

### Superannuation Contributions

Contribution Caps	
Contribution cap by type	2022/23
Concessional contributions cap	\$27,500
Non-Concessional contributions cap* (Total Super Balance < \$1.7M)	\$110,000
Non-concessional contributions – CGT cap amount	\$1,650m
Downsizer Contribution	\$300,000

\*A bring-forward rule allows individuals aged under 75 to make non-concessional contributions of up to three times their non-concessional contributions cap over a three year period. The amount of contributions that can be made are limited, based on a members Total Superannuation Balance.

Non-Concessional contribution and Bring forward available on Total Super Balance

Less than \$1.48M	Access to \$330,000
Greater than or equal to \$1.48M and less than \$1.59M	Access to \$220,000
Greater than or equal to \$1.59M and less than \$1.7M	Access to \$110,000
Greater than or equal to \$1.7M	Nil

Government Co-contribution 2022/23		
Maximum co-contribution payable	Lower income thresholds after-tax contributions	Income threshold
\$500	50 cents for every \$1	\$57,016

Low Income Superannuation Contribution 2022/23	
Individual's adjusted taxable income	LISC amount payable
\$0 - \$37,000	15% of before tax super contributions, up to \$500

Spouse Contributions – Tax Offset 2022/23		
Receiving spouse's adjustable income* (AI)	Maximum contributions entitled to tax offset (MC)	Maximum tax offset (18% of the lesser of)
\$0 - \$37,000	\$3,000	MC or actual contributions
\$37,001 - \$40,000	\$3,000 - (AI - \$37,000)	MC or actual contributions
\$40,000 +	Nil	Nil

\*AI is the sum of the person's assessable income, reportable fringe benefits total and reportable employer superannuation contributions.

### Taxation of Superannuation Benefits

Superannuation Benefits from a Taxed Source		
Age of recipient	Lump sum	Income stream
60 and over	Not assessable not exempt	Not assessable not exempt
Preservation age to 59	- No tax on amount below the low rate cap* - Taxed at a maximum rate of 15% on amount over the low rate cap	Taxed at marginal rates but eligible for 15% tax offset
Under preservation age	Taxed at the maximum rate of 20%	Taxed at marginal rates, with no tax offset (15% tax offset available if a disability superannuation benefit)

\*Low rate cap amount: \$230,000 (2022/23)

### Superannuation Benefits from an Untaxed Source

Age of recipient	Lump sum	Income stream
60 and over	- Taxed at maximum rate of 15% on amount up to the untaxed plan cap* - Taxed at 45% on amount over the untaxed plan cap*	Taxed at marginal rate but eligible for a 10% tax offset
Preservation age to 59	- Taxed at maximum rate of 15% on amount up to the low rate cap** - Taxed at maximum rate of 30% on amount above the low rate cap amount up to the untaxed plan cap - Taxed at 45% on amount over the untaxed plan cap	Taxed at marginal rates with no tax offset
Under preservation	- Taxed at a maximum rate of 30% on amount up to the untaxed plan cap - Taxed at 45% on amount over the untaxed plan cap	Taxed at marginal rates with no tax offset

\*Untaxed plan cap amount: \$1,650m (2022/23)

\*\*Low rate cap amount: \$230,000 (2022/23)

### Taxation of Superannuation Death Benefits

Payments to Dependents			
Age of deceased	Superannuation death benefit	Age of Recipient	Tax treatment
Any age	Lump sum	Any age	Tax free (not assessable, not exempt income)
Aged 60 and above	Income stream	Any age	Taxable component: - Element taxed in the fund is tax-free - Element untaxed in the fund is taxed at marginal rates. Recipient entitled to a 10% tax offset on this amount.
Below age 60	Income stream	Above age 60	Taxable component: - Element taxed in the fund is tax-free - Element untaxed in the fund is taxed at marginal rates. Recipient entitled to a 10% tax offset on this amount.
Below age 60	Income stream	Below age 60	Taxable component: - Element taxed in the fund is taxed at marginal rates. Recipient is entitled to a 15% tax offset on this amount - Element untaxed in the fund is taxed at marginal rates

