



# Lodgment rates and thresholds guide **2019-20**

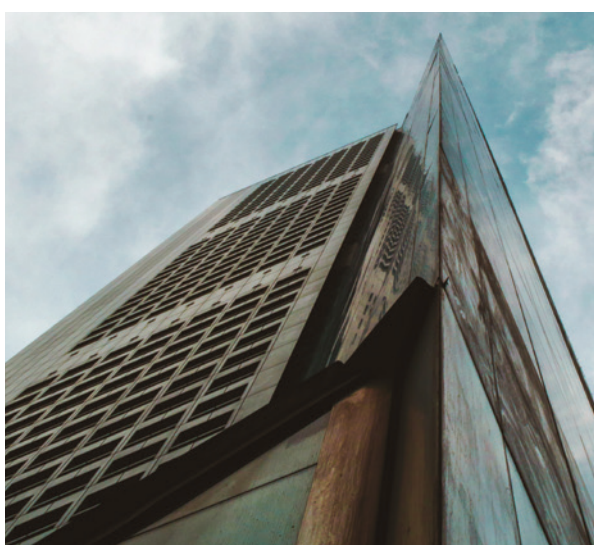


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To save you having to laboriously search for the right tax rate or relevant threshold, the essential information is right here in one place.

This guide includes tax rates, offset limits and benchmarks, rebate levels, allowances, and essential super as well as FBT rates and thresholds (including current gross-up factors) and student loan repayment rates.

## About this newsletter

Welcome to Fay & Redman's client information newsletter. This is 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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## Individuals' tax rates and offsets

| Individual tax rates for residents                           |                             |                                               |
|--------------------------------------------------------------|-----------------------------|-----------------------------------------------|
| 2018-19 tax thresholds                                       |                             |                                               |
| Taxable income                                               | Rate (%)                    | Tax on this income                            |
| \$0 – \$18,200                                               | 0                           | Nil tax payable                               |
| \$18,201 – \$37,000                                          | 19                          | 19c for each \$1 over \$18,200                |
| \$37,001 – \$90,000                                          | 32.5                        | \$3,572 plus 32.5c for each \$1 over \$37,000 |
| \$90,001 – \$180,000                                         | 37                          | \$20,797 plus 37c for each \$1 over \$90,000  |
| \$180,001 and above                                          | 45                          | \$54,097 plus 45c for each \$1 over \$180,000 |
| 2019-20 tax thresholds                                       |                             |                                               |
| Taxable income                                               | Rate (%)                    | Tax on this income                            |
| \$0 – \$18,200                                               | 0                           | Nil tax payable                               |
| \$18,201 – \$37,000                                          | 19                          | 19c for each \$1 over \$18,200                |
| \$37,001 – \$90,000                                          | 32.5                        | \$3,572 plus 32.5c for each \$1 over \$37,000 |
| \$90,001 – \$180,000                                         | 37                          | \$20,797 plus 37c for each \$1 over \$90,000  |
| \$180,001 and above                                          | 45                          | \$54,097 plus 45c for each \$1 over \$180,000 |
| 2019-20 resident minors' tax rate on eligible taxable income |                             |                                               |
| Taxable income                                               | Tax on this income          |                                               |
| Up to \$416                                                  | Nil                         |                                               |
| \$417 – \$1,307                                              | 66% for the part over \$416 |                                               |
| \$1,308 and above                                            | 45% on the entire amount    |                                               |

| Tax offsets for individuals                                                                                                                                                           |                 |                            |                          |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------------------|--------------------------|
| 2019-20 Senior Australian and Pensioners Tax Offset (SAPTO)                                                                                                                           |                 |                            |                          |
| Family status                                                                                                                                                                         | Max. tax offset | Shade-out income threshold | Cut-out income threshold |
| Single                                                                                                                                                                                | \$2,230         | \$32,279                   | \$50,119                 |
| Married or de facto (each)                                                                                                                                                            | \$1,602         | \$28,974                   | \$41,790                 |
| Separated due to illness (each)                                                                                                                                                       | \$2,040         | \$31,279                   | \$47,599                 |
| <b>Note:</b> Offset entitlements reduce by 12.5c for each \$1 of rebate income in excess of the shade-out threshold. No entitlement when rebate income reaches the cut-out threshold. |                 |                            |                          |

