

## TAXATION OF DEATH BENEFITS PAID FROM SUPERANNUATION

Age of Deceased	Type of Payment	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 – lower of MTR* or 15% Untaxed in fund – lower of MTR* or 30%
<60	Income Stream	<60	Taxed in fund – MTR* with 15% tax offset Untaxed in fund – MTR*	N/A
Any Age	Income Stream	60+	Taxed in fund – tax free Untaxed in fund – MTR* with 10% tax offset	N/A
60+	Income Stream	Any Age	Taxed in fund – tax free Untaxed in fund – MTR* with 10% tax offset	N/A

\* MTR – Marginal Tax Rate # Tax free component is always tax free #\* Table excludes Medicare levy

## SUPERANNUATION MINIMUM PENSION FACTORS

Age of Beneficiary	Standard Percentage Factors %
Under 65	4
65-74	5
75-79	6
80-84	7
85-89	9
90-94	11
95 or more	14

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

## PRESERVATION AGES

Date of Birth	Preservation Age	Earliest Period Withdrawals Allowed*
Before 1 July 1960	55	Withdrawals allowed now
1 July 1960 – 30 June 1961	56	1 July 2016 – 30 June 2017
1 July 1961 – 30 June 1962	57	1 July 2018 – 30 June 2019
1 July 1962 – 30 June 1963	58	1 July 2020 – 30 June 2021
1 July 1963 – 30 June 1964	59	1 July 2022 – 30 June 2023
From 1 July 1964	60	1 July 2024 – 30 June 2025

\* Withdrawals only permitted where a condition of release is satisfied.  
See 'Superannuation Withdrawals'.

## DEPRECIATION

Small Business Entities	
Depreciable plant with a cost of less than \$20,000 acquired between 13 May 2015 and 30 June 2017	100% write off
Depreciable plant with a cost of less than \$1,000 acquired on or after 1 July 2017	100% write off
All other depreciable plant	Optional general small business pool at 30% (15% in year 1)
Non Small Business Entities	
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 value pool at 37.5% (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 and less than \$1,000	Optional low value pool at 37.5% (18.75% in year 1)
Depreciable plant with a cost of \$1,000 or more	Effective life rates

## FRINGE BENEFITS TAX

	1 April 2016 – 31 March 2017
<b>Benchmark Interest Rate -</b> Loan fringe benefits Deemed interest for operating cost method for car benefits	5.65%
<b>Car Parking Benefits -</b> Car parking threshold	\$8.48 per day
<b>In-House Fringe Benefits -</b> Reduction in taxable value	\$1,000

Calculation rates	1 April – 31 March 2015/2016 and 2016/2017
Gross up rates	Benefit for which employer not entitled to a GST input tax credit - 1.9608 Benefit for which employer entitled to a GST input tax credit - 2.1463 Value includes GST if paid
FBT rate	49%

## Car Fringe Benefit Statutory Formula Rates

Annualised Kilometres	Existing contracts at 10 May 2011		Contracts entered into or altered after 10 May 2011	
	Statutory %	Statutory %	Statutory %	Statutory %
Less than 15,000	26	20	20	20
15,000 - 24,999	20	20	20	20
25,000 - 40,000	11	20	20	20
More than 40,000	7	20	20	20

## 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*
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*

\* 4% rate applies to short term traveler accommodation and industrial buildings where construction commenced after 26/2/1992. Structural improvements that commenced after 26/2/1992 are also eligible.

## DIVISION 7A BENCHMARK INTEREST RATE

Year of Income Ended 30 June	%
2015	5.95
2016	5.45
2017	5.40

## MOTOR VEHICLES

### Cents per Kilometre Rate

A standard rate of 66 cents/km applies from 1 July 2015. This rate is used to claim motor vehicle expenses on a cents per kilometre basis where business kilometres are less than 5,000 km, or for travel over 5,000 km where the claim is limited to 5,000 km.

### Luxury Cars

Financial Year	Car (Depreciation) Limit \$	Luxury Car Tax threshold	
		Fuel-efficient vehicles \$	Other vehicles \$
2015/2016	57,466	75,375	63,184
2016/2017	57,581	75,526	64,132

Leases of cars costing more than the depreciation limit will be regarded as loans whereby depreciation and interest will be tax deductible rather than lease payments.

GST input tax credit claims for cars are generally capped at 1/11 of the car limit (\$5,235 in 2017).

## QUEENSLAND TRANSFER DUTY

Dutiable Value \$	Tax Thereon \$	Duty Rates 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
1,000,000	38,025	\$5.75 for each \$100 or part thereof

A 3% transfer duty surcharge on foreign purchasers of residential property, effective from 1 October 2016, was proposed but at the time of printing not yet legislated.

## QUEENSLAND PAYROLL TAX

**Exemption Threshold -** \$1,100,000  
**Rate -** 4.75%



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Figures correct as of 17 June 2016.