### Payments to Non-dependants

Age of deceased	Superannuation death benefit	Age of Recipient	Tax treatment
Any age	Lump sum	Any age	Taxable components: - Element taxed in the fund is taxed at a maximum rate of 15% - Element untaxed in the fund is taxed at a maximum rate of 30%
Any age	Income stream	Any age	- Death benefit cannot be paid as income stream - Income streams that commenced before 1 July 2007 are taxed as if received by a dependant (see above)

### Motor Vehicle Expenses

**Method 1 - Cents per Kilometer\***  
A flat rate of 78 cents per km up to a maximum of 5,000km

**Method 2 – Logbook**

- Claim business use percentage of each car expense based on logbook records
- Maintain logbook to track business use for 12 continuous weeks every 5 years
- Keep written evidence of all costs

### Franking Credit Rates

For the 2022-23 income year, a company's imputation rate will be 25.0% if either of the following apply:

- Aggregated turnover in the 2022-23 income year was less than \$50 million and 80% or less of assessable income was base rate entity passive income;
- The entity didn't exist.

Otherwise, a company's imputation rate will be 30%.

### Foreign Resident Capital Gains Withholding

Purchases of the following:

- Taxable Australian Real Property
- Indirect Australian Real Property - where entity owns 10% or more shares in a company whose underlying value is principally derived from Australian Real Property
- Option or right to acquire such property or such an interest

Made on or after 1 July 2017 are subject to a 12.5% (previously 10%) non-final withholding tax when sold, if the market value on sale is \$750,000 or more. The Purchaser will be required to withhold 12.5% and remit this amount to the ATO, unless a Clearance Certificate is obtained before Settlement.

Foreign residents are subject to 7% foreign buyers duty on residential property purchased from 1 July 2019. Family court orders, matrimonial agreements, decreased estate transactions and partitions of residential property are exempt from foreign buyers duty.

General Rate	\$	Excess	
\$0 - \$120,000	NIL	\$1.90	Per \$100 or part thereof
\$120,001 - \$150,000	\$2,280 +	\$2.85	Per \$100 or part thereof above \$120,000
\$150,001 - \$360,000	\$3,135 +	\$3.80	Per \$100 or part thereof above \$150,000
\$360,001 - \$725,000	\$11,115 +	\$4.75	Per \$100 or part thereof above \$360,000
\$725,001 & upwards	\$28,453 +	\$5.15	Per \$100 or part thereof above \$725,000
Concessional Rate			
\$0 - \$120,000		\$1.50	Per \$100 or part thereof
\$120,001 - \$200,000	\$1,500 +	\$4.39	Per \$100 or part thereof above \$100,000

Concessional rates apply to principal places of residence, residential rental properties and vacant land on which a residence is built within five years.

In some circumstances transfers pursuant to Family Court Orders may be minimal or exempt.

Duty is payable on GST.

No duty is payable by first home owners on land under \$300,000 or established homes under \$430,000.

Payroll Tax	
Taxable Annual W.A. Wages	Tax Rate
Less than \$1M	Nil
Over \$1M & less than \$7.5M	5.5% (tapering deductible)
\$7.5M to \$100M	5.5% (no deductible)
Over \$100M & less than \$1.5BN	5.5% up to \$100M plus 6% on \$100M to \$1.5BN
More than \$1.5BN	5.5% up to \$100M plus 6% on \$100M to \$1.5BN plus 6.5% above \$1.5BN

Taxable payrolls between \$1M and \$7.5M have a deductible amount of \$1M, which reduces by \$2 for every \$13 of wages over the threshold of \$1M.

**Land Tax**  
Payable on the unimproved value of land above \$300,000. Some exemptions and conditions apply.

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AS A SUBSTITUTE FOR PROFESSIONAL ADVICE

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## CHARTERED ACCOUNTANTS



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## 2023 TAX RESOURCE GUIDE

Business Advisory & Superannuation Services  
Family Law Litigation Support  
Business Valuations  
Forensic Investigations  
Tax Advisory  
Corporate Services

Tel: +61 8 6163 1888 Fax: +61 8 6163 1800  
8th Floor, Golden Square, 32 St Georges Terrace  
Perth, Western Australia 6000  
Email: office@napoliaccounting.com.au  
[www.napoliaccounting.com.au](http://www.napoliaccounting.com.au)