| Tax offsets for individuals cont       |                                            |
|----------------------------------------|--------------------------------------------|
| 2019-20 Low Income Tax Offset          |                                            |
| Taxable income                         | Tax offset                                 |
| Up to \$37,000                         | \$445                                      |
| \$37,001 – \$66,667                    | \$445 – (1.5% of excess over \$37,000)     |
| \$66,668 and above                     | Nil                                        |
| 2019-20 Low & Middle Income Tax Offset |                                            |
| Taxable income                         | Tax offset                                 |
| Up to \$37,000                         | \$255                                      |
| \$37,001 – \$48,000                    | \$255 plus 7.5c for each \$1 over \$37,000 |
| \$48,001 – \$90,000                    | \$1080                                     |
| \$90,001 – \$126,000                   | \$1,080 less 3c for each \$1 over \$90,000 |

| Individual tax rates for non-residents                           |                                        |                                               |
|------------------------------------------------------------------|----------------------------------------|-----------------------------------------------|
| 2018-19 tax thresholds                                           |                                        |                                               |
| Taxable income                                                   | Rate (%)                               | Tax on this income                            |
| \$0 – \$90,000                                                   | 32.5                                   | 32.5c for each \$1                            |
| \$90,001 – \$180,000                                             | 37                                     | \$29,250 plus 37c for each \$1 over \$90,000  |
| \$180,001 and above                                              | 45                                     | \$62,550 plus 45c for each \$1 over \$180,000 |
| 2019-20 tax thresholds                                           |                                        |                                               |
| Taxable income                                                   | Rate (%)                               | Tax on this income                            |
| \$0 – \$90,000                                                   | 32.5                                   | 32.5c for each \$1                            |
| \$90,001 – \$180,000                                             | 37                                     | \$29,250 plus 37c for each \$1 over \$90,000  |
| \$180,001 and above                                              | 45                                     | \$62,550 plus 45c for each \$1 over \$180,000 |
| 2019-20 non-resident minors' tax rate on eligible taxable income |                                        |                                               |
| Taxable income                                                   | Tax on this income                     |                                               |
| Up to \$416                                                      | 32.5% on the entire amount             |                                               |
| \$417 to \$663                                                   | \$135.20 + 66% for the part over \$416 |                                               |
| \$664 and above                                                  | 45% on the entire amount               |                                               |

