185,000
<b>SLS* untaxed plan cap amount (indexed)<sup>1,2</sup></b>	\$1,315,000	\$1,355,000
<b>Life benefit ETP** cap (indexed)<sup>1,2</sup></b>	\$180,000	\$185,000
<b>Death benefit ETP** cap (indexed)<sup>1,2</sup></b>	\$180,000	\$185,000
<b>Transitional termination payment</b>		
Low cap amount (indexed)	N/A	N/A
Upper cap amount (non-indexed)	N/A	N/A
<b>Directed termination payment cap (non-indexed)</b>	N/A	N/A
<b>Tax-free part of a genuine redundancy payment or early retirement scheme payment (indexed)<sup>1</sup></b>	\$9,246	\$9,514
For each completed year of service add <sup>1</sup>	\$4,624	\$4,758
<b>Government co-contribution</b>		
Lower income threshold <sup>1</sup>	\$33,516	\$34,488
Higher income threshold	\$48,516	\$49,488
Maximum payable	\$500	\$500
Matching rate	50%	50%
<b>Low income superannuation contribution</b>		
Maximum adjusted taxable income	\$37,000	\$37,000
Maximum payable	\$500	\$500
<b>Contribution caps</b>		
Concessional (indexed) <sup>1,2,3</sup>	\$25,000	\$30,000
Concessional over 60 (non-indexed)	\$35,000	\$35,000
Non-concessional <sup>4</sup>	\$150,000	\$180,000
CGT cap (indexed) <sup>1,2</sup>	\$1,315,000	\$1,355,000
Non-concessional with bring forward option (non-indexed) <sup>5</sup>	\$450,000	\$540,000
<b>Superannuation Guarantee (SG)</b>		
Prescribed minimum employer contribution rate	9.25%	9.50%
Maximum contribution base (per SG quarter)	\$48,040	\$49,430
Employee age limit obligation (abolished from 2013-14 onward)	N/A	N/A
<b>Minimum account based pension withdrawal</b>		
Less than 65 years	4%	4%
65 to less than 75 years	5%	5%
75 to less than 80 years	6%	6%
80 to less than 85 years	7%	7%
85 to less than 90 years	9%	9%
90 to less than 95 years	11%	11%
95 years and over	14%	14%
<b>Maximum account based pension withdrawal</b>		
Transition to retirement	10%	10%
Non-transition to retirement (account based pension)	100%	100%
<b>Preservation age table</b>		
Date of birth:		
Before 1 July 1960	55	55
1 July 1960 – 30 June 1961	56	56
1 July 1961 – 30 June 1962	57	57
1 July 1962 – 30 June 1963	58	58
1 July 1963 – 30 June 1964	59	59
1 July 1964 or later	60	60

\*Superannuation Lump Sum (SLS) \*\*Employment Termination Payment (ETP)

**1:** Indexed to AWOTE. **2:** Rounded down to nearest \$5,000. **3:** The government has paused the indexation of this cap for one year in 2013-14. Note: this cap applies to individuals up to age 59 and over in 2012-13 and 49 and over in 2013-14.

**4:** Equal to six times the concessional cap. **5:** Available to eligible persons (under 65) to bring forward two years' non-concessional contributions (note: once triggered the cap will not be indexed).

## FBT rates and thresholds

FBT is applied to the grossed-up taxable value of the fringe benefit. If the employer is entitled to a GST credit the FBT gross-up factor is **2.0802**, otherwise the rate will be **1.8868** for the 2014-15 FBT year.

From 1 April 2014, the rate of FBT and therefore the gross-up factors will change due to the Medicare levy increase. From 1 April 2015, the Temporary Debt Reduction Levy will also affect the FBT rate and gross-up rates.

FBT rate and gross-up factors			
FBT year	FBT rate	Type 1* gross-up	Type 2^ gross-up
1 April 2015 to 31 March 2016	49%	2.1463	1.9608
1 April 2014 to 31 March 2015	47%	2.0802	1.8868

\*Type 1 higher gross-up factor effectively recovers GST credits obtained by the employer in providing the fringe benefit.

^Type 2 lower gross-up factor applies where GST credits are not available to the employer in providing the fringe benefit.

### Taxable value of a fringe benefit arising from private use of a motor vehicle other than a car ('cents per km' basis)

FBT year ending	0 – 2500cc	Over 2500cc	Motor-cycles
31 March 2014	49c	59c	15c
31 March 2015	50c	60c	15c

### Indexation factors for non-remote area housing

State/Territory	2013-14	2014-15
New South Wales	1.051	1.037
Victoria	1.030	1.020
Queensland	1.028	1.022
South Australia	1.031	1.024
Western Australia	1.057	1.067
Tasmania	1.020	1.010
Australian Capital Territory	1.045	1.017
Northern Territory	1.030	1.076

### Living-away-from-home (LAFH) allowance fringe benefits: Reasonable food component

The requirement to be satisfied in order to access the LAFH allowance concessions changed significantly from 1 October 2012. Access to the concession is typically limited to a period of 12 months (with exceptions). Eligibility criteria apply.

