

Superannuation Contributions	
Contribution Caps	
Contribution cap by type	2016/17
Concessional contributions cap	\$30,000
Concessional contributions cap - <i>aged 49 years or more on 30 June 2016</i>	\$35,000
Non-concessional contributions cap*	\$180,000
Non-concessional contributions – CGT cap amount	\$1.415m

*A bring forward rule allows individuals aged under 65 to make non-concessional contributions of up to three times their non-concessional contributions cap over a three year period. This bring-forward cap is three times the non-concessional contributions cap of the first year in which the rule applies.

New limits apply from 1 July 2017

Government Co-contribution 2016/17		
Maximum co-contribution payable	Lower income threshold	Higher income threshold
\$500	\$36,021	\$51,021

Low Income Superannuation Contribution 2016/17	
Individual's adjusted taxable income	LISC amount payable
\$0 - \$37,000	(i) ECC x 15% (except where (ii) or (iii) applies) (ii) \$500 where the amount worked out in (i) exceeds \$500 (iii) \$10 where the amount worked out in (i) is less than \$10

An individual is entitled to a low income superannuation contribution (LISC), based on 15% of the individual's total eligible concessional contributions (ECC), up to a maximum of \$500.

Spouse Contributions – Tax Offset 2016/17		
Receiving spouses assessable income* (AI)	Maximum contributions entitle to tax offset (MC)	Maximum tax offset (18% of the lesser of)
\$0 - \$10,800	\$3,000	MC or actual contributions
\$10,801 - \$13,799	\$3,000 - (AI - \$10,800)	MC or actual contributions
\$13,800 +	Nil	Nil

*AI is the sum of the person's assessable income, reportable fringe benefits total and reportable employer superannuation contributions.

Taxation of Superannuation Benefits		
Superannuation Benefits from a Taxed Source		
Age of recipient	Lump sum	Income stream
60 and over	Not assessable not exempt	Not assessable not exempt
Preservation age to age 59	- No tax on amount below the low rate cap* - Taxed at a maximum rate of 15% on amount over the low rate cap	Taxed at marginal rates but eligible for 15% tax offset
Under preservation age	Taxed at the maximum rate of 20%	Taxed at marginal rates, with no tax offset (15% tax offset available if a disability superannuation benefit)

*Low rate cap amount: \$195,000 (2016/17)

Superannuation Benefits from an Untaxed Source		
Age of recipient	Lump sum	Income stream
60 and over	- Taxed at maximum rate of 15% on amount up to the untaxed plan cap* - Taxed at 45% on amount over the untaxed plan cap*	Taxed at marginal rate but eligible for a 10% tax offset
Preservation age to age 59	- Taxed at maximum rate of 15% on amount up to the low rate cap** - Taxed at maximum rate of 30% on amount above the low rate cap amount up to the untaxed plan cap - Taxed at 45% on amount over the untaxed plan cap	Taxed at marginal rates with no tax offset
Under preservation	- Taxed at a maximum rate of 30% on amount up to the untaxed plan cap - Taxed at 45% on amount over the untaxed plan cap	Taxed at marginal rates with no tax offset

*Untaxed plan cap amount: \$1.415m (2016/17)

**Low rate cap amount: \$195,000 (2016/17)

**excludes Medicare Levy (2%)

Taxation of Superannuation Death Benefits			
Payments to Dependents			
Age of deceased	Superannuation death benefit	Age of recipient	Tax treatment
Any age	Lump sum	Any age	Tax free (not assessable, not exempt income)
Aged 60 and above	Income stream	Any age	Taxable component: - Element taxed in the fund is tax-free - Element untaxed in the fund is taxed at marginal rates. Recipient entitled to a 10% tax offset on this amount.
Below age 60	Income stream	Above age 60	Taxable component: - Element taxed in the fund is tax-free - Element untaxed in the fund is taxed at marginal rates. Recipient entitled to a 10% tax offset on this amount.
Below age 60	Income stream	Below age 60	Taxable component: - Element taxed in the fund is taxed at marginal rates. Recipient is entitled to a 15% tax offset on this amount - Element untaxed in the fund is taxed at marginal rates

