

TAX RATES - ADULTS		
Resident Tax Rates 2026/2027		
Taxable Income \$	Tax Thereon \$	Tax on excess %
18,200	0	15
45,000	4,020	30
135,000	31,020	37
190,000	51,370	45
Resident Tax Rates 2025/2026		
Taxable Income \$	Tax Thereon \$	Tax on excess %
18,200	0	16
45,000	4,288	30
135,000	31,288	37
190,000	51,638	45

The above rates do not include the Medicare levy.

Non-Resident Tax Rates 2025/2026 & 2026/2027		
Taxable Income \$	Tax Thereon \$	Tax on excess %
0	0	30
135,000	40,500	37
190,000	60,850	45

MEDICARE LEVY

Medicare Levy - 2% of taxable income. Not applicable for non-residents.

Medicare Levy Surcharge – Applicable for individuals who do not have private patient hospital insurance and earn above a certain income (for Medicare Levy Surcharge purposes). The rates are:

Income Bracket	2026/2027 \$			
Singles	105,000 or less	105,001-123,000	123,001-164,000	164,001 or more
Families	210,000 or less	210,001-246,000	246,001-328,000	328,001 or more
Medicare Levy Surcharge				
Rates	0%	1%	1.25%	1.5%

Income Bracket	2025/2026 \$			
Singles	101,000 or less	101,001-118,000	118,001-158,000	158,001 or more
Families	202,000 or less	202,001-236,000	236,001-316,000	316,001 or more
Medicare Levy Surcharge				
Rates	0%	1%	1.25%	1.5%

LOW INCOME TAX OFFSET (“LITO”)	
Amount	\$700
LITO begins to be reduced at	\$37,501
You are no longer eligible for LITO at	\$66,667
Withdrawal rate	1.5% to 5%

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):

Resident Tax Rates 2025/2026 & 2026/2027	
Taxable Income \$	Tax Payable
0 - 416	Nil
417 – 1,307	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 \$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 REPAYMENT THRESHOLDS	
HELP Repayment Income 2025/2026 & 2026/2027 \$	Tax payable
0 - 67,000	Nil
67,001 – 125,000	15% for every dollar over \$67,000
125,001 – 179,285	\$8,700 plus 17% for every dollar over \$125,000
179,286 and over	10% of total repayment income

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. Those leaving Australia to live overseas for more than 6 months are required to register with the ATO. Repayments will be calculated against overseas income for non-residents.

MOTOR VEHICLES		
	2025/2026	2026/2027
Rate	88 cents/km	91 Cents/km

This rate is 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.

Luxury Cars			
Financial Year	Car (depreciation) limit \$	Luxury Car Tax threshold	
		Fuel-efficient vehicles \$	Other vehicles \$
2025/2026	69,674	91,387	80,567
2026/2027	69,883	91,661	80,809

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 1/11th of the car limit.

COMPANY TAX RATES	
Company Aggregated Turnover	2025/2026 & 2026/2027 %
Company passes: <ol style="list-style-type: none"> The base rate entity passive income test ; Aggregated turnover less than \$50 million. 	25
Fails one of the above	30

¹This test is passed where not more than 80% of assessable income of the company is “base rate entity passive income” for an income year.

EMPLOYMENT TERMINATION PAYMENTS (LIFE BENEFITS TERMINATION PAYMENT)			
Age at last day of the income year in which the payment was made	Amount 2025/2026 \$	Amount 2026/2027 \$	Taxable Component Maximum Rate ²
Under preservation age	Up to 260,000	Up to 270,000	32%
	Over 260,000	Over 270,000	TMR
Preservation age and over	Up to 260,000	Up to 270,000	17%
	Over 260,000	Over 270,000	TMR

The above table does not include the Medicare levy.

TMR = Top Marginal Rate

²For 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.

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.

TAX FREE EARLY RETIREMENT AND GENUINE REDUNDANCY PAYMENTS		
Tax free amount	2025/2026 \$	2026/2027 \$
Base limit	13,100	13,598
For each complete year of service	6,552	6,801

DEPRECIATION		
SMALL BUSINESS ENTITIES ³		
	Instant Asset Write Off (IAWO) threshold	Depreciation Rate
Depreciable plant acquired ⁴ From 1 July 2025	\$20,000 or less	100%
Small Business Pool for assets over the IAWO threshold		
First year		15%
Later years		30%

³An entity carrying on a business with an aggregated turnover of less than \$10m.

⁴Must also be installed and ready for use within this timeframe.

The IAWO threshold will be permanently increased to \$20,000. This has not yet been legislated at the time of printing.

