



Essential tax & super figures



A resource for advisers and accountants

2022-23

Tax rates

Personal income tax rates (excludes Medicare levy)

Residents	
Taxable income (\$)	Tax payable (\$)
0-18,200	Nil
18,201-45,000	Nil + 19c for each \$1 over 18,200
45,001-120,000	5,092 + 32.5c for each \$1 over 45,000
120,001-180,000	29,467 + 37c for each \$1 over 120,000
180,000+	51,667 + 45c for each \$1 over 180,000

Resident minors (unearned income)	
Taxable income (\$)	Tax payable (\$)
0-416	Nil
417-1,307	66% of income in excess of \$416
1,307+	45% of entire amount

Note: Minors cannot use Low Income Tax Offset and Low and Middle Income Tax Offset on unearned income. Certain income derived by minors is taxed at adult rates and attracts the Low Income Tax Offset and Low and Middle Income Tax Offset, e.g. income from testamentary trusts.

Medicare levy thresholds

Tax rates above do not include 2% Medicare levy. Medicare levy not payable where taxable income is less than the following thresholds:

2021/22	Seniors and pensioners ¹ (\$)	Other (\$)
Individual	36,925	23,365
Family (combined) ²	51,401	39,402

Where taxable income is greater than above thresholds, shade-out rules apply.

Taxpayers who exceed relevant 'Individual' threshold and have a spouse and/or dependants may qualify for a reduced Medicare levy under the relevant 'Family (combined)' threshold.

1 Applies to individuals eligible for Seniors and Pensioners Tax Offset.

2 The threshold is increased by \$3,619 for each dependent child.

Note: Taxable component of a superannuation withdrawal within the low rate cap is not counted as income for Medicare levy purposes.

Medicare levy surcharge

Individuals and families with income above Medicare levy surcharge threshold and without adequate private hospital insurance may be liable for Medicare levy surcharge for any period without adequate cover.

Medicare levy surcharge				
	Income ¹ (\$)	Tier 1 (\$)	Tier 2 (\$)	Tier 3 (\$)
Single person	Up to 90,000	90,001-105,000	105,001-140,000	Over 140,000
Family ²	Up to 180,000	180,001-210,000	210,001-280,000	Over 280,000
Medicare levy surcharge (%) ³	0.0	1.0	1.25	1.5

1 Income for surcharge purposes = taxable income (excluding assessable First Home Super Saver scheme released amounts) + amount on which family trust distribution tax has been paid + net investment losses + reportable superannuation contributions + exempt foreign employment income + reportable fringe benefits less taxable component of a superannuation withdrawal within the low rate cap.

2 The family threshold applies to couples and individuals with up to one child. The thresholds increase by \$1,500 for each child after the first child.

3 Surcharge is payable on taxable income + reportable fringe benefits + amount on which family trust distribution tax has been paid less taxable component of superannuation withdrawal within the low rate cap.

Tax offsets

Seniors and pensioners tax offset			
	Offset (\$)	Shade-out threshold (\$)	Cut-out threshold (\$)
Single	2,230	32,279	50,119
Couple (each)	1,602	28,974	41,790
Couple, separated by illness (each)	2,040	31,279	47,599

Offset reduces by 12.5 cents for every \$1 of rebate income above shade-out threshold. Rebate income includes taxable income (excluding assessable First Home Super Saver scheme released amounts) + total net investment losses + adjusted fringe benefits + reportable superannuation contributions.

Where both members of a couple are eligible for the Seniors and Pensioners Tax Offset, unused amounts of the offset may be transferable to the spouse.

Low income tax offset

Taxable income (\$)	Maximum offset (\$)
≤ 37,000	700
37,501 to 45,000	700 - [(income - 37,500) × 5%]
45,001 to 66,667	325 - [(income - 45,000) × 1.5%]
>66,667	Nil

Tax on superannuation contributions

Type	Concessional	Non-concessional
Tax on entry	15% ¹	Nil
Excess contributions	Marginal Tax Rate less 15% offset ²	Marginal Tax Rate less 15% offset on associated earnings or 47% ³
No tax file number	47%	N/A ⁴

1 An additional 15% tax applies to contributions within concessional cap for individuals with income plus concessional contributions in excess of \$250,000.