### Income Tax Rates

Residents 2022/23		Individuals 2022/23	
Taxable Income	Tax on this income		
0 - \$18,200	Nil		
\$18,201 - \$45,000	19c for each \$1 over \$18,200		
\$45,001 - \$120,000	\$5,092 plus 32.5c for each \$1 over \$45,000		
\$120,001 - \$180,000	\$29,467 plus 37c for each \$1 over \$120,000		
\$180,001 and over	\$51,667 plus 45c for each \$1 over \$180,000		

\*Excludes Medicare Levy (2%)

Resident Minors 2022/23	
Income	Marginal Rate
\$0 - \$416	Nil
\$417 - \$1,307	66% of excess over \$416
Excess over \$1,307	45% on all income

Excepted income taxed at (adult) marginal rates

**Medicare Levy Surcharge**  
The rate of Medicare levy is 2% of a resident individual's taxable income for the income year.

Further, where a resident individual is not covered by Private Patient Hospital Insurance and their "income for surcharge purposes" for the year is more than \$90,000, an additional Medicare levy surcharge of 1% to 1.5% is payable depending on their level of income and age.

The table below indicates how the Medicare levy surcharge rules apply in conjunction with the Private Health Insurance Rebate rules.

Income				
Singles	\$0 - \$90,000	\$90,001 - \$105,000	\$105,001 - \$140,000	\$140,001 and over
Families*	\$0 - \$180,000	\$180,001 - \$210,000	\$210,001 - \$280,000	\$280,001 and over

Private health insurance rebates (to 31 March 2023)				
	Tier 1	Tier 2	Tier 3	
Under 65 years	24.608%	16.405%	8.202%	0%
65 - 69 years	28.710%	20.507%	12.303%	0%
70 years and over	32.812%	24.608%	16.405%	0%

Medicare levy surcharge				
Percentage rate	0%	1%	1.25%	1.5%

\*The families' threshold is increased by \$1,500 for each dependant child after the first. Families include couples and single parent families.

### Non-residents 2022/23

Taxable Income	Tax on this income
0 - \$120,000	32.5c for each \$1
\$120,001 - \$180,000	\$39,000 plus 37c for each \$1 over \$120,000
\$180,001 and over	\$61,200 plus 45c for each \$1 over \$180,000

\*Foreign residents are not required to pay the Medicare Levy\*.

**Company Rates 2022/23**  
The following table shows the rates of tax applicable to companies in relation to their income for the 2022/23 income year.

Type of Company	Tax Rate
Private companies (other than life insurance companies) - BRE	25%
Private companies (other than life insurance companies) - Non-BRE	30%
Public companies (other than life insurance companies)	30%
Companies (other than life insurance companies) that are RSA providers	
- Standard component of taxable income	30%
- RSA component of taxable income	15%
- FHSA component of taxable income (if any)	15%
Life insurance companies:	
- Ordinary class of taxable income	30%
- Complying superannuation/FHSA class of taxable income	15%

For 2022/23 a Base Rate Entity (BRE) is a company with no more than 80% passive income (eg interest, rental income, dividends and distributions of similar income) with aggregated turnover of less than \$50M.

### Asset Write-Off Deductions

Instant Asset Write-Off Thresholds		
Turnover	Date	Threshold
< \$50mil	2 April 2019 - 11 March 2020	Up to \$30,000
< \$500mil	12 March 2020 - 6 October 2020	Up to \$150,000
< \$5bil	6 October 2020 - 30 June 2023	No limit - full expensing (optional on an asset-by-asset basis)

Turnover = all income earned in the ordinary course of business plus turnover of any businesses connected or affiliated to you.

### Small Business Pool Balance Instant Write-Off Thresholds

Date	Small Business Pool Balance Threshold
12 March 2020 - 6 October 2020	< \$150,000
6 October 2020 - 30 June 2023	Full balance

\*Luxury Car Tax (LCT) Limits Apply to car purchases greater than \$71,849

\*\*Capital works and software development are subject to separate tax treatments, no instant-write off is available