Payments to Non-dependants			
Age of deceased	Superannuation death benefit	Age of ecipient	Tax treatment
Any age	Lump sum	Any age	Taxable components: - Element taxed in the fund is taxed at a maximum rate of 15% - Element untaxed in the fund is taxed at a maximum rate of 30%
Any age	Income stream	Any age	- Death benefit cannot be paid as income stream - Income streams that commenced before 1 July 2007 are taxed as if received by a dependent (see above)

*excludes medicare levy (2%)

Motor Vehicle Expenses	
Method 1- Cents per Kilometer*	

From 1 July 2015, this has been amended to be a flat rate of 66 cents per km up to a maximum of 5,000km

Method 2 – Logbook
- Claim business use percentage of each car expense based on logbook records
- Maintain logbook to track business use for 12 continuous weeks every 5 years
- Keep written evidence of all costs

*Please note, as of July 2015 both the 12% of Original Cost and 1/3 of Actual Expenses Methods have been discontinued

New Withholding Tax (Non Resident Vendors)	
Purchasers of the following:	
- Taxable Australian Real Property	
- Indirect Australian Real Property - where entity owns 10% or more shares in a company whose underlying value is principally derived from Australian Real Property	
- Option or right to acquire such property or such as interest	

Made on or after 1 July 2016 are subject to a 10% non-final withholding tax when sold, if the market value on sale is \$2 million or more. The Purchaser will be required to withhold 10% and remit this amount to the ATO, unless a Clearance Certificate is obtained before Settlement.

Transfer Duty (WA)			
General Rate	\$	Excess	
\$0 - \$80,000	NIL	\$1.90	Per \$100 or part thereof
\$80,001 - \$100,000	\$1,520 +	\$2.85	Per \$100 or part thereof above \$80,000
\$100,001 - \$250,000	\$2,090 +	\$3.80	Per \$100 or part thereof above \$100,000
\$250,001 - \$500,000	\$7,790 +	\$4.75	Per \$100 or part thereof above \$250,000
\$500,001 & upwards	\$19,665 +	\$5.15	Per \$100 or part thereof above \$500,000
Residential Rate			
\$0 - \$120,000	NIL	\$1.90	Per \$100 or part thereof
\$120,001 - \$150,000	\$2,280 +	\$2.85	Per \$100 or part thereof above \$120,000
\$150,001 - \$360,000	\$3,135 +	\$3.80	Per \$100 or part thereof above \$150,000
\$360,001 - \$725,000	\$11,115 +	\$4.75	Per \$100 or part thereof above \$360,000
\$725,001 & upwards	\$28,453 +	\$5.15	Per \$100 or part thereof above \$725,000
Concessional Rate			
\$0 - \$100,000		\$1.50	Per \$100 or part thereof
\$100,001 - \$200,000	\$1,500 +	\$4.39	Per \$100 or part thereof above \$100,000

Residential rates apply to principal places of residence, residential rental properties and vacant land on which a residence is built within five years. In some circumstances transfers pursuant to Family Court Orders may be minimal or exempt.

Concessional rates apply to dutiable property that is either principal place of residence or a West Australian's Business Asset where dutiable value doesn't exceed \$200,000.

Duty is payable on GST.

No duty is payable by first home owners on land under \$300,000 or established homes under \$430,000.

Payroll Tax

Payable by employers in WA on wages (including benefits and superannuation) paid to employees in excess of \$850,000 at the rate of 5.5%. Certain payments are exempt.

Land Tax

Payable on the unimproved value of land above \$300,000. Some exemptions and conditions apply.

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AS A SUBSTITUTE FOR PROFESSIONAL ADVICE**

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2017 TAX RESOURCE GUIDE

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Income Tax Rates	
Individuals 2016/17	
Residents 2016/17	
Taxable income	Tax on this income
0 - \$18,200	Nil
\$18,201 - \$37,000	19c for each \$1 over \$18,200
\$37,001 – \$87,000	\$3,572 plus 32.5c for each \$1 over \$37,000
\$87,001 – \$180,000	\$19,822 plus 37c for each \$1 over \$87,000
\$180,001 and over	\$54,232 plus 45c for each \$1 over \$180,000

*For taxable incomes exceeding \$180,000, the 2% budget repair levy applies for that part of the taxable income exceeding \$180,000. Non-refundable tax offsets cannot be used to offset the budget repair levy; only the foreign income tax offset to be offset against the levy.

