

2021 Income Tax Information

Individual Rates of Tax - 2020/21

Resident Individual

The following rates apply to resident individuals for the 2021 income year:

Taxable Income \$	Tax Payable ¹
0 - 18,200 ²	Nil
18,201 - 45,000	19% of excess over \$18,200
45,001 - 120,000	\$5,092 + 32.5% of excess over \$45,000
120,001 - 180,000	\$29,467 + 37% of excess over \$120,000
180,001+	\$51,667 + 45% of excess over \$180,000

1 The above rates do not include the Medicare levy of 2%.

2 The tax-free threshold may effectively be higher for taxpayers eligible for the Low Income Tax Offset, the Low and Middle Income Tax Offset, the Seniors and Pensioners Tax Offset and/or certain other tax offsets.

Medicare Levy - 2020/21

General Rate

Income Year	Rate
2021	2% of taxable income

Low-income Thresholds - Individuals

Single Taxpayer	Threshold Amount ¹ \$	Phase-in Limit ² \$	2% at or Above ³ \$
Single taxpayer not eligible for Seniors and Pensioners Tax Offset	23,226	23,227 - 29,032	29,033
Single taxpayer eligible for Seniors and Pensioners Tax Offset	36,705	36,706 - 45,881	45,882

1 No Medicare Levy is payable on taxable income levels at or below the Threshold Amount.

2 If taxable income falls within the Phase-in Limit, the Medicare Levy is payable at 10% of the excess over the Threshold Amount.

3 The Medicare Levy of 2% applies to the entire amount of taxable income.

Low Income Tax Offset

Resident individuals (including trustees assessed under S.98 of the ITAA 1936 in respect of presently entitled resident beneficiaries) may be entitled to the Low Income Tax Offset ('LITO').

Taxable Income \$	Tax Offset ¹
0 - 37,500	\$700
37,501 - 45,000	\$700 - (5% of excess over \$37,500)
45,001 - 66,667	\$325 - (1.5% of excess over \$45,000)
66,668+	Nil

¹ A minor who is not an 'excepted person' is ineligible to apply the LITO to reduce tax on their unearned (i.e., Div. 6AA) income.

Low and Middle Income Tax Offset

Resident individuals (including trustees assessed under S.98 of the ITAA 1936 in respect of presently entitled resident beneficiaries) may be entitled to the Low and Middle Income Tax Offset ('LMITO').

Taxable Income \$	Tax Offset ¹
0 - 37,000	\$255
37,001 - 48,000	\$255 + 7.5% of excess over \$37,000
48,001 - 90,000	\$1,080
90,001 - 126,000	\$1,080 - 3% of excess over \$90,000
126,001+	Nil

¹ A minor who is not an 'excepted person' is ineligible to apply LMITO to reduce tax on their unearned (i.e., Div. 6AA) income.

Private Health Insurance Tax Offset

The Private Health Insurance ('PHI') tax offset (or rebate) is a Government contribution towards the cost of complying policies covering hospital, general treatment or both. 'Tiers' based on 'income for surcharge purposes' (see page 6) and age are used to determine the rebate percentage and amount.

The rebate percentages are indexed on 1 April each year. Therefore, two percentages apply in calculating a taxpayer's rebate for an income year - one for the period 1 July to 31 March, and one for 1 April to 30 June.

The income thresholds and rebate percentages that apply for the 2021 income year are as follows:

	Base Tier \$	Tier 1 \$	Tier 2 \$	Tier 3 \$
Income Thresholds				
Singles¹	90,000 or less	90,001 - 105,000	105,001 - 140,000	140,001+
Families/Couples²				
0 or 1 dependant	180,000 or less	180,001 - 210,000	210,001 - 280,000	280,001+
2 dependants	181,500 or less	181,501 - 211,500	211,501 - 281,500	281,501+
3 dependants	183,000 or less	183,001 - 213,000	213,001 - 283,000	283,001+
4 dependants	184,500 or less	184,501 - 214,500	214,501 - 284,500	284,501+
5 dependants	186,000 or less	186,001 - 216,000	216,001 - 286,000	286,001+
Each extra child	1,500	1,500	1,500	1,500
Oldest person on policy is:	Rebate 1 July 2020 to 31 March 2021			
- aged under 65	25.059%	16.706%	8.352%	0%
- aged 65 - 69	29.236%	20.883%	12.529%	0%
- aged 70 or over	33.413%	25.059%	16.706%	0%
Oldest person on policy is:	Rebate 1 April 2021 to 30 June 2021			
- aged under 65	24.608%	16.405%	8.202%	0%
- aged 65 - 69	28.710%	20.507%	12.303%	0%
- aged 70 or over	32.812%	24.608%	16.405%	0%

1 A 'single' taxpayer is someone who is not married on the last day of the income year and has no dependent children or siblings.

2 A person will generally be assessed under the 'families/couples' tier thresholds if:

- the person is married on the last day of the income year (including a de facto couple) - in this case, the combined income for surcharge purposes of the taxpayer and their spouse is used; or
- at any time during the year, the person contributes in a substantial way to the maintenance of a dependent child who is either the person's child (as defined in S.995-1 of the ITAA 1997), or the person's sibling who is dependent on them for economic support.

Seniors and Pensioners Tax Offset

The Seniors and Pensioners Tax Offset ('SAPTO') is broadly available to an individual. The individual's 'rebate income' for the income year must be less than a prescribed amount (refer to the table below). Rebate income of an individual for an income year is calculated as the sum of their:

- (a) taxable income for the year (excluding any assessable FHSS released amount);
- (b) reportable superannuation contributions for the year;
- (c) total net investment loss for the year; and
- (d) adjusted fringe benefits total for the income year.

The 2020/21 maximum offset and threshold amounts for SAPTO are as follows:

Family Situation ^{1,2}	Maximum Offset \$	Shade-out Threshold ³ \$	Cut-out Threshold ³ \$
Single	2,230	32,279	50,119
Each member of a couple ⁴	1,602	28,974	41,790
Each member of a couple separated due to illness or because one was in a nursing home ³	2,040	31,279	47,599

Other Key Rates and Thresholds – 2020/21

HELP Repayment Rates and Thresholds

Compulsory repayments of Higher Education Loan Programme ('HELP') and other study and training loans are based on a taxpayer's 'repayment income'.

Repayment income is calculated as taxable income plus any total net investment loss, total reportable fringe benefits, exempt foreign employment income and reportable superannuation contributions.

The repayment income thresholds and rates for the 2021 income year are as follows:

Repayment Income \$	Rate %	Repayment Income \$	Rate %
0 - 46,619	0	85,793 - 90,939	6
46,620 - 53,826	1	90,940 - 96,396	6.5
53,827 - 57,055	2	96,397 - 102,179	7
57,056 - 60,479	2.5	102,180 - 108,309	7.5
60,480 - 64,108	3	108,310 - 114,707	8
64,109 - 67,954	3.5	114,708 - 121,698	8.5
67,955 - 72,031	4	121,699 - 128,999	9
72,032 - 76,354	4.5	129,000 - 136,739	9.5
76,355 - 80,935	5	136,740+	10
80,936 - 85,792	5.5		

Cents Per Kilometre Rate for Car Deductions

Under the cents per kilometre method, a single rate is used for claiming car deductions – up to a maximum of 5,000 business kilometres per car (if applicable).

Income Year	Rate per Kilometre
2020/21	72 cents