# Medicare, Corporate entity tax rates

| <b>Medicare</b>                                                                                                                                                                                                                                                                             |                                 |                                                                  |                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|------------------------------------------------------------------|-------------------------------|
| 2019-20 Medicare levy: 2% of an individual's taxable income.                                                                                                                                                                                                                                |                                 |                                                                  |                               |
| <b>2019-20 Medicare levy for families with dependants</b>                                                                                                                                                                                                                                   |                                 |                                                                  |                               |
|                                                                                                                                                                                                                                                                                             | <b>Family taxable income \$</b> |                                                                  |                               |
|                                                                                                                                                                                                                                                                                             | <b>Nil levy payable</b>         | <b>Reduced levy shade-in range (10% of excess over nil band)</b> | <b>Normal 2% payable</b>      |
| <b>0</b>                                                                                                                                                                                                                                                                                    | To \$37,794                     | \$37,795 – \$47,242                                              | \$47,243 & above              |
| <b>1</b>                                                                                                                                                                                                                                                                                    | To \$41,265                     | \$41,266 – \$51,581                                              | \$51,582 & above              |
| <b>2</b>                                                                                                                                                                                                                                                                                    | To \$44,736                     | \$44,737 – \$55,920                                              | \$55,921 & above              |
| <b>3</b>                                                                                                                                                                                                                                                                                    | To \$48,207                     | \$48,208 – \$60,258                                              | \$60,259 & above              |
| <b>4</b>                                                                                                                                                                                                                                                                                    | To \$51,678                     | \$51,679 – \$64,597                                              | \$64,598 & above              |
| <b>5</b>                                                                                                                                                                                                                                                                                    | To \$55,149                     | \$55,150 – \$68,936                                              | \$68,937 & above              |
| <b>6</b>                                                                                                                                                                                                                                                                                    | To \$58,620 <sup>1</sup>        | \$58,621 <sup>1</sup> – \$73,275 <sup>2</sup>                    | \$73,276 & above <sup>2</sup> |
| For more than 6 dependent children and/or students:<br>1: Add \$3,471 per child/student<br>2: Add \$4,339 per child/student                                                                                                                                                                 |                                 |                                                                  |                               |
| <b>2019-20 Medicare levy surcharge</b>                                                                                                                                                                                                                                                      |                                 |                                                                  |                               |
| <b>Income for MLS purposes<sup>1</sup></b>                                                                                                                                                                                                                                                  |                                 |                                                                  | <b>Rate</b>                   |
| <b>Single</b>                                                                                                                                                                                                                                                                               | <b>Family<sup>2</sup></b>       |                                                                  |                               |
| \$0 – \$90,000                                                                                                                                                                                                                                                                              | \$0 – \$180,000                 |                                                                  | 0%                            |
| \$90,001 – \$105,000                                                                                                                                                                                                                                                                        | \$180,001 – \$210,000           |                                                                  | 1%                            |
| \$105,001 – \$140,000                                                                                                                                                                                                                                                                       | \$210,001 – \$280,000           |                                                                  | 1.25%                         |
| \$140,001 & above                                                                                                                                                                                                                                                                           | \$280,001 & above               |                                                                  | 1.5%                          |
| 1: Includes taxable income, reportable fringe benefits, reportable super contributions, net investment losses, exempt foreign income and any net amount subject to family trust distribution tax.<br>2: Threshold increases by \$1,500 for each additional dependent child after the first. |                                 |                                                                  |                               |

| <b>Medicare (cont)</b>                                                        |                              |
|-------------------------------------------------------------------------------|------------------------------|
| <b>2019-20 Medicare levy reduction threshold</b>                              |                              |
| <b>Taxable income</b>                                                         | <b>Medicare levy payable</b> |
| \$0 – \$22,398                                                                | Nil                          |
| \$22,399 – \$27,997                                                           | 10% of excess over \$22,398  |
| \$27,998 & above                                                              | 2% of taxable income         |
| <b>2019-20 Medicare levy threshold: Individuals who qualify for the SAPTO</b> |                              |
| <b>Taxable income</b>                                                         | <b>Medicare levy payable</b> |
| \$0 – \$35,418                                                                | Nil                          |
| \$35,419 – \$44,272                                                           | 10% of excess over \$35,418  |
| \$44,273 and above                                                            | 2% of taxable income         |

| <b>Corporate entity tax rates 2019-20</b>                                                                                                                                                                                                                                                                                                                         | <b>Rate</b>                           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|
| Private and public companies                                                                                                                                                                                                                                                                                                                                      | 27.5% or 30% <sup>1</sup>             |
| Corporate unit trusts and public trading trusts                                                                                                                                                                                                                                                                                                                   | 27.5% or 30% <sup>1</sup>             |
| Life Insurance companies                                                                                                                                                                                                                                                                                                                                          |                                       |
| Ordinary class                                                                                                                                                                                                                                                                                                                                                    | 30%                                   |
| Complying superannuation class                                                                                                                                                                                                                                                                                                                                    | 15%                                   |
| Non-profit companies                                                                                                                                                                                                                                                                                                                                              |                                       |
| First \$416 of taxable income                                                                                                                                                                                                                                                                                                                                     | Nil                                   |
| Taxable income \$417 – \$832                                                                                                                                                                                                                                                                                                                                      | 55% of excess over \$416 <sup>2</sup> |
| Taxable income \$833 & above                                                                                                                                                                                                                                                                                                                                      | 30% or 27.5% <sup>1</sup>             |
| 1: Tax rate is 27.5% for companies that are base rate entities with an aggregated annual turnover less than \$50 million and passive income of no more than 80% of total assessable income from 1 July 2018.<br>2: Upper limit is \$832 for non-profit companies that are base rate entities. If the company is not a base rate entity, the upper limit is \$915. |                                       |