*Excludes Medicare Levy (2%)

Resident Minors 2016/17	
Income	Marginal Rate
\$0 - \$416	Nil
\$417 - \$1,307	66% of excess over \$416
Excess over \$1,307	45% on all income

Excepted income taxed at (adult) marginal rates

Medicare Levy Surcharge

From 2016/17, the rate of Medicare levy is 2% of a resident individual's taxable income for the income year.

Further, where a resident individual is not covered by private patient hospital insurance and their "income for surcharge purposes" for the year is more than \$90,000, an additional Medicare levy surcharge of 1% to 1.5% is payable depending on their level of income and age.

The table below indicates how the Medicare levy surcharge rules apply in conjunction with the private health insurance rebate rules.

Income				
Singles	\$0 - \$90,000	\$90,001 - \$105,000	\$105,001 - \$140,000	\$140,001 and over
Families*	\$0 - \$180,000	\$180,001 - \$210,000	\$210,001 - \$280,000	\$280,001 and over

Private health insurance rebates				
	Tier 1	Tier 2	Tier 3	
Under 65 years	26.791%	17.861%	8.930%	0%
65 – 69 years	31.256%	22.326%	13.395%	0%
70 years and over	35.722%	26.791%	17.861%	0%
Medicare levy surcharge				
Percentage rate	0%	1%	1.25%	1.5%

*The families' threshold is increased by \$1,500 for each dependent child after the first. Families include couples and single parent families.

Non-residents 2016/17	
Taxable Income	Tax on this income
0 – \$87,000	32.5c for each \$1
\$87,001 – \$180,000	\$28,275 plus 37c for each \$1 over \$87,000
\$180,001 and over	\$62,685 plus 45c for each \$1 over \$180,000

*For taxable incomes exceeding \$180,000, the 2% budget repair levy applies for that part of the taxable income exceeding \$180,000. Non-refundable tax offsets cannot be used to offset the budget repair levy; only the foreign income tax offset can be used to offset against this levy.

Company Rates 2016/17	
The following table shows the rates of tax applicable to companies in relation to their income for the 2016/17 income year.	
Type of Company	Tax Rate
Private companies (other than life insurance companies) - SBE	28.5%
Private companies (other than life insurance companies) - Non-SBE	30%
Public companies (other than life insurance companies)	30%
Companies (other than life insurance companies) that are RSA providers	
- Standard component of taxable income	30%
- RSA component of taxable income	15%
- FHSA component of taxable income (if any)	15%
Life insurance companies:	
-Ordinary class of taxable income	30%
-Complying superannuation/FHSA class of taxable income	15%

Superannuation Funds 2016/17	
Type of Fund	Tax Rate
Complying superannuation funds:	
(i) Assessed on income, including realized capital gains and assessable contributions*	15%
(ii) Assessed on non-arm's length income, private company dividends and certain trust distributions	45%
Non-complying superannuation funds	
Assessed on income including realized capital gains and assessable contributions*	45%
Complying ADFs:	
(i) Assessed on income, including realized capital gains and assessable contributions	15%
(ii) Assessed on non-arm's length income, private company dividends and certain trust distributions	45%
Non-complying ADFs	
Assessed on income including realized capital gains and assessable contributions*	45%
PTsS:	
(i) Assessed on income, including realized capital gains and assessable contributions transferred to the PST	15%
(ii) Assessed on non-arm's length income, private company dividends and certain trust distributions	45%

*Additional tax at the rate of 34% (complying funds) and 2% (non-complying funds) is payable on no-Tax-File Number (TFN) contributions income that is included in assessable contributions. A tax offset is available if a TFN is provided to the fund within four years.

