

**SUPERANNUATION MINIMUM PENSION FACTORS**

| Item | Age of Beneficiary | Percentage factor 2010/2011 | Percentage factor 2011/2012* | Standard Percentage Factors |
|------|--------------------|-----------------------------|------------------------------|-----------------------------|
| 1    | Under 65           | 2                           | 3                            | 4                           |
| 2    | 65 – 74            | 2.5                         | 3.75                         | 5                           |
| 3    | 75 – 79            | 3                           | 4.5                          | 6                           |
| 4    | 80 – 84            | 3.5                         | 5.25                         | 7                           |
| 5    | 85 – 89            | 4.5                         | 6.75                         | 9                           |
| 6    | 90 – 94            | 5.5                         | 8.25                         | 11                          |
| 7    | 95 or more         | 7                           | 10.5                         | 14                          |

There is no maximum limit (except for transition to retirement pensions – 10% maximum).

Existing allocated pensions will be allowed to transfer to the new rules without commutation or cashing the pension.

\*The Government proposed on 10 May 2011 that the pension drawdown relief be continued in the 2011/2012 financial year. The minimum annual payment amounts will be reduced by 25% for 2011/12 (50% for 2008/09 – 2010/11) and return to normal in 2012/13.

**SUPER - GOVERNMENT CO-CONTRIBUTIONS**

Super co-contribution is reduced by 3.33 cents for each \$1 of your total income over \$31,920. The super co-contribution phases out completely where your total income is \$61,920 or more.

Provided you are entitled to receive the super co-contribution, the minimum amount payable is \$20.

The formula for calculating the maximum super co-contribution amount is:

$\$1,000 - [(total\ assessable\ income + reportable\ employer\ super\ contributions + reportable\ fringe\ benefits) - \$31,920] \times 0.03333$

**DEPRECIATION****Small Business Entity (SBE)**

|   |                                      |
|---|--------------------------------------|
| Depreciable plant with a cost of \$1,000* or less                   | 100% write off                       |
| Plant with an effective life of less than 25yrs (excl buildings)    | Pooled at 30% DV or 15% DV in year 1 |
| Plant with an effective life of greater than 25yrs (excl buildings) | Pooled at 5% DV or 2.5% DV in year 1 |

**Non SBE Taxpayers (Other than individual not carrying on a business)**

|  |   |
|--|---|
| Depreciable plant with a cost of \$100 or less                         | 100% write off                                      |
| Depreciable plant with a cost of more than \$100 and less than \$1,000 | Optional low cost pool at 37.5% or 18.75% in year 1 |

|  |                      |
|--|----------------------|
| Depreciable plant with a cost of \$1,000 or more | Effective life rates |
|--|----------------------|

**Individuals Not Carrying on a Business**

|  |                      |
|--|----------------------|
| Depreciable plant with a cost of \$300 or less                       | 100% write off       |
| Depreciable plant with a cost of more than \$300 & less than \$1,000 | Low Cost Pool        |
| Depreciable plant with a cost of \$1,000 or more                     | Effective life rates |

\*The Government has proposed an increase to \$5,000 to be introduced in 2012/13. At the time of printing this had not been legislated.

**BUILDING ALLOWANCE**

| Type            | Construction Commenced | Rate %                |
|-----------------|------------------------|-----------------------|
| Residential     | 18/7/1985 - 15/9/1987  | 4                     |
|                 | 16/9/1987 - 26/2/1992  | 2.5                   |
|                 | 27/2/1992 onwards      | 2.5 or 4 <sup>1</sup> |
| Non-Residential | 20/7/1982 - 21/8/1984  | 2.5                   |
|                 | 22/8/1984 - 15/9/1987  | 4                     |
|                 | 16/9/1987 - 26/2/1992  | 2.5                   |
|                 | 27/2/1992 onwards      | 2.5 or 4 <sup>1</sup> |

<sup>1</sup>4% rate applies to short term traveller accommodation and industrial buildings commenced to be constructed after 26/2/1992. Structural improvements commenced to be constructed after 26/2/1992 also eligible for building allowance.