Reasonable food components for 2013-14 and 2014-15 FBT years are contained in TD 2013/4 and TD 2014/9.

### FBT: Other rates and thresholds

	Record keeping exemption	Benchmark interest rate	Car parking threshold
2014-15	\$7,965	5.95%	\$8.26
2013-14	\$7,779	6.45%	\$8.03

## Motor vehicles

Luxury cars	2013-14	2014-15
Luxury car tax limit	\$60,316	\$61,844
Fuel efficient luxury car tax limit	\$75,375	\$75,375
Car depreciation limit	\$57,466	\$57,466

### Cents per kilometre car rates 2013-14

Type	Engine capacity non-rotary engine	Engine capacity with rotary engine	Rate per km
Small car	< 1601cc	< 801cc	65c
Medium car	1601cc to 2600cc	801cc to 1300cc	76c
Large car	> 2600cc	> 1300cc	77c

## HELP and SFSS compulsory repayment thresholds

### HELP compulsory repayments 2013-14

HELP repayment income (HRI*)	Rate (of HRI)
Below \$51,309	Nil
\$51,309 – \$57,153	4%
\$57,154 – \$62,997	4.5%
\$62,998 – \$66,308	5%
\$66,309 – \$71,277	5.5%
\$71,278 – \$77,194	6%
\$77,195 – \$81,256	6.5%
\$81,257 – \$89,421	7%
\$89,422 – \$95,287	7.5%
\$95,288 and above	8%

### SFSS compulsory repayments 2013-14

Repayment income (RI*)	Rate (of RI)
Below \$51,309	Nil
\$51,309 – \$62,997	2%
\$62,998 – \$89,421	3%
\$89,422 and above	4%

\*HRI or RI = Taxable income plus any total net investment loss (which includes net rental losses), total reportable fringe benefits amounts, reportable super contributions and exempt foreign employment income.



## Foreign currency exchange rates

Foreign income, deductions and tax paid must be reported in the tax return in Australian dollars. Generally, amounts are converted at the current rate at the time of the transaction or the average rate.

### Foreign currency exchange rates for the financial year ended 30 June 2014 (foreign currency equivalent to \$1 Australian)

Country	Average rate for year ended		Nearest actual rate		Currency
	31 Dec 2013	30 June 2014	31 Dec 2013	30 June 2014	
Canada	1.0317	1.0182	0.9843	1.0411	Canadian dollar
China (estimate)	5.9531	5.6382	5.4147	5.8466	Yuan
Denmark	5.6106	5.2270	4.9892	5.3226	Kroner
Europe	0.7602	0.7085	0.6766	0.7216	Euro
Fiji	1.8153	1.7531	1.7232	1.7526	Fijian dollar
Hong Kong	7.7272	7.3442	7.1297	7.5264	Hong Kong dollar
India	57.5822	57.2989	55.7510	57.7100	Indian rupee
Israel	3.6129	3.3492	3.2118	3.3550	Israeli new shekel
Japan	97.9073	96.4143	97.2700	99.2600	Yen
Kuwait	0.2824	0.2675	0.2593	0.2726	Kuwait dinar
New Caledonia/Tahiti	89.1327	82.9531	78.9200	84.3700	South Pacific franc
New Zealand	1.2104	1.1383	1.1160	1.1047	New Zealand dollar
Norway	5.8861	5.7453	5.6459	5.9813	Kroner
Oman	0.3946	0.3754	0.3644	0.3833	Oman rial
Papua New Guinea	2.3993	2.5388	2.4511	2.4559	Kina
Philippines	42.7864	42.1766	41.2680	42.9440	Philippines peso
Poland	3.1577	2.9424	2.7745	2.9714	Polish zloty
Saudi	3.7275	3.5433	3.4381	3.6330	Saudi riyal
Singapore	1.2570	1.2039	1.1759	1.2245	Singapore dollar
Solomon Islands	7.3750	7.0109	6.8824	7.0455	SI dollar
South Africa	9.6635	9.8810	9.6208	10.3580	Rand
Sri Lanka	128.0091	123.4612	118.87100	125.8700	Sri Lankan rupee
Sweden	6.4989	6.1968	5.9171	6.5453	Kronor
Switzerland	0.9265	0.8604	0.8196	0.8688	Swiss franc
Thailand	30.3711	30.1190	29.9800	31.2700	Baht
Turkey	1.8893	1.9559	1.9374	2.0523	Turkish lira
United Kingdom	0.6418	0.5875	0.5623	0.5737	Pound sterling
United States of America	0.9987	0.9507	0.9241	0.9756	US dollar
Vanuatu	98.6732	95.5936	91.0000	93.9200	Vatu