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Tax facts datacard

2023-2024

BDO

Tax payable calculation

- ▶ Taxable income = assessable income – allowable deductions
- ▶ Tax payable = (taxable income x tax rate) – tax offsets + Medicare levy

Tax rates

Company tax rate for 2023 - 2024 year

- ▶ 30% of taxable income for general companies
- ▶ 25% of taxable income for companies with aggregated turnover less than \$50 million that are base rate entities (passive income test).

Resident Individuals - Rates 2023-2024

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

*Resident individuals including minors may also be subject to Medicare Levy of 2% and Medicare Levy Surcharge of between 1% and 1.5%.

Unearned income of resident minors (under 18 years) not in full time employment

Unearned Income	Tax Payable
\$0-\$416	\$Nil
\$417 - \$1,307	66% over \$416
Over \$1,307	45% of the entire amount

Non-Resident Individuals - Rates 2023 – 2024

Taxable Income	Tax Payable
\$0 - \$120,000	32.5 cents for each \$1
\$120,001 - \$180,000	\$39,000 + 37% over \$120,000
Over \$180,001	\$61,200 + 45% over \$180,000

Small business concessions – Skills Training Boost (STB)

For 2023-2024, a concession is available in the form of the Skills and Training Boost (STB).

- ▶ Eligible entities are those that carry on a business with aggregate turnover of less than \$50 million
- ▶ Eligible entities will obtain a bonus deduction for eligible expenditure incurred on external training for their employees between 7.30 pm (AEDT) on 29 March 2022 and 30 June 2024
- ▶ The bonus deduction is calculated as 20% of the amount of expenditure that is both deductible under another taxation law provision and eligible for the bonus deduction.

The criteria for eligible expenditure includes the following:

- ▶ The expenditure must be for training employees, either in-person in Australia, or online. Expenditure for the cost of in-house and/or on-the-job training and training non-employees is ineligible (i.e. non-employee business owners such as sole traders, partners in a partnership and independent contractors)
- ▶ The expenditure must already be deductible under the taxation law
- ▶ The expenditure must be for the provision of training, where enrolment/arrangement with the registered training provider occurs at or after 7.30pm (by legal time in the ACT) on 29 March 2022. Payment for an invoice received within the eligible timeframe will not be eligible expenditure if the training is delivered outside of these dates
- ▶ The expenditure must be charged for, and provided by, a registered training provider for training within the scope of the provider's registration, who is not the small business (or an associate of the small business).

Tax offsets

Low Income Tax Offset

\$700 if resident individual's taxable income less than \$37,500 - reduced offset up to \$66,667 taxable income. Minors not in full time employment are not eligible to apply against unearned income.

Seniors and Pensioner Tax Offset

Eligible taxpayers	Maximum amount of rebate	Rebate income* threshold for maximum tax offset	Rebate Income* threshold for phased out tax offset
Single taxpayer	\$2,230	\$32,279	\$50,119
Couple living together	\$1,602 each	\$57,948 combined	\$83,580 combined
Couple with one living apart due to illness or in a nursing home	\$2,040 each	\$62,558 combined	\$95,198 combined

*Rebate income & "adjustable taxable income" (ATI), generally includes taxable income, adjusted fringe benefits, reportable superannuation contributions and deductible personal superannuation contributions and net investment and rental property losses are added back.

Superannuation Contribution Offset

Non-working spouse superannuation contributions:

- ▶ 18% of up to \$3,000 of contribution - maximum rebate: \$540.

Dependant Invalid Carer Tax Offset (DICTO)

This offset is generally available for an individual (or in combination with a spouse) with ATI of \$112,578 or less who contributed to the maintenance of a dependant where the dependant is genuinely unable to work due to invalidity or carer obligations. The dependant must be an Australian resident who receives, or cares for somebody who receives, an eligible pension; or a carers payment/allowance.

Eligible dependants may include:

- ▶ a taxpayer's spouse who is an invalid or carer for an invalid
- ▶ a parent of either the taxpayer or their spouse, who is an invalid or a carer for an invalid
- ▶ a child (aged 16 years and over) of either the taxpayer or their spouse, who is an invalid
- ▶ a brother or sister (aged 16 years and over) of either the taxpayer or their spouse, who is an invalid.

The maximum offset is \$3,152 for each eligible dependant (limited to one spouse). The offset reduces by \$1 for every \$4 by which the dependant's ATI* + exempt pension amounts exceeds \$282 (phasing out completely at ATI of \$12,890).