DEPRECIATION	
OTHER BUSINESSES ¹ / INDIVIDUALS ²	
Depreciable Plant Cost	Depreciation Rate
\$100 ¹ / \$300 ² or less	100%
More than \$100 ¹ / \$300 ² and less than \$1,000	Optional low value pool at 37.5% (18.75% in year 1), otherwise effective life rates
\$1,000 or more	Effective life rates

¹For entities that do not qualify as a “small business”, or choose not to / cannot apply the concessions

²For individuals not carrying on a business

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 ³
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 ³

³4% rate applies to short term traveller accommodation and industrial buildings where construction commenced after 26/02/1992. Structural improvements that commenced after 26/02/1992 are also eligible.

For eligible new build-to-rent projects where construction commences after 09/05/2023, the rate increases to 4%. To claim the accelerated deduction for the construction, the owner must notify their choice for the development to be an active build-to-rent development.

FRINGE BENEFITS TAX		
	1 April 2025 – 31 March 2026	1 April 2026 – 31 March 2027
Benchmark Interest Rate – Loan fringe benefits and deemed interest for car fringe benefits (Operating cost method)	8.62%	8.27%
Car Parking Benefits – Car parking threshold	\$11.03 per day	11.48 per day
In-House Fringe Benefits – Reduction in taxable value	\$1,000	\$1,000

Calculation rates (31 March 2026 & 2027)	
Gross up rates	Benefit for which employer not entitled to a GST input tax credit – 1.8868
	Benefit for which employer entitled to a GST input tax credit - 2.0802
	Value includes GST if paid.
FBT rate	47%

DIVISION 7A BENCHMARK INTEREST RATE	
Year of Income Ended 30 June	%
2026	8.37
2027	8.77 ¹

¹The Division 7A benchmark interest rate has not yet been legislated at the time of printing.

QUEENSLAND TRANSFER DUTY		
Dutiable Value \$	Duty 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

PAYROLL TAX RATES AND THRESHOLDS 2025/26		
STATE/TERRITORY	RATE %	Annual Threshold \$
QLD	4.75 or 4.95 ²	1,300,000
NSW	5.45	1,200,000
ACT	6.85 – 8.75 ³	2,000,000
VIC	4.85 or 1.2125 ⁴	1,000,000
TAS	4 or 6.1 ⁵	1,250,000
SA	0 – 4.95 ⁴	1,500,000
WA	5.5 ⁷	1,000,000
NT	5.5	2,500,000

The above threshold may be reduced where the business is part of a group and/or pays interstate wages. Below comments generally refer to annual Australian taxable wages.

²Businesses with payroll above \$6.5 million have a flat rate of 4.95%. Discounts apply for regional businesses. A mental health levy also applies: a primary levy of 0.25% is applied to wages above \$10 million, and an additional levy of 0.5% is applied to wages above \$100 million.

³A payroll tax surcharge rate applies based on wages depending on the relevant period.

⁴The lower rate of 1.2125% applies to businesses where at least 85% of their Victorian payroll goes to regional employees, and employers based in bushfire-affected areas. From 1 July 2024, employers with wages between \$3 million to \$5 million are eligible for a deduction. Levies for mental health and COVID-19 debt also apply: a primary levy rate of 1% is applied to wages of more than \$10 million, and an additional levy of 1% is applied on wages more than \$100 million.

⁵A reduced rate of 4% applies for wages between \$1.25 million and \$2 million.

⁶A variable rate from 0% to 4.95% applies on wages between \$1.5 million and \$1.7 million. Wages above \$1.7m have a rate of 4.95%

⁷A diminishing value threshold applies on wages between \$1 million and \$7.5 million.



SUPERANNUATION FUND – TAX RATES		
Earnings on assets supporting:	2025/2026 %	2026/2027 %
Accumulation phase	15	15
Pension phase	0 (for balances up to \$2 million per member)	0 (for balances up to \$2.1 million per member)

ANNUAL SUPERANNUATION CONTRIBUTION LIMITS		
Contribution Type	Annual Limit 2025/2026	Annual Limit 2026/2027
Concessional (any age) ¹	\$30,000	\$32,500
Non-concessional ² :		
- Total superannuation balances of less than \$2 million (2026) or \$2.1 million (2027)	\$120,000 or up to \$360,000 using a three year bring-forward rule ⁴	\$130,000 or up to \$390,000 using a three year bring-forward rule ⁴
- Total superannuation balances of above \$2 million (2026) or \$2.1 million (2027)	Nil	Nil
Tax rate on concessional contributions – members income exceeds \$250,000 ³	30%	30%
Tax rate on concessional contributions – members income \$250,000 or less	15%	15%

¹From 1 July 2018, members with superannuation account balances of less than \$500,000 as at 30 June of the prior financial year are able to carry forward any unused concessional contributions for a maximum of 5 years.