**FRINGE BENEFITS TAX****Loan Fringe Benefits**

|                         |       |
|-------------------------|-------|
| Statutory interest rate | 7.80% |
|-------------------------|-------|

**Car Parking Benefits**

|                       |                |
|-----------------------|----------------|
| Car parking threshold | \$7.71 per day |
|-----------------------|----------------|

**In-House Fringe Benefits**

|                            |         |
|----------------------------|---------|
| Reduction in taxable value | \$1,000 |
|----------------------------|---------|

**Calculation Methods and Rates**

|                |  |
|----------------|--|
| Taxable Income | Benefit for which employer not entitled to a GST input tax credit = value x 1.8692 |
|                | Benefit for which employer entitled to a GST input tax credit = value x 2.0647     |
|                | Value includes GST if paid.  |

|          |       |
|----------|-------|
| FBT Rate | 46.5% |
|----------|-------|

**Motor Vehicle Fringe Benefit Statutory Formula**

| Total Kilometres for Year | Existing Contracts |         | % New Contracts |        |        |  |
|---------------------------|--------------------|---------|-----------------|--------|--------|--|
|                           | At 10/5/11         | 10/5/11 | 1/4/12          | 1/4/13 | 1/4/14 |  |
| Less than 15,000          | 26                 | 20      | 20              | 20     | 20     |  |
| 15,000 – 24,999           | 20                 | 20      | 20              | 20     | 20     |  |
| 25,000 – 40,000           | 11                 | 14      | 17              | 20     | 20     |  |
| More than 40,000          | 7                  | 10      | 13              | 17     | 20     |  |

The changes to the statutory formula rates have not been legislated at the time of printing.

**DIVISION 7A BENCHMARK INTEREST RATE**

| Year of Income Ended 30 June... | %    |
|---------------------------------|------|
| 2012                            | 7.80 |
| 2011                            | 7.40 |
| 2010                            | 5.75 |
| 2009                            | 9.45 |

**MOTOR VEHICLE DEDUCTIONS****Cents per kilometre rates for 2010/2011**

| Conventional Engine | Rotary Engine    | Rate/km |
|---------------------|------------------|---------|
| 0 - 1,600cc         | 0 - 800cc        | 63      |
| 1,601 - 2,600cc     | 801 - 1,300cc    | 74      |
| 2,601cc and over    | 1,301cc and over | 75      |

These rates are used to claim motor vehicle expenses on a cents per kilometre basis where business kilometres are less than 5,000km, or for travel over 5,000km where the claim is limited to 5,000km. The rates for 2011/2012 were not available at the time of printing.

**Luxury Cars**

Depreciation limit is \$57,466. (Same as 2010/2011).

Leases of cars costing more than \$57,466 will be regarded as loans whereby depreciation and interest will be tax deductible rather than lease payments. The fuel-efficient car limit for 2011/2012 is \$75,375.

**INVESTMENT ALLOWANCE**

| Cost > \$10,000  | Purchased By |                  |
|------------------|--------------|------------------|
| Installed By     | 30 June 2009 | 31 December 2009 |
| 31 December 2010 | 10%          | 10%              |

\* Note that for small business entities the bonus tax deduction is 50% where the asset cost is greater than \$1,000.

**MEDICAL EXPENSES REBATE**

Where medical expenses incurred during the tax year exceed \$2,000, net of reimbursements, rebate is 20c for each \$1 in excess of \$2,000.