Personal Tax Offsets		
Personal Tax Offsets and Rebates 2016/17		
Personal Tax Offsets and Rebates 2016/17	Maximum amount	Cut-out when (adjusted) taxable income reaches
Dependent (Invalid and Carer)	\$2,627	\$10,790
Medical expenses	Being phased out. Only eligible to claim offset for disability aids, attendant care or aged care expenses.	
Private health insurance (see above)	Dependent on age of person(s) covered by policy and income level(s)	
Zone rebates		
• Ordinary Zone A	\$338 + 50% of dependent (invalid or carer) tax offset	
• Ordinary Zone B	\$57 + 20% of dependent (invalid or carer) tax offset	
• Special Zone A or B	\$1,173 + 50% of dependent (invalid or carer) tax offset	
• Defence Force	Same as for Ordinary Zone A	
Income arrears Medicare levy surcharge lump sum arrears	Applicable to lump sum payments of income paid in arrears	

*Zone Tax Offset, Overseas Forces Tax Offset and Overseas Civilian Tax Offset

From 1 July 2015, "Fly-in, Fly-out" and "Drive-in, Drive-out" workers will be excluded from claiming the rebate where their normal residence is not within the zone.

Low Income Earners Tax Offset 2016/17	
Taxable income	Amount of offset
\$0 - \$37,000	\$445
\$37,000 - \$66,667	\$445 – [(taxable income - \$37,000) x 1.5%]
> \$66,667	Nil

Senior Australians & Pensioners Tax Offset 2016/17			
Family situation	Maximum offset	Shade-out threshold	Cut-out threshold
Single	\$2,230	\$32,279	\$50,119
Couple (each)	\$1,602	\$28,974	\$41,790
Illness separated couple (each)	\$2,040	\$31,279	\$47,599

Taxation of Employment Related Payments	
Life Benefit Employment Termination Payments	
Component	Tax Treatment
Tax free component	Tax free
Taxable component	<ul style="list-style-type: none"> • Preservation age and over - Amount up to ETP cap* - taxed at a minimum rate of 15% - Amount over ETP cap* - taxed at 45% • Below preservation age - Amount up to ETP cap* - taxed at maximum rate of 30% - Amount over ETP cap* - taxed at 45%

*ETP cap amount: \$195,000 (2016/17). For certain ETPs, the ETP cap works in conjunction with a whole-of-income cap (\$180,000).

Preservation Age		
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	
On or after 1 July 1964	60	

Death Benefit Employment Termination Payments

Component	Tax treatment
Tax free component	Tax free
Taxable component	<ul style="list-style-type: none"> • Payment to a dependent - Amount up to ETP cap - tax free - Amount over ETP cap - taxed at 45% • Payment to a non-dependent - Amount up to ETP cap - tax free - Amount over ETP cap - taxed at 45% • Payment to trustee of deceased estate - Taxed in the hands of the trustee, based on whether the beneficiary is a dependent or non-dependent (see above)

*ETP cap amount: \$195,000 (2016/17)

Genuine Redundancy and Early Retirement Scheme Payouts		
Income year	Base amount	Plus for each complete year or service
2015/16	\$9,780	\$4,891
2016/17	\$9,936	\$4,969

Unused Annual Leave Payment Rules			
Period of accrual of leave		Assessable portion	Maximum rate
General retirement or termination:			
- Accrual before 18 August 1993		100%	30%
- Accrual on or after 18 August 1993		100%	Marginal
Genuine redundancy amount, early retirement scheme amount or invalidity amount paid on or after 18 August 1993.		100%	30%

Unused Long Service Leave Payment Rules		
Period of accrual or leave	Assessable portion	Maximum rate
General retirement of termination:		
- Accrual before 16 August 1978	5%	Marginal
- Accrual 16 August 1978 to 17 August 1993	100%	30%
- Accrual on or after 18 August 1993	100%	Marginal
Genuine redundancy amount, early retirement scheme amount or invalidity amount:		
- Accrual before 16 August 1978	5%	Marginal
- Accrual on or after 16 August 1978	100%	30%

Excludes Medicare Levy (2%)

Capital Gains Tax

Assets held for longer than 12 months

Purchase date	CGT event happens	CGT calculation
Before 20/9/1985	Any time	Nil
20/9/1985 – 20/9/1999	After 20/9/1999	Indexed cost base method* or discount method**
After 20/9/1999	Any time	Discount method**

*Indexation of cost base as at 30 September 1999 (68.7).

**50% discount (individuals and trusts); 33 1/3% discount