²From 1 July 2022, the Government has removed the work test for individuals aged between 67 and 74.

³Based on the same income as used for Medicare Levy Surcharge purposes, disregarding any reportable superannuation contributions reported on the income tax return.

⁴The bring forward option can only be used by members under the age of 75. The bring forward amount is subject to the following:

2025/2026 bring-forward period		
Superannuation balance at 30 June 2025 \$	Maximum non-concessional contribution for the first year \$	Bring-forward period
Less than 1.76 million	360,000	3 years
1.76 million to 1,879,999	240,000	2 years
1.88 million to 1,999,999	120,000	No bring-forward period, general non-concessional contributions cap applies
2 million and over	Nil	N/A

2026/2027 bring-forward period		
Superannuation balance at 30 June 2026 \$	Maximum non-concessional contribution for the first year \$	Bring-forward period
Less than 1.84 million	390,000	3 years
1.84 million to 1,969,999	260,000	2 years
1.97 million to 2,099,999	130,000	No bring-forward period, general non-concessional contributions cap applies
2.1 million and over	Nil	N/A

DOWNSIZER SUPERANNUATION CONTRIBUTIONS		
Year	Age	Maximum contribution from sale of main residence
1 January 2023 onwards	55 or older	\$300,000 ¹

¹The main residence must have been owned for at least 10 years.

SUPERANNUATION GUARANTEE CONTRIBUTIONS	
Period	Superannuation Guarantee Rate %
2025/2026 & onwards	12

Quarterly super contribution base above which compulsory employer contributions are not required are:

Period	Quarterly earnings \$
2025/2026	62,500
2026/2027	67,708

PERSONAL SUPERANNUATION CONTRIBUTIONS	
Age	Personal Contributions 2025/26 & 2026/27
<75	Permitted
75+	Not Permitted

SUPERANNUATION WITHDRAWAL CONDITIONS		
Age	Cashing of Benefits	Exemptions
Under 60	Not Permitted	<ul style="list-style-type: none"> Death Temporary or permanent incapacity Severe financial hardship Compassionate grounds Terminal medical condition Temporary residents leaving Australia permanently First home super saver scheme
60 – 64	Not Permitted	<ul style="list-style-type: none"> An arrangement under which "gainful employment" has ended or the member has permanently retired - conditions apply; OR Under a transition to retirement pension; OR Any exemptions listed above are satisfied.
65+	Permitted	

DIVISION 296 SUPERANNUATION TAX		
Total Super Balance (TSB) Threshold ²	Additional tax rate ³	Effective total tax rate
2026/2027		
\$3 million or less	N/A	15%
Between \$3 million and \$10 million	15%	30%
Above \$10 million	10%	40%

²For the transitional year (2026/2027), the threshold is tested based on the closing TSB at 30 June 2027. Going forward, the threshold will be tested against the larger of the closing TSB on 30 June in the prior year and the current year.

³Applied to the proportion of earnings that relate to the TSB above the threshold.

TAXATION OF SUPERANNUATION BENEFITS		
Age	Type of Benefit	Taxation Implications
Under 60	Taxed element	Lump sum: Lower of 20% or MTR ³ Pension: MTR (unless disability benefit)
	Untaxed element ²	Lump sum: Lower of 30% or MTR up to UPC ^{1,3} TMR over UPC ¹ Pension: MTR
60+	Taxed element	No tax on lump sum or pension payments
	Untaxed element ²	Lump sum: Lower of 15% or MTR up to UPC ¹ TMR over UPC ¹ Pension: MTR with 10% tax offset

This table excludes Medicare levy.

MTR – Marginal Tax Rate, TMR – Top Marginal Rate

Caps for lump sum benefits	2025/2026 \$	2026/2027 \$
¹ Untaxed Plan Cap (UPC)	1,865,000	1,935,000

²Generally only relevant for people who have been a member of certain public sector funds or schemes

³May be tax free when withdrawn on grounds of terminal illness, conditions apply.

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 ¹ Untaxed in fund – MTR with 10% tax offset ¹	N/A
60+	Income Stream	Any Age	Taxed in fund – tax free ¹ Untaxed in fund – MTR with 10% tax offset ¹	N/A

This table excludes Medicare levy. Tax free component is always tax free.

MTR – Marginal Tax Rate

May differ where the defined benefit income cap is exceeded.

SUPERANNUATION MINIMUM PENSION FACTORS	
Age of Beneficiary	Percentage Factors 2025/2026 & 2026/2027 %
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).

Member of  Nexia

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