**QUEENSLAND STAMP DUTY****Transfer duty rates from 1 July 2008 to 31 July 2011**

| Dutiable Value | Tax Thereon | Duty Rate on Excess                   |
|----------------|-------------|---------------------------------------|
| 5,000          | 0           | \$1.50 for each \$100 or part thereof |
| 75,000         | 1,050       | \$3.50 for each \$100 or part thereof |
| 540,000        | 17,325      | \$4.50 for each \$100 or part thereof |
| 980,000        | 37,125      | \$5.25 for each \$100 or part thereof |

**Transfer duty rates from 1 August 2011**

| Dutiable Value | Tax Thereon | Duty Rate on Excess                   |
|----------------|-------------|---------------------------------------|
| 5,000          | 0           | \$1.50 for each \$100 or part thereof |
| 105,000        | 1,500       | \$3.50 for each \$100 or part thereof |
| 480,000        | 14,625      | \$4.50 for each \$100 or part thereof |
| 980,000        | 37,125      | \$5.25 for each \$100 or part thereof |

**QUEENSLAND PAYROLL TAX**

**Exemption Threshold** - \$1,000,000    **Rate** - 4.75%



YOUR BUSINESS NAVIGATOR

Tax Ready Reckoner  
2011/2012

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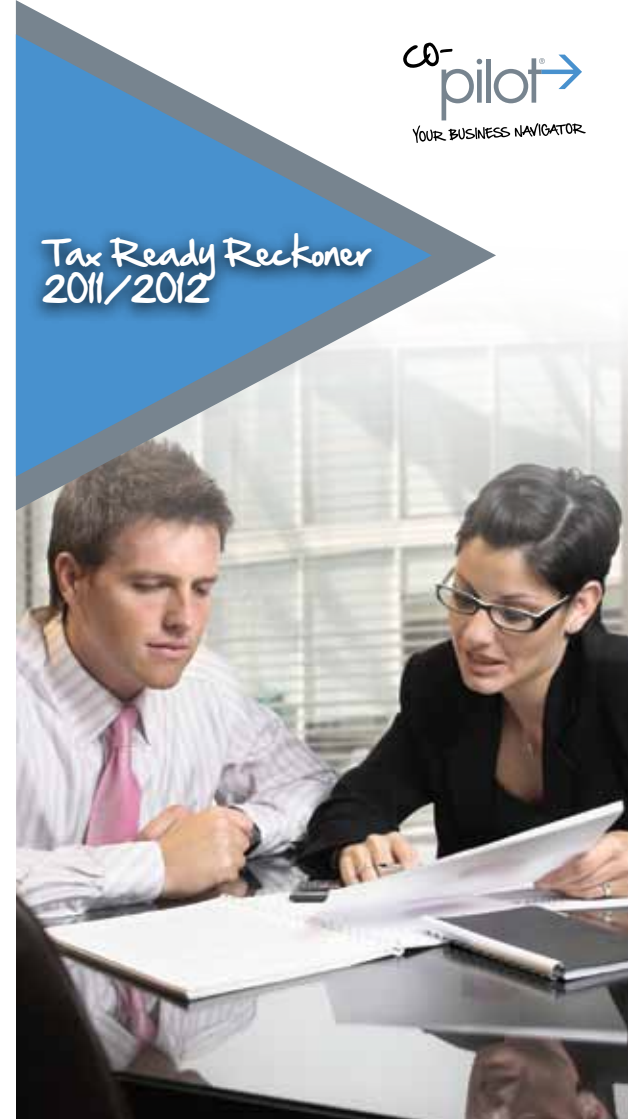
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Figures correct as of 27 June 2011



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**TAX RATES - INDIVIDUALS**

| RESIDENT<br>TAX RATES 2010 - 2011 |                   |                    | NON-RESIDENT<br>TAX RATES 2010 - 2011 |                   |                    |
|-----------------------------------|-------------------|--------------------|---------------------------------------|-------------------|--------------------|
| Taxable<br>Income \$              | Tax<br>Thereon \$ | % Tax on<br>Excess | Taxable<br>Income \$                  | Tax<br>Thereon \$ | % Tax on<br>Excess |
| 6,000                             | 0                 | 15                 | 0                                     | 0                 | 29                 |
| 37,000                            | 4,650             | 30                 | 37,000                                | 10,730            | 30                 |
| 80,000                            | 17,550            | 37                 | 80,000                                | 23,630            | 37                 |
| 180,000                           | 54,550            | 45                 | 180,000                               | 60,630            | 45                 |