### Personal Tax Offsets

#### Personal Tax Offsets and Rebates 2022/23

Personal Tax Offsets and Rebates 2022/23	Maximum amount	Cut-out when (adjusted) taxable income reaches
Dependant (Invalid and Carer)	\$2,943	\$12,054
Medical expenses	No longer available from 1 July 2019	
Private health insurance (see above)	Dependant on age of person(s) covered by policy and income level(s)	
Zone rebates		
• Ordinary Zone A	\$338 + 50% of dependant (invalid or carer) tax offset	
• Ordinary Zone B	\$57 + 20% of dependant (invalid or carer) tax offset	
• Special Zone A or B	\$1,173 + 50% of dependant (invalid or carer) tax offset	
• Defence Force	Same as for Ordinary Zone A	
Income arrears Medicare levy surcharge lump sum arrears	Applicable to lump sum payments of income paid in arrears	

\*Zone Tax Offset, Overseas Forces Tax Offset and Overseas Civilian Tax Offset From 1 July 2015, "Fly-in, Fly-out" and "Drive-in, Drive-out" workers are excluded from claiming the rebate where their normal residence is not within the zone.

#### 2022/23 Last Year for Low Income Earners Tax Offset

Taxable income	Amount of offset
\$0 - \$37,500	\$700
\$37,501 - \$45,000	\$700 - ((taxable income - \$37,500) x 5%)
\$45,001 - \$66,667	\$325 - ((taxable income - \$45,000) x 1.5%)
> \$66,667	Nil

#### Senior Australians & Pensioners Tax Offset 2022/23

Family situation	Maximum offset	Shade-out threshold	Cut-out threshold
Single	\$2,230	\$32,279	\$50,119
Couple (each)	\$1,602	\$28,974	\$41,790
Illness separated Couple (each)	\$2,040	\$31,279	\$47,599

#### Small Business Income Tax Offset 2022/23

A Maximum offset of \$1,000 is available to individuals to reduce tax on Small Business Income for a Small Trader, or from Partnership or Trust business income. The offset is 16% of the tax liability on the Small Business Income. The small business must have turnover of <\$5M to qualify.

### Taxation of Employment Related Payments

#### Life Benefit Employment Termination Payments

Component	Tax treatment
Tax free component	Tax free
Taxable component	<ul style="list-style-type: none"> <li>• Preservation age and over</li> <li>- Amount up to ETP cap* - taxed at a minimum rate of 15%</li> <li>- Amount over ETP cap* - taxed at 45%</li> <li>• Below preservation age</li> <li>- Amount up to ETP cap* - taxed at maximum rate of 30%</li> <li>- Amount over ETP cap* - taxed at 45%</li> </ul>

\*ETP cap amount: \$230,000 (2022/23). For certain ETPs, the ETP cap works in conjunction with a whole-of-income cap (\$180,000).

#### Preservation Age

Date of birth	Preservation age
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
On or after 1 July 1964	60

#### Death Benefit Employment Termination Payments

Component	Tax treatment
Tax free component	Tax free
Taxable component	<ul style="list-style-type: none"> <li>• Payment to a dependant</li> <li>- Amount up to ETP cap - tax free</li> <li>- Amount over ETP cap - taxed at 45%</li> <li>• Payment to a non-dependant</li> <li>- Amount up to ETP cap - tax at 30%</li> <li>- Amount over ETP cap - taxed at 45%</li> <li>• Payment to trustee of deceased estate</li> <li>- Taxed in the hands of the trustee, based on whether the beneficiary is a dependant or non-dependant (see above)</li> </ul>

\*ETP cap amount: \$230,000 (2022/23)

#### Genuine Redundancy and Early Retirement Scheme Payouts

Income year	Base amount	Plus for each complete year or service
2021/22	\$11,341	\$5,496
2022/23	\$11,591	\$5,797

#### Unused Annual Leave Payment Rules

Period of accrual or leave	Assessable portion	Maximum rate
General retirement or termination:		
- Accrued before 18 August 1993	100%	32%
- Accrued on or after 18 August 1993	100%	Marginal
Genuine redundancy amount, early retirement scheme amounts, or invalidity amount paid on or after 18 August 1993.	100%	32%

### Unused Long Service Leave Payment Rules

Period of accrual or leave	Assessable portion	Maximum rate
General retirement or termination:		
- Accrued before 16 August 1978	5%	Marginal
- Accrued 16 August 1978 to 17 August 1993	100%	32%
- Accrued on or after 18 August 1993	100%	Marginal
Genuine redundancy amount, early retirement scheme amount or invalidity amount:		