

Superannuation Contributions

Contribution caps	2018/19
Contribution cap by type	
Concessional contributions cap	\$25,000
Non-Concessional contributions cap* (Total Super Balance < \$1.6M)	\$100,000
Non-concessional contributions – CGT cap amount	\$1.480m
Downsizer Contribution	\$300,000

*A bring forward rule allows individuals aged under 65 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 \$1.4M	Access to \$300,000
Greater than or equal to \$1.4M and less than \$1.5M	Access to \$200,000
Greater than or equal to \$1.5M and less than \$1.6M	Access to \$100,000
Greater than or equal to \$1.6M	Nil

Government Co-contribution 2018/19

Maximum co-contribution payable	Lower income threshold after-tax contributions	Income threshold
\$500	50 cents for every \$1	\$52,697

Low Income Superannuation Contribution 2018/19

Individual's adjusted taxable income	LISC amount payable
\$0 - \$37,000	15% of before tax super contributions, up to \$500

Spouse Contributions – Tax Offset 2018/19

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: \$205,000 (2018/19)

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: \$1.480m (2018/19)

**Low rate cap amount: \$205,000 (2018/19)

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 dependent (see above)

Motor Vehicle Expenses

Method 1- Cents per Kilometer*

A flat rate of 66 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 2018-19 income year, a company's imputation rate will be 27.5% if either of the following apply:

- Aggregated turnover in the 2017-18 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.

Transfer Duty (WA)

General Rate	\$	Excess	
\$0 - \$80,000	NIL	\$1.90	Per \$100 or part thereof
\$80,001 - \$100,000	\$1,520 +	\$2.85	Per \$100 or part thereof above \$80,000
\$100,001 - \$250,000	\$2,090 +	\$3.80	Per \$100 or part thereof above \$100,000
\$250,001 - \$500,000	\$7,790 +	\$4.75	Per \$100 or part thereof above \$250,000
\$500,001 & upwards	\$19,665 +	\$5.15	Per \$100 or part thereof above \$500,000
Residential Rate			
\$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 - \$100,000		\$1.50	Per \$100 or part thereof
\$100,001 - \$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

Payable by employers in WA on wages (including benefits and superannuation) paid to employees in excess of \$850,000 at the rate of 5.5%. This threshold diminishes for employers with annual taxable wages between \$850,000 and \$7.5m. Certain payments are exempt.

Land Tax

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

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Income Tax Rates

Individuals 2018/19

Taxable Income	Tax on this income
0 - \$18,200	Nil
\$18,201 - \$37,000	19c for each \$1 over \$18,200
\$37,001 - \$90,000	\$3,572 plus 32.5c for each \$1 over \$37,000
\$90,001 - \$180,000	\$20,797 plus 37c for each \$1 over \$90,000
\$180,001 and over	\$54,097 plus 45c for each \$1 over \$180,000

*Excludes Medicare Levy (2%)

Resident Minors 2018/19

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

Income	0 - \$90,000	\$90,001 - \$105,000	\$105,001 - \$140,000	\$140,001 and over
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 2019)

	Tier 1	Tier 2	Tier 3
Under 65 years	25.415%	16.943%	8.471%
65 - 69 years	29.651%	21.180%	12.707%
70 years and over	33.887%	25.415%	16.943%

Medicare levy surcharge

Percentage rate	0%	1%	1.25%	1.5%

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

Non-residents 2018/19

Taxable Income	Tax on this income
0 - \$90,000	32.5c for each \$1
\$90,001 - \$180,000	\$29,250 plus 37c for each \$1 over \$90,000
\$180,001 and over	\$62,550 plus 45c for each \$1 over \$180,000

Foreign residents are not required to pay the Medicare Levy.

Company Rates 2018/19

The following table shows the rates of tax applicable to companies in relation to their income for the 2018/19 income year.

Type of Company	Tax Rate
Private companies (other than life insurance companies) - BRE	27.5%
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 2018/19 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.

Superannuation Funds 2018/19

Type of Fund	Tax Rate
Complying superannuation funds:	
(i) Assessed on income, including realised capital gains and assessable contributions*	15%
(ii) Assessed on non-arm's length income, private company dividends and certain trust distributions	45%
Non-complying superannuation funds	
Assessed on income including realised capital gains and assessable contributions*	45%
Complying ADFs:	
(i) Assessed on income, including realised capital gains and assessable contributions	15%
(ii) Assessed on non-arm's length income, private company dividends and certain trust distributions	45%
Non-complying ADFs	
Assessed on income including realised capital gains and assessable contributions*	45%
PTSS:	
(i) Assessed on income, including realised capital gains and assessable contributions transferred to the PST	15%
(ii) Assessed on non-arm's length income, private company dividends and certain trust distributions	45%

*Additional tax at the rate of 34% (complying funds) and 2% (non-complying funds) is payable on no-Tax-File Number (TFN) contributions income that is included in assessable contributions. A tax offset is available if a TFN is provided to the fund within four years.