| RESIDENT<br>TAX RATES 2011 - 2012* |                   |                    | NON-RESIDENT<br>TAX RATES 2011 - 2012* |                   |                    |
|------------------------------------|-------------------|--------------------|--|-------------------|--------------------|
| Taxable<br>Income \$               | Tax<br>Thereon \$ | % Tax on<br>Excess | Taxable<br>Income \$                   | Tax<br>Thereon \$ | % Tax on<br>Excess |
| 6,000                              | 0                 | 15                 | 0                                      | 0                 | 29                 |
| 37,000                             | 4,650             | 30                 | 37,000                                 | 10,730            | 30                 |
| 50,000                             | 8,550             | 30.5               | 50,000                                 | 14,630            | 30.5               |
| 80,000                             | 17,700            | 37.5               | 80,000                                 | 23,780            | 37.5               |
| 100,000                            | 25,200            | 38                 | 100,000                                | 31,280            | 38                 |
| 180,000                            | 55,600            | 46                 | 180,000                                | 61,680            | 46                 |

\* Includes flood levy

**Flood Levy** – Applies in 2011 – 2012 at a rate of 0.5% of taxable income for individuals earning more than \$50,000 and 1% of taxable income on amounts in excess of \$100,000 unless certain exemptions apply.

**Medicare Levy** – 1.5% of taxable income. Not applicable for non-residents.

**Medicare Levy Surcharge** – Medicare levy increases by 1% for individuals with taxable income, reportable employer superannuation contributions and reportable fringe benefits of more than \$80,000, (\$160,000 for couples and families) who do not have private patient hospital insurance. The family income threshold is increased by \$1,500 for each dependent child after the first.

**Low Income Tax Offset** – \$1,500

**TAX RATES - CHILDREN (RESIDENTS)**

Except for certain personal exertion income (e.g. wages), the unearned income of most children (under 18) will be taxed at the following rates (ignoring any low income rebates):

| Taxable Income   | Tax Payable                    |
|------------------|--------------------------------|
| 0 - \$416        | Nil                            |
| \$417 - \$1,307  | Nil + 66% of excess over \$416 |
| \$1,308 and over | 45% of entire amount           |

This means that the effective tax free threshold for unearned income is:

| Financial Year | \$    |
|----------------|-------|
| 2008/2009      | 2,667 |
| 2009/2010      | 3,000 |
| 2010/2011      | 3,333 |
| 2011/2012      | 416   |

Where a child under 18 years of age earns income from personal exertion (e.g. a part-time job), that income will be subject to the normal individual tax rates.

**HELP/HECS REPAYMENT THRESHOLDS**

| HELP repayment<br>income | Percentage rate<br>to be applied to<br>HELP repayment<br>income | HELP repayment<br>income 2011-2012 | Percentage rate<br>to be applied to<br>HELP repayment<br>income |
|--------------------------|---|------------------------------------|---|
| Below \$44,912           | Nil   | Below \$47,196                     | Nil   |
| \$44,912 - \$50,028      | 4.0%  | \$47,196 - \$52,572                | 4.0%  |
| \$50,029 - \$55,143      | 4.5%  | \$52,573 - \$57,947                | 4.5%  |
| \$55,144 - \$58,041      | 5.0%  | \$57,948 - \$60,993                | 5.0%  |
| \$58,042 - \$62,390      | 5.5%  | \$60,994 - \$65,563                | 5.5%  |
| \$62,391 - \$67,570      | 6.0%  | \$65,564 - \$71,006                | 6.0%  |
| \$67,571 - \$71,126      | 6.5%  | \$71,007 - \$74,743                | 6.5%  |
| \$71,127 - \$78,273      | 7.0%  | \$74,744 - \$82,253                | 7.0%  |
| \$78,274 - \$83,407      | 7.5%  | \$82,254 - \$87,649                | 7.5%  |
| \$83,408 and above       | 8.0%  | \$87,650 and above                 | 8.0%  |

\* HELP repayment income includes total net investment losses, reportable fringe benefits, reportable superannuation contributions and exempt foreign employment income.