2 Excess concessional contributions also count towards non-concessional cap, reduced if choice made to release up to 85% of excess concessional contributions. Excess concessional contributions prior to 1 July 2021 were additionally subject to an excess concessional contributions charge.

3 Excess non-concessional contributions plus 85% of associated earnings released from superannuation either by election or by default (where an election is not made in respect of determinations issued from 1 July 2018) will not attract excess contributions tax. The associated earnings is taxed at marginal tax rate less a 15% non-refundable offset. Any excess non-concessional contributions elected to be left in the fund are taxed at 47%.

4 A fund cannot accept a non-concessional contribution without the member's TFN.

Superannuation contributions

Contribution caps				
Age	Concessional (\$) ¹	Non-concessional (\$)	Downsizer (\$)	CGT (lifetime) cap ² (\$)
Under 60	27,500	110,000 ³	Nil	1,650,000
60–74	27,500 ⁴	110,000 ³	300,000 ⁵	1,650,000
75+	27,500 ^{4,6}	Nil	300,000 ⁵	Nil

- Standard concessional contributions cap of \$27,500 may be increased by amount of the unused concessional contribution cap carried forward from 1 July 2018 if the individual's total superannuation balance was less than \$500,000 on 30 June 2022.
- The maximum amount that can be contributed under this cap is \$500,000 if retirement exemption is being used. If using 15-year exemption, entire cap can be used.
- Individuals who have a total superannuation balance of less than \$1,480,000 on 30 June 2022 and are aged under 75 at any time in the 2022/23 financial year can bring forward future non-concessional caps to enable non-concessional contributions of up to \$330,000 over three financial years, provided the bring forward had not been triggered in the two financial years prior.
Those with a total superannuation balance of at least \$1,480,000 but less than \$1,700,000 on 30 June 2022 and are aged under 75 at any time in the 2022/23 financial year will have restricted access to the bring forward which is detailed in the following table.
Individuals with a total superannuation balance of at least \$1,700,000 on 30 June 2022 have no non-concessional cap for 2022/23.
- If individual is aged 67 or over at time of contributing can claim a tax deduction for their personal contribution only if the work test is satisfied, unless the recent retiree's work test exemption applies.
- Limited to lesser of \$300,000 and sale proceeds less spouse's downsizer contributions (if any).
- Personal and all employer contributions can be made up to 28 days after the end of the month the person turns 75. Subsequently only mandated employer contributions and downsizer contributions can be accepted.

Superannuation contributions and total superannuation balance

Total superannuation balance ¹ on 30 June 2022	NCC cap and bring-forward period available for 2022/23
<\$1.48 million	\$330,000 (3 years)
\$1.48 – <\$1.59 million	\$220,000 (2 years)
\$1.59 – <\$1.7 million	\$110,000 (standard cap)
≥ \$1.7 million	Nil

- Total superannuation balance includes accumulation interests, transition to retirement pensions, retirement pensions, rollovers in transit and the individual's share of the outstanding balance of a limited recourse borrowing arrangement entered into on or after 1 July 2018 in certain circumstances, excludes structured settlement personal injury contributions.

Superannuation guarantee

Rate	10.5%
Maximum contribution base	\$60,220 per quarter

Government co-contribution¹

Annual income ² (\$)	Co-contribution payable (\$)
≤ 42,016	An amount equal to 50% of the personal non-concessional superannuation contributions made during the financial year, up to a maximum co-contribution of \$500
42,017 to 57,015	Co-contribution amount is the lesser of: – 500 – [(income ² – 42,016) × 0.03333], or – 50% of the non-concessional superannuation contributions made during the financial year
≥ 57,016	Nil

- Ineligible if non-concessional contributions cap is exceeded for 2022/23, or if total superannuation balance on 30 June 2022 is \$1.7 million or more.
- Assessable income (excluding assessable First Home Super Saver scheme released amounts) + reportable employer superannuation contributions + reportable fringe benefits, less certain business deductions.