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## TAX RATES - INDIVIDUALS

RESIDENT TAX RATES 2015/2016		
Taxable Income \$	Tax Thereon \$	Tax on Excess %
18,200	0	19
37,000	3,572	32.5
80,000	17,547	37
180,000	54,547	47

RESIDENT TAX RATES 2016/2017 (PROPOSED)		
Taxable Income \$	Tax Thereon \$	Tax on Excess %
18,200	0	19
37,000	3,572	32.5
87,000	19,822	37
180,000	54,232	47

\* The above rates do not include the Medicare Levy.  
# The above rates include the Budget Repair Levy.

NON-RESIDENT TAX RATES 2015/2016		
Taxable Income \$	Tax Thereon \$	Tax on Excess %
0	0	32.5
80,000	26,000	37
180,000	63,000	47

NON-RESIDENT TAX RATES 2016/2017 (PROPOSED)		
Taxable Income \$	Tax Thereon \$	Tax on Excess %
0	0	32.5
87,000	28,275	37
180,000	62,685	47

\* The above rates include the Temporary Budget Repair Levy.  
# The rates for 2016/2017 were proposed in the May 2016 budget but at the time of printing were not legislated.

## 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 offsets):

Taxable Income \$	Tax Payable
0 - 416	Nil
417 - 1,307	68% of excess over \$416
1,308 and over	47% of entire amount

This means that the effective tax free threshold for unearned income is \$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.  
\* The above rates include the Temporary Budget Repair Levy.

## MEDICAL EXPENSES

**Medicare Levy** - 2% of taxable income. Not applicable for non-residents.  
**Medicare Levy Surcharge** - Medicare levy surcharge for individuals who do not have private patient hospital insurance and have income for Medicare levy surcharge purposes of more than the following:

Income Bracket	2015/2016 & 2016/2017 \$			
Singles	90,000 or less	90,001-105,000	105,001-140,000	140,001 or more
Families*	180,000 or less	180,001-210,000	210,001-280,000	280,001 or more
Medicare Levy Surcharge				
Rates	0%	1%	1.25%	1.5%

#Medical Expenses Tax Offset - 2015/2016				
Offset Rate	20%	10%	10%	10%
Expenses must exceed	\$2,265	\$5,343	\$5,343	\$5,343

\* The family income threshold is increased by \$1,500 for each dependent child after the first.  
# **Medical Expenses Tax Offset** - From the 2016 year on, only available for disability aids, attendant care or aged care expenses - these can be claimed until 30 June 2019.

## LOW INCOME TAX OFFSET ("LITO")

Amount	\$445
LITO begins to be reduced at	\$37,000
You are no longer eligible for LITO at	\$66,667
Withdrawal rate	1.5%

## HELP/HECS REPAYMENT THRESHOLDS

HELP Repayment Income 2015/2016 \$	HELP Repayment Income 2016/2017 \$	Rate to be Applied to HELP Repayment Income %
Below 54,126	Below 54,869	Nil
54,126 - 60,292	54,869 - 61,119	4
60,293 - 66,456	61,120 - 67,368	4.5
66,457 - 69,949	67,369 - 70,909	5
69,950 - 75,190	70,910 - 76,222	5.5
75,191 - 81,432	76,223 - 82,550	6
81,433 - 85,718	82,551 - 86,894	6.5
85,719 - 94,331	86,895 - 95,626	7
94,332 - 100,519	95,627 - 101,899	7.5
100,520 and above	101,900 and over	8

HELP repayment income includes taxable income plus any total net investment loss (which includes net rental losses), total reportable fringe benefits amounts, reportable employer superannuation contributions and exempt foreign employment income.

A 5% discount for voluntary repayments of \$500 or more applies until 31 December 2016.

Those leaving Australia to live overseas for more than 6 months from 1 January 2016 will need to register with the ATO. Repayments will be calculated against overseas income for non-residents from 1 July 2017.

## COMPANY TAX

Company Aggregated Turnover	2015/2016 %	2016/2017 % (Proposed)
Operating a Business		
Less than \$2 million	28.5	27.5
\$2 million to \$9,999,999	30	27.5
\$10 million or more	30	30
Not Operating a Business		
	30	30

## SUPERANNUATION FUNDS

Earnings on Assets Supporting:	2015/2016 & 2016/2017 %
Accumulation phase	15
Pension phase	0

## EMPLOYMENT TERMINATION PAYMENTS (LIFE BENEFIT TERMINATION PAYMENT)

2015/2016 & 2016/2017		
Age at last day of the income year in which the payment was made	Amount \$	#Taxable Component Rate %
Under preservation age	Up to 195,000	30
	Over 195,000	TMR*
Preservation age and over	Up to 195,000	15
	Over 195,000	TMR*

\* TMR = Top Marginal Rate  
# Table excludes Medicare Levy

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.

For certain ETPs (non-excluded), only the part of the ETP that takes a person's total annual taxable income (including the ETP) to no more than \$180,000 will receive the ETP tax offset.