Employment Termination Payments (ETP) Exemptions and Offsets

Exempt component	Exemption
Pre 1/7/1983 component	Fully exempt
Invalidity component	Fully exempt
Genuine Redundancy	\$11,985 plus \$5,994 per completed year of employment is exempt
Eligible early retirement scheme	Eligible early retirement scheme
Taxable component	Tax Offset
Taxpayer under preservation age at 30/6/2024:	Tax offset reduces to rate to 30% maximum No offset - tax at rate of 45%*
<ul style="list-style-type: none"> • Up to ETP caps* • Excess over ETP caps* 	
Taxpayer at or above preservation age at 30/6/2024:	Tax at maximum rate of 15%* No offset - tax at rate of 45%*
<ul style="list-style-type: none"> • Up to ETP caps* • Excess over ETP caps* 	

All rates include 2% Medicare Levy

*ETP caps

There are two ETP caps (the lowest cap applies):

- ▶ General ETP tax offset cap of \$235,000 of the ETP amount
- ▶ Whole of income cap of \$180,000 less non ETP income. Only applies to reduce ETP offset for life benefit ETP's excluding, genuine redundancy payments, early retirement scheme payments, job loss due to invalidity, and compensation payments due to an employment related dispute.

Private Health Insurance rebate

Private Health Insurance rebate can be claimed through tax return or direct from health fund as a premium reduction.

Family Group	ATI* Ranges Increase ATI range by \$1,500 per extra child			
	Base Tier	Tier 1	Tier 2	Tier 3
Single	< \$93,000	\$93,001 - \$108,000	\$108,001 - \$144,000	> \$144,001
Couples/Family with one child	< \$186,000	\$186,001 - \$216,000	\$216,001 - \$288,000	> \$288,001
Rebate percentage				
Under 65 years	24.608% of premium	16.405% of premium	8.202% of premium	Nil rebate
65 – 69 years	28.710 % of premium	20.507% of premium	12.303% of premium	Nil rebate
70 years +	32.812% of premium	24.608% of premium	16.405% of premium	Nil rebate

Note, the rebate percentage rates are effective from 1 April 2023 to 31 March 2024.

Medicare Levy (for resident individuals)

- ▶ Medicare levy is 2% of taxable income plus Medicare levy surcharge (if applicable)
- ▶ There are exemptions or reductions for low income taxpayers.

Medicare Levy Surcharge (MLS) 1 April 2023 to 31 March 2024

Additional Medicare Levy for higher income taxpayers without private health insurance:

Family Group	ATI ranges - Plus \$1,500 per extra child in family		
Single	\$93,001 - \$108,000	\$108,001 - \$144,000	> \$144,001
Couple/family with one child	\$186,001 - \$216,000	\$216,001 - \$288,000	> \$288,001
MLS Rate	1.0%	1.25%	1.5%

Superannuation

Preservation Age

The superannuation preservation age is 55 years for those born before 1 July 1960 increasing by one year per year up to 60 years for those born after 1 July 1964.

Concessional Superannuation Contributions for 2023/2024 (Deductible Contributions)

All employer contributions to complying superannuation funds are fully deductible. Concessional contributions are taxed at 15% if paid to a complying superannuation fund.

For 2023/2024 the concessional contributions cap is \$27,500 for all individuals.

Where there are excess concessional contributions, the individual has the following options:

- ▶ Excess concessional contributions above caps are taxed to the individual at their marginal tax rate (including Medicare levy) less a non-refundable tax offset of 15% for contributions paid into the fund. In addition, there is an interest component (excess contributions charge)
- ▶ An individual can elect to release an amount equal to the excess concessional contributions.

Income exceeding \$250,000 – extra tax on contributions

Individuals with combined taxable income, reportable fringe benefits, net investment losses + low taxed superannuation contributions (i.e. concessional contributions below the contributions cap) of at least \$250,000 are subject to an additional 15% tax on the lesser of their low taxed concessional contributions (up to the concessional contributions cap) or the excess over \$250,000.

Non-Concessional Superannuation Contributions for 2023/2024 (Non-Deductible Contributions)

Non-concessional contributions cap:

- ▶ Individuals aged less than 75 years with a total superannuation balance not exceeding \$1.9 million at 30 June 2023:
 - \$110,000
 - Alternatively, up to \$330,000 over three years, or
- ▶ If the individual's total superannuation balance is between \$1.68 million and \$1.9 million, there are restrictions on the amounts of non-concessional contributions to ensure the superannuation balance does not exceed \$1.9 million
- ▶ Individuals with a total superannuation balance exceeding \$1.90 million at 30 June 2023 the cap is nil.

Individuals subject to tax on contributions exceeding these caps at 47%.

If the cap is breached the individual can elect to withdraw any excess non-concessional contributions + 85% of any associated earnings. Total amount of associated earnings taxed to the individual at marginal rates and subject to 15% tax offset.

Superannuation Guarantee Charge (SGC)

▶ Minimum Contribution Rate	11% of employee's earnings
▶ Maximum Contribution Base	\$62,270 earnings per quarter
▶ Contribution payment date	28th day after the end of each quarter.

Private company loans

Division 7A loan interest until 30 June 2024	8.27%
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Motor vehicle expenses

Motor vehicle depreciation cost limit 2023/2024	\$68,108
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Car Expenses – cents per km Rates – Flat rate of 85 cents per kilometre for up to a maximum of 5,000 business kilometres per vehicle.

Payment of tax

Note: The Single Touch Payroll (STP) system does not supersede BAS lodgement and PAYG/ superannuation Guarantee Charge (SGC) remittance dates.