Voluntary repayments to the Australian Taxation Office of a HELP debt of \$500 or more will attract a 10% bonus. It is proposed that the discount be reduced to 5% from 1 July 2012. This change has not been legislated at time of printing.

**COMPANIES & SUPERANNUATION FUNDS**

|                               |      |
|-------------------------------|------|
| Company Tax Rate              | 30%* |
| Superannuation Fund Tax Rate  | 15%  |
| Superannuation Guarantee Rate | 9%   |

\* It is proposed that the 30% corporate tax rate be reduced to 29% for corporate small business entities from 1 July 2012. At the time of printing this change has not been legislated.

**EMPLOYMENT TERMINATION PAYMENTS\* (Life Benefit Termination Payment)**

| Age at last day of the<br>income year in which<br>the payment was made | Amount          | Taxable Component<br>Maximum Rate %* |
|--|-----------------|--------------------------------------|
| Under preservation age   | Up to \$165,000 | 30                                   |
|  | Over \$165,000  | TMR**                                |
| Preservation age and over  | Up to \$165,000 | 15                                   |
|  | Over \$165,000  | TMR**                                |

\* Table excludes Medicare levy. \*\* TMR = Top marginal rate

The payment must be received within 12 months of the termination to be eligible as an ETP.

The taxable component is the ETP less the tax free component.

The tax free component consists of the invalidity component and the pre-July 1983 component of the payment.

**REDUNDANCY PAYMENTS**

Maximum tax free is \$8,435 plus \$4,218 for each year of service.

**ANNUAL SUPERANNUATION CONTRIBUTIONS LIMITS**

Excess contributions tax (at the top marginal rate) will be levied on the individual member where either concessional contributions (contributions from a taxed source) or non concessional contributions (previously undeducted contributions) **from all sources** exceed the contributions limits shown below:

| Contribution Type | Annual Limit   |
|-------------------|--|
| Concessional      | \$25,000 or<br>*\$50,000 (to 1 July 2012) for those aged 50 or older |
| Non concessional  | \$150,000 or \$450,000 over a three year period (brought forward)**  |

\* Government announced changes in the 2010 Federal Budget to allow those over age 50 with less than \$500,000 in super to make up to \$50,000 of concessional contributions after 1 July 2012. These changes have not been legislated at the time of printing.

\*\*The \$450,000 bring forward can only be used by members under the age of 65.

**SPOUSE CONTRIBUTIONS**

| Total of spouse's<br>assessable income* | Maximum Rebateable<br>Contributions (MRC) | Maximum Rate                         |
|---|---|--------------------------------------|
| 0 - \$10,800                            | \$3,000                                   | Lesser of actual<br>or \$3,000 x 18% |
| \$10,801 - \$13,799                     | \$3,000 - (Spouse<br>income* - \$10,800)  | Lesser of actual<br>or MRC x 18%     |
| \$13,800 and over                       | 0   | 0                                    |

\* Spouse income includes reportable fringe benefits and reportable employer superannuation contributions.

**DATE OF BIRTH**

| 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               |
| After 30 June 1964         | 60               |

**SUPER GUARANTEE - QUARTERLY REGIME**

Maximum quarterly contribution base (above which compulsory 9% employer contributions are not required) - \$43,820.

Compulsory superannuation guarantee contributions cease at age 70:

\* The Government has announced changes to increase the age to 75.

These changes have not been legislated at the time of printing.