## HELP, SFSS, VSL, SSL, ABSTUDY SSL &amp; TSL

**2018-19 HELP compulsory repayments**

| <b>HELP repayment income (HRI)</b> | <b>Rate (of HRI)</b> |
|------------------------------------|----------------------|
| Below \$51,957                     | Nil                  |
| \$51,957 – \$57,729                | 2%                   |
| \$57,730 – \$64,306                | 4%                   |
| \$64,307 – \$70,881                | 4.5%                 |
| \$70,882 – \$74,607                | 5%                   |
| \$74,608 – \$80,197                | 5.5%                 |
| \$80,198 – \$86,855                | 6%                   |
| \$86,856 – \$91,425                | 6.5%                 |
| \$91,426 – \$100,613               | 7%                   |
| \$100,614 – \$107,213              | 7.5%                 |
| \$107,214 and above                | 8%                   |

**2018-19 SFSS compulsory repayments**

| <b>Repayment income (RI)</b> | <b>Rate (of RI)</b> |
|------------------------------|---------------------|
| Below \$51,957               | Nil                 |
| \$51,957 – \$64,306          | 2%                  |
| \$64,307 – \$91,425          | 3%                  |
| \$91,426 and above           | 4%                  |

**2019-20 Study and training loan repayment thresholds and rates: HELP, VSL, SFSS, SSL, ABSTUDY SSL AND TSL**

| <b>Rate (of HRI)</b> | <b>HELP repayment income (HRI)</b> |
|----------------------|------------------------------------|
| Nil                  | Below \$45,881                     |
| 1%                   | \$45,881 – \$52,973                |
| 2.0%                 | \$52,974 – \$56,151                |
| 2.5%                 | \$56,152 – \$59,521                |
| 3.0%                 | \$59,522 – \$63,092                |
| 3.5%                 | \$63,093 – \$66,877                |
| 4.0%                 | \$66,878 – \$70,890                |
| 4.5%                 | \$70,891 – \$75,144                |
| 5.0%                 | \$75,145 – \$79,652                |
| 5.5%                 | \$79,653 – \$84,432                |
| 6.0%                 | \$84,433 – \$89,498                |
| 6.5%                 | \$89,499 – \$94,868                |
| 7.0%                 | \$94,869 – \$100,560               |
| 7.5%                 | \$100,561 – \$106,593              |
| 8.0%                 | \$106,594 – \$112,989              |
| 8.5%                 | \$112,990 – \$119,769              |
| 9.0%                 | \$119,770 – \$126,955              |
| 9.5%                 | \$126,956 – \$134,572              |
| 10.0%                | \$134,573 and above                |