Low income superannuation tax offset

Annual income ¹ (\$)	Offset payable (\$)
≤ 37,000	An amount equal to 15% of concessional contributions made during the financial year, up to a maximum offset of \$500
>37,000	Nil

1 Taxable income (excluding assessable First Home Super Saver scheme released amounts) + reportable superannuation contributions + total net investment losses+ target foreign income + adjusted fringe benefits total + certain tax-free socialsecurity payments, less any deductible child maintenance expenditure

Spouse contribution tax offset^{1,2}

Annual income ³ (\$)	Maximum offset ⁴ (\$)
≤ 37,000	540
37,001 to 39,999	$[3,000 - (\text{income}^3 - 37,000)] \times 18\%$
≥ 40,000	Nil

1 A spouse contribution cannot be made after the receiving spouse reaches age 75.

2 Ineligible if receiving spouse's non-concessional contributions cap is exceeded for 2022/23, or if total superannuation balance on 30 June 2022 is \$1.7 million or more.

3 Receiving spouse's assessable income (excluding assessable First Home Super Saver scheme released amounts) + reportable employer superannuation contributions + reportable fringe benefits.

4 Assumes a spouse contribution of \$3,000 or more.

Income definitions

Benefit/program	Type of income included
Superannuation co-contribution (amount payable)	Assessable income (excluding assessable First Home Super Saver scheme released amounts) plus reportable employer superannuation contributions and reportable fringe benefits less certain deductions from carrying on a business
Superannuation co-contribution, Low income superannuation (>10% test),	Assessable income plus (excluding assessable First Home Super Saver scheme released amounts) reportable employer superannuation contributions and reportable fringe benefits
Spouse contribution tax offset (receiving spouse)	
Division 293 tax	Taxable income (excluding assessable First Home Super Saver scheme released amounts) plus concessional contributions (within concessional contributions cap), reportable fringe benefits, total net investment losses, less taxable component of super lump sum withdrawal within the low rate cap
Seniors and pensioners tax offset	Taxable income (excluding assessable First Home Super Saver scheme released amounts) plus reportable superannuation contributions, total net investment losses and adjusted fringe benefits
Low income tax offset	Taxable income
Low income superannuation tax offset, (amount payable), Family Tax Benefit, Paid Parental Leave	Taxable income (excluding assessable First Home Super Saver scheme released amounts) plus reportable superannuation contributions, total net investment losses, target foreign income, adjusted fringe benefits total, certain tax-free social security payments less any deductible child maintenance expenditure

Taxation of super benefits

Lump sums			
Component	Age	Amount (\$)	Tax (%)
Tax-free	Any age	All of component	Tax-free
Taxable - element taxed	60 or over	All of component	Tax-free
		59	First 230,000 Balance
	Under 59	All of component	20 ¹
Taxable - element untaxed	60 or over	First 1.650m	15 ¹
		Balance	45 ¹
	59	First 230,000 230,000 - 1.650m	15 ¹ 30 ¹
		Balance	45 ¹
		Under 59	First 1.650m Balance

1 Plus Medicare levy where applicable.

Note: Taxable amounts are included in assessable income. Tax rates shown above are maximum rates except where the highest marginal rate applies (as this is a flat rate).

Income streams – non-capped defined benefit (excluding death benefits)		
Component	Age	Tax
Tax-free	Any age	Tax-free
Taxable - element taxed	60 or over	Tax-free
	59	Marginal rate with 15% tax offset ¹
	Under 59	Marginal rate ^{1,2}
Taxable - element untaxed	60 or over	Marginal rate with 10% tax offset ¹
	Under 60	Marginal rate ¹

1 Plus Medicare levy where applicable.

2 Income streams paid as a result of disability receive a 15% tax offset.

Income streams – capped defined benefit (excluding death benefits)		
Component	Age	Tax
Tax-free	60 or over	Tax-free ¹
	Under 60	Tax-free
Taxable - element taxed	60 or over	Tax-free ¹
	59	Marginal rate with 15% tax offset ²
	Under 59	Marginal rate ²
	Taxable - element untaxed	60 or over
Under 60		Marginal rate ²

1 Up to the defined benefit income cap of \$106,250 per annum. 50% of income over the defined benefit income cap is taxed at marginal rate plus Medicare levy (where applicable).

2 Plus Medicare levy where applicable.

3 Tax offset applies to the amount of this component, after all other components, within the defined benefit income cap of \$106,250 per annum, and is capped at \$10,625 per annum.