BAS Due Dates

▶ Annual (GST payment only) by lodgement of 2023 income tax return or 28 February 2024	
▶ Quarterly (non-deferred*)	21st day of Oct, Jan, Apr & July
▶ Quarterly (deferred*) + GST quarterly	28 th day of Oct, Feb, Apr & July
▶ Monthly (non-deferred*) + GST Monthly	21 st day of following month
▶ Monthly (deferred*)	Monthly payments for September, March and June are on 28th of the next month, December on 28 February; other months on 21st of the next month
▶ Weekly (large PAYG withholders only)	Approx. one week after deducting tax

*Deferred generally applies if GST not paid monthly and not head company of a consolidated group. Deferral regime does not apply to GST payments and lodgements.

PAYG instalments calculations

Monthly PAYG instalments

All corporate tax entities and all non-corporate entities (including super funds, trusts and individuals) that meet or exceed \$20 million income threshold will be required to make monthly PAYG instalment payments.

Special rules apply for the calculation of the instalment amounts.

Quarterly PAYG instalments

Quarterly instalment income (gross) x instalment rate; or if an individual or annual turnover less than \$2 million, you can choose the GDP adjusted instalment amount as advised by ATO.

Annual PAYG instalments (30 June balance date)

Notional tax < \$8,000 + select the annual payment option + not GST registered + not part of a GST or consolidated group; or if you are voluntarily registered for GST and choose to remit GST annually.

Payment date: 21 Oct after end of tax year

Payment amount: Commissioner's instalment rate x your instalment income; or notional tax amount notified by the Commissioner; or your estimated benchmark tax for the income year.

Fringe Benefits Tax

Quarterly payment dates for FBT instalments based on notional or estimated tax liability are same as quarterly BAS dates as shown above. Where the previous year's FBT liability is below \$3,000 a single payment is due on 21 May 2024.

FBT Rate for FBT year ending 31 March 2024:	47%
Benefit Value Gross-up:	
▶ If input taxed or GST free (Type 2)	1.8868
▶ If employer entitled to an input tax credit (Type 1)	2.0802
FBT year end	31 March 2024
FBT return lodgement and final payment date	21 May 2024
FBT statutory interest until 31 March 2024	7.77%
FBT car parking daily threshold until 31 March 2024	\$10.40

Benefits from Family Assistance Office

Family Tax Benefit

Part A:

- ▶ Benefit per child up to \$8,113.95 p.a. depending on age.
- ▶ Benefit reduced by 20 cents for each dollar over \$62,634 of family income.

Part B:

- ▶ Benefit per family \$3,737.70 (\$5,168.10 if youngest child aged less than 5 years)
- ▶ No benefit if primary earner's income (ATI*) > \$112,578
- ▶ Benefit reduced by 20 cents for each dollar over \$6,497 of income earned by other earner
- ▶ Single parent gets full amount if income (ATI*) < \$112,578
- ▶ Not claimable if receiving Paid Parental Leave.

Payroll tax (State and Territories tax)

Payroll tax thresholds and rates applicable from 1 July 2023 to 30 June 2024

State	Rate	Annual exemption threshold
NSW	5.45%	\$1,200,000
VIC ¹	4.85%	\$700,000
QLD ²	4.75% for < \$6.5m wages p.a. 4.95% for > \$6.5m wages p.a.	\$1,300,000
SA ³	0% - 4.95%	\$1,500,000
WA ⁴	5.50%	\$1,000,000
TAS ⁵	4.00% - 6.10%	\$1,250,000 (see below)
ACT	6.85%	\$2,000,000
NT ⁶	5.50%	\$1,500,000

1. 1.2125% for certain regional Victorian employers. Two Payroll tax surcharges: (1) Mental health surcharge of 0.5% of Victorian taxable wages over \$10 million or 1% if over \$100 million; (2) COVID-19 debt temporary payroll tax surcharge of 0.5% for business with national payrolls over \$10 million and an additional 0.5% for business with national payrolls over \$100 million
2. Deductions may be available where total annual wages are less than \$10.4 million. For annual wages over \$1.3 million the deduction is reduced by \$1 for every \$7 over \$1.3 million reducing to zero when wages reach \$10.4 million. Discount of 1% for certain regional Qld employers. Mental health surcharge of 0.25% if Australian taxable wages exceeds \$10 million and additional 0.5% for excess over \$100 million
3. SA: has variable rates increasing from 0% to 4.95% depending on the size of the payroll between \$1.5 million - \$1.7 million, with 4.95% on payrolls exceeding \$1.7 million
4. A diminishing threshold applies for employers or groups of employers with annual taxable Australian wages between \$1 million and \$7.5 million
5. The tax rate is 4.00% for annual payrolls \$1,250,001 to \$2 million, and 6.1% for \$2,000,001 and above
6. NT: exemption threshold reduces progressively by \$1 for every \$4 of taxable wages over the threshold until wage threshold reaches \$7.5 million.

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