# Superannuation, business, CGT and FBT

| 2019-20 Superannuation rates & thresholds                                                  |                     |
|--------------------------------------------------------------------------------------------|---------------------|
| SLS <sup>1</sup> low rate cap amount (indexed)                                             | \$210,000           |
| SLS <sup>1</sup> untaxed plan cap amount (indexed)                                         | \$1,515,000         |
| Life benefit ETP <sup>2</sup> cap (indexed) <sup>3</sup>                                   | \$210,000           |
| Death benefit ETP <sup>2</sup> cap (indexed) <sup>3</sup>                                  | \$210,000           |
| Tax-free part of a genuine redundancy payment or early retirement scheme payment (indexed) | \$10,638            |
| For each completed year of service add                                                     | \$5,320             |
| <b>Government co-contribution (max \$500)</b>                                              |                     |
| Lower income threshold                                                                     | \$38,564            |
| Higher income threshold                                                                    | \$53,564            |
| <b>Transfer balance cap</b>                                                                | <b>\$1.6m</b>       |
| <b>Contribution caps</b>                                                                   |                     |
| Concessional (indexed)                                                                     | \$25,000            |
| Concessional (temporary, non-indexed) <sup>4</sup>                                         | \$25,000            |
| Non-concessional                                                                           | \$100,000           |
| CGT cap (indexed)                                                                          | \$1,515,000         |
| Non-concessional with bring forward option (non-indexed) <sup>5</sup>                      | \$300,000           |
| Carry forward concessional contributions balance                                           | less than \$500,000 |
| <b>Superannuation Guarantee (SG)</b>                                                       |                     |
| Prescribed min. employer contribution rate                                                 | 9.50%               |
| Max. contribution base (per SG quarter)                                                    | \$55,270            |
| <b>Minimum account based pension withdrawal</b>                                            |                     |
| Under 65 years                                                                             | 4%                  |
| 65 to less than 75 years                                                                   | 5%                  |
| 75 to less than 80 years                                                                   | 6%                  |
| 80 to less than 85 years                                                                   | 7%                  |
| 85 to less than 90 years                                                                   | 9%                  |
| 90 to less than 95 years                                                                   | 11%                 |
| 95 years and over                                                                          | 14%                 |
| Transition to retirement max. withdrawal                                                   | 10%                 |
| <b>Preservation age table</b>                                                              |                     |
| Date of birth:                                                                             |                     |
| Before 1 July 1960                                                                         | 55                  |
| 1 July 1960 – 30 June 1961                                                                 | 56                  |
| 1 July 1961 – 30 June 1962                                                                 | 57                  |
| 1 July 1962 – 30 June 1963                                                                 | 58                  |
| 1 July 1963 – 30 June 1964                                                                 | 59                  |
| 1 July 1964 or later                                                                       | 60                  |
| 1: Superannuation Lump Sum (SLS)                                                           |                     |
| 2: Employment Termination Payment (ETP)                                                    |                     |
| 3: Whole of income cap of \$180,000 applies.                                               |                     |
| 4: In 2019-20, \$25,000 cap applies for individuals of all ages.                           |                     |
| 5: Eligible persons may bring forward the next 2 years' non-concessional contributions.    |                     |

| Division 7A - benchmark interest rate |       |         |           |
|---------------------------------------|-------|---------|-----------|
| 2019-20                               | 5.37% | 2018-19 | 5.20%     |
| 2019-20 CGT improvement threshold     |       |         |           |
| Improvement threshold                 |       |         | \$153,093 |

| Motor vehicles                          |          |          |
|-----------------------------------------|----------|----------|
|                                         | 2019-20  | 2018-19  |
| Luxury car tax limit                    | \$67,525 | \$66,331 |
| Fuel efficient luxury car tax limit     | \$75,526 | \$75,526 |
| Car depreciation limit                  | \$57,581 | \$57,581 |
| Maximum input tax credit claim for cars | \$5,234  | \$5,234  |

| Cents per km car rates |            |          |            |
|------------------------|------------|----------|------------|
| 2019-20:               | 68c per km | 2018-19: | 68c per km |

| FBT rates and thresholds |      |        |        |
|--------------------------|------|--------|--------|
| FBT and gross-up rates   |      |        |        |
| FBT year                 | Rate | Type 1 | Type 2 |
| 2018-19                  | 47%  | 2.0802 | 1.8868 |
| 2019-20                  | 47%  | 2.0802 | 1.8868 |

| Car fringe benefits                                                                |          |             |              |
|------------------------------------------------------------------------------------|----------|-------------|--------------|
| Statutory formula method                                                           |          |             |              |
| The statutory fraction is 20%                                                      |          |             |              |
| Taxable value of a fringe benefit of a motor vehicle other than a car (c/km basis) |          |             |              |
| FBT year ending                                                                    | 0-2500cc | Over 2500cc | Motor-cycles |
| 31-Mar-20                                                                          | 55c      | 66c         | 16c          |
| 31-Mar-19                                                                          | 54c      | 65c         | 16c          |
| Record keeping exemption                                                           |          |             |              |
| 2019-20                                                                            | \$8,714  | 2018-19     | \$8,552      |
| FBT - Benchmark interest rate                                                      |          |             |              |
| 2019-20                                                                            | 5.37%    | 2018-19     | 5.20%        |
| Car parking threshold                                                              |          |             |              |
| 2019-20                                                                            | \$8.95   | 2018-19     | \$8.83       |