

## Lodgment rates & thresholds guide 2016-17



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 superannuation as well as fringe benefit tax rates and thresholds (including current gross-up factors). Student loan repayment rates and salary levels are also included.

### About this newsletter

Welcome to Rogers Lean & Co's client information newsletter, your monthly tax and super update keeping you on top on 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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Individual tax rates for residents		
Taxable income	Rate (%)	Tax on this income
<b>2015-16 tax thresholds</b>		
\$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 & above	47*	\$54,547 plus 47c for each \$1 over \$180,000
<b>2016-17 tax thresholds</b>		
\$0 – \$18,200	0	Nil tax payable
\$18,201 – \$37,000	19	19c for each \$1 over \$18,200
\$37,001 – \$80,000 <sup>#</sup>	32.5	\$3,572 plus 32.5c for each \$1 over \$37,000
\$80,001 <sup>#</sup> – \$180,000	37	\$17,547 plus 37c for each \$1 over \$80,000
\$180,001 & above	47*	\$54,547 plus 47c for each \$1 over \$180,000

\*Includes 2% Temporary Budget Repair Levy

<sup>#</sup>Likely threshold increase from \$80,000 to \$87,000 not yet enacted

Note: LITO not available for certain minor income.

Individual tax rates for non-residents		
<b>2015-16 tax thresholds</b>		
\$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 & above	47*	\$63,000 plus 47c for each \$1 over \$180,000
<b>2016-17 tax thresholds</b>		
\$0 – \$80,000 <sup>#</sup>	32.5	32.5c for each \$1
\$80,001 <sup>#</sup> – \$180,000	37	\$26,000 plus 37c for each \$1 over \$80,000
\$180,001 & above	47*	\$63,000 plus 47c for each \$1 over \$180,000

\*Includes 2% Temporary Budget Repair Levy

<sup>#</sup>Likely threshold increase from \$80,000 to \$87,000 not yet enacted

2015-16 resident minors' tax rate on eligible income	
Taxable income	Tax on this income
Up to \$416	Nil
\$417 – \$1,307	68%* for the part over \$416
\$1,308 & above	47%* on the entire amount

\*Includes 2% Temporary Budget Repair Levy

<sup>#</sup>Likely threshold increase from \$80,000 to \$87,000 not yet enacted

Note: LITO not available for certain minor income.

2015-16 non-resident minors' tax rate on eligible income	
Taxable income	Tax on this income
Up to \$416	34.5%* on the entire amount
\$417 – \$663	\$143.52 + 68%* on the part over \$416
\$664 & above	47%* on the entire amount

\*Includes 2% Temporary Budget Repair Levy

Corporate entity tax rates	Rate
Private and public companies	30% or 28.5% <sup>1</sup>
Corporate unit trusts and public trading trusts	30% or 28.5% <sup>1</sup>
<b>Life Insurance companies</b>	
Ordinary class	30%
Complying superannuation class	15%
<b>Non-profit companies</b>	
First \$416 of taxable income	Nil
Taxable income \$417 – \$915 <sup>2</sup>	55% of excess over \$416 <sup>2</sup>
Taxable income \$916 <sup>2</sup> and above	30% or 28.5% <sup>1</sup>

1: The tax rate is reduced to 28.5% for companies that are "small business entities" (SBEs) with an aggregated annual turnover of less than \$2 million from 1 July 2015.

2: Upper limit is reduced from \$915 to \$863 for non-profit companies that are SBEs from 1 July 2015.

## Tax offsets for individuals

2015-16 & 2016-17 Low Income Tax Offset	
Taxable income	Tax offset
\$0 – \$37,000	\$445
\$37,001 – \$66,666	\$445 – (1.5% of excess over \$37,000)
\$66,667 & above	Nil

## 2015-16 Net Medical Expenses Offset

Tax offset claimable <sup>1</sup>	Adjusted taxable income
20% of net medical expenses exceeding \$2,265	Single <sup>2</sup> : \$90,000 or less Family <sup>3</sup> : \$180,000 or less
10% of net medical expenses exceeding \$5,343	Single <sup>2</sup> : above \$90,000 Family <sup>3</sup> : above \$180,000

1: Offset for 2015-16 only available for disability aids, attendant care or aged care.