**SUPERANNUATION WITHDRAWALS**

| Age     | Cashing of Benefits  | Exemptions   |
|---------|--|--|
| <55     | Not Permitted  | <ul style="list-style-type: none"> <li>Death</li> <li>Permanent Incapacity</li> <li>Severe Financial Hardship</li> <li>Compassionate grounds</li> </ul>  |
| 55 - 59 | Not Permitted  | <p><b>Permitted to cash benefits where:</b></p> <ul style="list-style-type: none"> <li>Their preservation age is less than 60;</li> <li>An arrangement under which they are "gainfully employed" has ended; and</li> <li>The trustee is satisfied that the member intends never again to become gainfully employed, either part time or full time; OR</li> <li>Any exemptions listed above are satisfied; OR</li> <li>Under a transition to retirement pension.</li> </ul> |
| 60 - 64 | Not Permitted  | <p><b>Permitted to cash benefits where:</b></p> <ul style="list-style-type: none"> <li>An arrangement under which the member was gainfully employed is terminated (even if the person subsequently enters gainful employment again); OR</li> <li>Any exemptions listed above are satisfied; OR</li> <li>Under a transition to retirement pension.</li> </ul>   |
| 65+     | Permitted  |  |
| Age     | Taxation of Benefits   |  |
| <55     | Withdrawal not generally permitted   |  |
| 55 - 59 | Taxed element  | <p><b>Lump sum:</b><br/>0% up to \$165,000<br/>15% &gt; \$165,000</p> <p><b>Pension:</b><br/>MTR* with 15% tax offset</p>  |
|         | Untaxed element<br>(Generally only relevant for people who have been a member of certain public sector funds or schemes) | <p><b>Lump sum:</b><br/>15% up to \$165,000<br/>30% \$165,000 to \$1,205,000<br/>TMR** &gt; \$1,205,000</p> <p><b>Pension:</b><br/>Marginal tax rate</p>   |
| 60+     | Taxed element  | No tax on lump sum or pension payments.  |
|         | Untaxed element<br>(Generally only relevant for people who have been a member of certain public sector funds or schemes) | <p><b>Lump sum:</b><br/>15% up to \$1,205,000<br/>TMR &gt; \$1,205,000</p> <p><b>Pension:</b><br/>MTR – 10% offset available</p>   |

\* MTR – Marginal tax rate

\*\* TMR – Top marginal rate of tax

\*\*\* Table excludes Medicare levy

**DEATH BENEFITS PAID FROM SUPERANNUATION - TAXATION OF BENEFITS**

| Age of deceased | Age of Recipient | Taxable component paid to a dependant | Taxable component paid to a non-dependant                             |   |
|-----------------|------------------|---------------------------------------|---|---|
| Any Age         | Lump Sum         | Any Age                               | Tax Free  | Taxed in fund - 15%<br>Untaxed in fund - 30%  |
| <60             | Income Stream    | <60                                   | Taxed in fund - *MTR with 15% tax offset<br>Untaxed in fund - MTR     | N/A - income streams are not able to be commenced by non-dependants from 1 July 2007. Existing income streams to non-dependants will be taxed as if to a dependant. |
|                 |                  | >60                                   | Taxed in fund - tax free<br>Untaxed in fund - MTR with 10% tax offset | As above  |
| 60+             | Income Stream    | Any Age                               | Taxed in fund - tax free<br>Untaxed in fund - MTR with 10% tax offset | As above  |

\* MTR – Marginal tax rate

\*\* Tax free component is always tax free

\*\*\* Table excludes Medicare levy

**PERSONAL SUPERANNUATION CONTRIBUTIONS**

| Age   | Personal Contributions | Employment condition               |
|-------|------------------------|------------------------------------|
| <18   | Permitted              | Must have worked 10 hours per week |
| 19-65 | Permitted              |                                    |
| 66-74 | Permitted              | Part-time basis <sup>1</sup>       |
| 75+   | Not Permitted          |                                    |

<sup>1</sup> At least 40 hours in period of not more than 30 consecutive days of the year.