## TAX FREE EARLY RETIREMENT AND GENUINE REDUNDANCY PAYMENTS

Tax Free Amount	2015/2016 \$	2016/2017 \$
Base limit	9,780	9,936
For each complete year of service	4,891	4,969

## ANNUAL SUPERANNUATION CONTRIBUTIONS LIMITS

Contribution Type	Annual Limit	
	2015/2016	2016/2017
Concessional (under 49 years)	\$30,000	\$30,000†
Concessional (aged 49 years or over)	\$35,000	\$35,000†
Non concessional	\$180,000 or \$540,000 over a three year period (brought forward)*	\$500,000 lifetime limit, counting from 1 July 2007#
Tax rate on concessional contributions - income exceeds \$300,000*	30%	30%
Tax rate on concessional contributions - income \$300,000 or under	15%	15%

\* The \$540,000 bring forward option can only be used by members under the age of 65 on 1 July. Additionally, these limits may not be available if the proposed \$500,000 lifetime limit is legislated.

The following had not been legislated at time of printing:  
# The lifetime limit was proposed in the May 2016 budget. The change was announced as applying to contributions made after 7:30 pm (AEST) 3 May 2016. If not legislated, the 2015/2016 limits will continue to apply in 2016/2017.  
^ This threshold was proposed to be reduced to \$250,000 in the May 2016 budget, to be effective from 2017/2018.  
† These caps were proposed to both be reduced to \$25,000 in the May 2016 budget, to be effective from 2017/2018.

## SUPERANNUATION GUARANTEE CONTRIBUTIONS

**Superannuation Guarantee Rate: 9.5%**  
Quarterly super contribution base above which compulsory employer contributions are not required in 2016/2017: **\$51,620.**

## PERSONAL SUPERANNUATION CONTRIBUTIONS

Age	Personal Contributions	Employment Condition
<65	Permitted	
65 - 74	Permitted	Part-time basis*
75+	Not Permitted	

\*At least 40 hours of paid work in a period of not more than 30 consecutive days of the financial year. This restriction was proposed to be removed in the May 2016 budget, effective from 1 July 2017. At the time of printing, this was not legislated.

## SUPERANNUATION - LOW-INCOME EARNERS REBATE

Maximum Entitlement \$	Adjustable Taxable Income Threshold \$	Rebate Amount
500	37,000	15% of concessional contributions

## SUPERANNUATION - GOVERNMENT CO-CONTRIBUTIONS

Year of Entitlement	Maximum Entitlement \$	Matching Rate %	Lower Threshold \$	Higher Threshold \$	Reduction Threshold %
2015/2016	500	50	35,454	50,454	3.333
2016/2017	500	50	36,021	51,021	3.333

## SPOUSE CONTRIBUTIONS

Total of Spouse's Assessable Income* \$	2015/2016 & 2016/2017	
	Maximum Rebateable Contributions ("MRC") \$	Maximum Rate \$
0 - 10,800	3,000	Lesser of actual or 3,000 x 18%
10,801 - 13,799	3,000 - (Spouse income* - 10,800)	Lesser of actual or MRC x 18%
13,800 and over	0	0

\* Includes reportable fringe benefits and reportable employer superannuation contributions.

## SUPERANNUATION WITHDRAWALS

Age	Cashing of Benefits	Exemptions
Under preservation age	Not Permitted	<ul style="list-style-type: none"> <li>Death</li> <li>Temporary or permanent incapacity</li> <li>Severe financial hardship</li> <li>Compassionate grounds</li> <li>Terminal medical condition</li> <li>Temporary residents leaving Australia permanently</li> </ul>
At or above preservation age and under 60	Not Permitted	<ul style="list-style-type: none"> <li>An arrangement under which "gainful employment" has ended; AND</li> <li>Trustee is satisfied that the member intends never again to become "gainfully employed" for at least 10 hours a week in the future; OR</li> <li>Any exemptions listed above are satisfied; OR</li> <li>Under a transition to retirement pension.</li> </ul>
60 - 64	Not Permitted	<ul style="list-style-type: none"> <li>An arrangement under which "gainful employment" is terminated (even if the person subsequently enters "gainful employment" again); OR</li> <li>Any exemptions listed above are satisfied.</li> </ul>
65+	Permitted	

Age	Type of Benefit	Taxation Implications
Under preservation age		Withdrawal generally not permitted
At or above preservation age and under 60	Taxed element	<b>Lump sum:</b> 0% up to \$195,000 Lower of MTR* or 15% > \$195,000 <b>Pension:</b> MTR* with 15% tax offset <b>Lump sum:</b> Lower of MTR* or 15% up to \$195,000 Lower of MTR* or 30% \$195,000 - \$1,415,000 TMR# > \$1,415,000 <b>Pension:</b> MTR*
60+	Taxed element	No tax on lump sum or pension payments
	Untaxed element (Generally only relevant for people who have been a member of certain public sector funds or schemes)	<b>Lump sum:</b> Lower of MTR* or 15% up to \$1,415,000 TMR# > \$1,415,000 <b>Pension:</b> MTR* with 10% tax offset available

\* MTR - Marginal Tax Rate # TMR - Top Marginal Rate # Table excludes Medicare levy