2: Single at 30 June 2016 and no dependent children.

3: Has a spouse at 30 June 2016, or dependent children at any time during 2015-16, or both.

## 2015-16 Dependant (Invalid and Carer) Offset

Adjusted taxable income (ATI) is:	Offset amount
\$282 or less	\$2,588*
\$283 – \$10,634	\$2,588* – [(ATI – \$282) ÷ 4]
\$10,634 and above	Nil

\*This is the maximum offset. Assumes dependant status maintained for full income year.

## 2015-16 Senior Australian and Pensioners Tax Offset

Family status	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	\$28,974	\$41,790
Separated due to illness (each)	\$2,040	\$31,279	\$47,599

**Note:** 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.

## FBT rates and thresholds

FBT and gross-up rates			
FBT year	Rate	Type 1	Type 2
2015-16 & 2016-17	49%	2.1463	1.9608
2017-18	47%	2.0802	1.8868

## Car fringe benefits

### Statutory formula method

The statutory fraction is 20%\*.

\*Applies to "commitments" entered into from May 2011. Previous statutory fractions based on kms travelled may be used for pre-May 2011 commitments.

### 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-16	51c	61c	15c
31-Mar-17	52c	63c	15c

### Record keeping exemption

2015-16	\$8,164	2016-17	\$8,286
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### FBT - Benchmark interest rate

2015-16	5.65%	2016-17	5.65%
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### Car parking threshold

2015-16	\$8.37	2016-17	\$8.48
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## Div 7A – benchmark interest rate

2015-16	5.45%
2016-17	5.40%

## 2015-16 CGT improvement threshold

Improvement threshold	\$143,392
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## Motor vehicles

	2015-16	2016-17
Luxury car tax limit	\$63,184	\$64,132
Fuel efficient luxury car tax limit	\$75,375	\$75,526
Car depreciation limit	\$57,466	\$57,581
Maximum input tax credit claim for cars	\$5,224	\$5,234

## 2015-16 & 2016-17 Cents per km car rates

66c per km regardless of engine size.

**2016-17 Superannuation rates & thresholds**

SLS <sup>1</sup> low rate cap amount (indexed)	\$195,000
SLS <sup>1</sup> untaxed plan cap amount (indexed)	\$1,415,000
Life benefit ETP <sup>2</sup> cap (indexed) <sup>3</sup>	\$195,000
Death benefit ETP <sup>2</sup> cap (indexed) <sup>3</sup>	\$195,000
Tax-free part of a genuine redundancy payment or early retirement scheme payment (indexed)	\$9,936
For each completed year of service add	\$4,969
<b>Government co-contribution (max \$500)</b>	
Lower income threshold	\$36,021
Higher income threshold	\$51,021
<b>Low income superannuation contribution</b>	
Maximum adjusted taxable income	\$37,000
Maximum payable	\$500
<b>Contribution caps</b>	
Concessional (indexed)	\$30,000
Concessional (temporary, non-indexed) <sup>4</sup>	\$35,000
Non-concessional	\$180,000
CGT cap (indexed)	\$1,415,000
Non-concessional with bring forward option (non-indexed) <sup>5</sup>	\$540,000
<b>Superannuation Guarantee (SG)</b>	
Prescribed minimum employer contribution rate	9.50%
Max contribution base (per SG quarter)	\$51,620
<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%
<b>Maximum pension withdrawal</b>	
Transition to retirement	10%
Account based pension	100%
<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 2016-17, a \$35,000 cap applies for individuals aged 49 years or over on 30 June 2016.
- 5: Eligible persons may bring forward the next 2 years' non-concessional contributions.