Personal Tax Offsets

Personal Tax Offsets and Rebates 2018/19

Personal Tax Offsets and Rebates 2018/19	Maximum amount	Cut-out when (adjusted) taxable income reaches
Dependent (Invalid and Carer)	\$2,717	\$11,150
Medical expenses	Being phased out. Only eligible to claim offset for disability aids, attendant care or aged care expenses.	
Private health insurance (see above)	Dependent on age of person(s) covered by policy and income level(s)	
Zone rebates		
• Ordinary Zone A	\$338 + 50% of dependent (invalid or carer) tax offset	
• Ordinary Zone B	\$57 + 20% of dependent (invalid or carer) tax offset	
• Special Zone A or B	\$1,173 + 50% of dependent (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.

Low Income Earners Tax Offset 2018/19

Taxable income	Amount of offset
\$0 - \$37,000	\$445
\$37,000 - \$66,667	\$445 - [(taxable income - \$37,000) x 1.5%]
> \$66,667	Nil

Low and Middle Income Tax Offset 2018/19

Taxable income	Amount of offset
\$0 - \$37,000	\$200
\$37,000 - \$48,000	\$200 plus 3c for each \$1 over \$37,000
\$48,000 - \$90,000	\$530
\$90,001 - \$125,333	\$530 less 1.5c for each \$1 over \$90,000
\$125,334 and over	Nil

Senior Australians & Pensioners Tax Offset 2018/19

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

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"> Preservation age and over - Amount up to ETP cap* - taxed at a minimum rate of 15% - Amount over ETP cap* - taxed at 45% Below preservation age - Amount up to ETP cap* - taxed at maximum rate of 30% - Amount over ETP cap* - taxed at 45%

*ETP cap amount: \$205,000 (2018/19). 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"> Payment to a dependent - Amount up to ETP cap - tax free - Amount over ETP cap - taxed at 45% Payment to a non-dependent - Amount up to ETP cap - tax free - Amount over ETP cap - taxed at 45% Payment to trustee of deceased estate - Taxed in the hands of the trustee, based on whether the beneficiary is a dependent or non-dependent (see above)

*ETP cap amount: \$205,000 (2018/19)

Genuine Redundancy and Early Retirement Scheme Payouts

Income year	Base amount	Plus for each complete year or service
2017/18	\$10,155	\$5,078
2018/19	\$10,399	\$5,200

Unused Annual Leave Payment Rules

Period of accrual of leave	Assessable portion	Maximum rate
General retirement or termination:		
- Accrual before 18 August 1993	100%	30%
- Accrual on or after 18 August 1993	100%	Marginal
Genuine redundancy amount, early retirement scheme amount or invalidity amount paid on or after 18 August 1993.	100%	30%

Unused Long Service Leave Payment Rules

Period of accrual or leave	Assessable portion	Maximum rate
General retirement or termination:		
- Accrual before 16 August 1978	5%	Marginal
- Accrual 16 August 1978 to 17 August 1993	100%	30%
- Accrual on or after 18 August 1993	100%	Marginal
Genuine redundancy amount, early retirement scheme amount or invalidity amount:		
- Accrual before 16 August 1978	5%	Marginal
- Accrual on or after 16 August 1978	100%	30%

Excludes Medicare Levy (2%)

Capital Gains Tax

Assets held for longer than 12 months

Purchase date	CGT event happens	CGT calculation
Before 20/9/1985	Any time	Nil
20/9/1985 - 20/9/1999	After 20/9/1999	Indexed cost base method* or discount method**
After 20/9/1999	Any time	Discount method**

*Indexation of cost base as at 30 September 1999 (68.7).

**50% discount (individuals and trusts); 33 1/3% discount (complying superannuation entities, FHSA trust and life insurance companies for complying superannuation/FHSA assets)

Note that from 8 May 2012, the CGT discount no longer applies to non-residents but remains available for capital gains accrued before this time where non-residents choose to obtain a market valuation of assets as at 8 May 2012.

If turnover is <\$2m or assets are <\$6m CGT concessions can be used to further reduce tax. Conditions apply.

Fringe Benefits Tax

FBT rate (2018/19)	Fringe benefit taxable amount - gross up rate
47%	- Type 1 benefits - 2.0802 - Type 2 benefits - 1.8868

Superannuation Guarantee Charge

The SG rate is 9.5% for 2018/19.

The SG rate that it will remain at 9.5% until 2020/21, and then increase by 0.5% on 1 July each year from 2021/22 to 2025/26 when the SG rate will be 12%, based on current laws.

Maximum Contribution Base

Year	Amount in a quarterly contribution period
2018/19	\$54,030

The maximum contribution base acts as a ceiling on an employee's earnings for each quarter in a financial year effectively limiting the amount of superannuation support that the employer is required to provide for the employee for the quarter, and the amount of SG shortfall (and consequent SG charge) payable in respect of the employee.