**2015-16 Medicare levy (2% of an individual's taxable income)****2015-16 Medicare levy for families with dependants**

No. of dependants	Family taxable income \$		
	Nil levy payable	Reduced levy shade-in range (10% of excess over nil band)	Normal 2% payable
0	To \$36,001	\$36,002- \$45,001	\$45,002 & above
1	To \$39,307	\$39,308- \$49,133	\$49,134 & above
2	To \$42,613	\$42,614- \$53,265	\$53,266 & above
3	To \$45,919	\$45,920- \$57,397	\$57,398 & above
4	To \$49,225	\$49,226- \$61,529	\$61,530 & above
5	To \$52,531	\$52,532- \$65,661	\$65,662 & above
6	To \$55,837 <sup>1</sup>	\$55,838 <sup>1</sup> - \$69,793 <sup>2</sup>	\$69,794 <sup>2</sup> & above

For more than 6 dependent children and/or students:

1: Add \$3,306 per child/student

2: Add \$4,132 per child/student

**2015-16 Medicare levy surcharge**

Income for MLS purposes <sup>1</sup>		Rate
Single	Family <sup>2</sup>	
\$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.

2: Threshold increases by \$1,500 for each additional dependent child after the first.

**2015-16 Medicare levy threshold : Individuals who qualify for the Senior Australian and Pensioner Tax Offset**

Taxable income	Medicare levy payable
\$0 – \$33,738	Nil
\$33,739 – \$42,172	10% of excess over \$33,738
\$42,173 & above	2% of taxable income

**2015-16 Medicare levy reduction threshold**

Taxable income	Medicare levy payable
\$0 – \$21,335	Nil
\$21,336 – \$26,668	10% of excess over \$21,335
\$26,669 & above	2% of taxable income

<b>Foreign currency exchange rates for the financial year ended 30 June 2016</b>			
<b>Country</b>	<b>Average rate for the year</b>	<b>Nearest actual rate at year end</b>	<b>Currency</b>
<b>Foreign currency equivalent to \$1 Australian</b>			
Canada	1.0009	0.9994	Canadian dollar
China (estimate)	4.6913	4.9344	Yuan
Denmark	5.0651	5.1539	Kroner
Europe	0.6873	0.7008	Euro
Fiji	1.6029	1.6006	Fijian dollar
Hong Kong	5.8742	6.0019	HK dollar
India	49.4415	51.6670	Indian rupee
Japan	88.7517	80.3100	Yen
Kuwait	0.2279	0.2320	Kuwait dinar
New Cal/Tahiti	80.3600	82.0900	Sth Pacific franc
New Zealand	1.1220	1.0780	NZ dollar
Norway	6.3284	6.4695	Kroner
Oman	0.3032	0.3059	Oman Rial
Philippines	35.7183	36.7100	Philippine peso
Singapore	1.0588	1.0530	Singapore dollar
Solomon Is	6.1485	5.9680	SI dollar
South Africa	10.8910	11.4078	Rand
Sri Lanka	106.6020	111.9300	Sri Lankan rupee
Sweden	6.3262	6.5051	Kronor
Switzerland	0.7427	0.7592	Swiss franc
Thailand	26.5155	26.9100	Baht
UK	0.5117	0.5763	Pound sterling
USA	0.7617	0.7782	US dollar
Vanuatu	86.4606	87.6200	Vatu

<b>2015-16 HELP compulsory repayments</b>	
<b>HELP repayment income (HRI)</b>	<b>Rate (of HRI)</b>
Below \$54,126	Nil
\$54,126-\$60,292	4%
\$60,293-\$66,456	4.5%
\$66,457-\$69,949	5%
\$69,950-\$75,190	5.5%
\$75,191-\$81,432	6%
\$81,433-\$85,718	6.5%
\$85,719-\$94,331	7%
\$94,332-\$100,519	7.5%
\$100,520 and above	8%

<b>2015-16 SFSS compulsory repayments</b>	
<b>Repayment income (RI)</b>	<b>Rate (of RI)</b>
Below \$54,126	Nil
\$54,126-\$66,456	2%
\$66,457-\$94,331	3%
\$94,332 and above	4%

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