Taxation of super death benefits

Death benefit lump sum		
Component	Recipient	Tax
Tax-free	Any	Tax-free
Taxable - element taxed	Dependant	Tax-free
	Non-dependant	15% ¹
Taxable - element untaxed	Dependant	Tax-free
	Non-dependant	30% ¹

1 Plus Medicare levy where applicable.

Note: Taxable portion of a death benefit paid directly to non-dependants from a super-annuation fund is included in assessable income. Tax rates shown are maximum rates.

Death benefit income streams – non-capped defined benefit

Component	Age of deceased and dependant ¹	Tax
Tax-free	Any age	Tax-free
Taxable	Either over age 60	Tax-free
	Both under age 60	Marginal rate with 15% tax offset ²

1 An income stream paid to a child under age 25 must be cashed once the child attains age 25 unless the child has a certain disability. The lump sum at that time is tax free.

2 Plus Medicare levy where applicable.

Death benefit income streams – capped defined benefit

Component	Age of deceased and dependant	Tax
Tax-free	Either over age 60	Tax-free ¹
	Both under age 60	Tax-free
Taxable – element taxed	Either over age 60	Tax-free ¹
	Both under age 60	Marginal rate with 15% tax offset ^{2,3}
Taxable – element untaxed	Either over age 60	Marginal rate with 10% tax offset ^{3,4}
	Both under age 60	Marginal rate ^{3,5}

1 Up to the defined benefit income cap of \$106,250 per annum. 50% of income over the defined benefit income cap is taxed at marginal rate plus Medicare levy (where applicable).

2 When the beneficiary turns 60, the taxable – element taxed component becomes tax free up to the defined benefit income cap. 50% of income over the defined benefit income cap is taxed at marginal rate.

3 Plus Medicare levy where applicable.

4 Tax offset applies to the amount of this component, after all other components, within the defined benefit income cap of \$106,250 per annum, and is capped at \$106,250 per annum.

5 When the beneficiary turns 60, a 10% tax offset will apply as per footnote 4 above.

Retirement

	2022/23 (\$)
General pension transfer balance cap ^{1,2}	1,700,000

1 The cap applies to the total amount of superannuation that has been transferred into the retirement phase (excludes transition to retirement pensions).

2 Personal pension transfer balance cap between \$1.6 million and \$1.7 million may apply if a retirement phase income stream has ever been held prior to 1 July 2021.

Transfer balance account credits and debits

Credits	Debits
Value of existing account based pensions or other retirement income streams as at 30 June 2017	Rolling pension back to accumulation
Commencement of an account based pension or other retirement income stream on or after 1 July 2017	Lump sum commutation
Excess transfer balance earnings	Family law payment split
Certain repayments on Limited Recourse Borrowing Arrangements ¹	Fraud/Misappropriation
	Bankruptcy orders
	Structured settlement personal injury contribution
	Non-commutable excess transfer balance

1 Applies to LRBAs entered into post 1 July 2017 where repayments shift value from accumulation to retirement phase.

Income streams – minimum payment

Age of pensioner	Standard minimum percentage	Reduced minimum percentage
Under 65	4	2
65-74	5	2.5
75-79	6	3
80-84	7	3.5
85-89	9	4.5
90-94	11	5.5
95 or more	14	7

Minimum payment = account balance x minimum percentage. Minimum is pro-rated if pension commenced part way through the financial year.

Minimum payment can be reduced by 50% in the 2019/20 to 2022/23 financial years.

Payment is not required for the first financial year if pension commenced on or after 1 June.

Income streams commenced under Transition to Retirement condition of release are subject to a maximum income payment of 10%. Maximum is not pro-rated if pension is commenced part way through the year.

Preservation age

Date of birth	Preservation age	Will reach preservation age
1 July 1963 to 30 June 1964	59	From 1 July 2022 to 30 June 2023
From 1 July 1964	60	From 1 July 2024

Individuals born before 1 July 1963 have already reached preservation age.

Centrelink pension age

Date of birth	Centrelink pension age	Will reach pension age
1 July 1955 to 31 December 1956	66.5	From 1 January 2022 to 30 June 2023
From 1 January 1957	67	From 1 January 2024

Individuals born on or before 1 January 1954 have already reached their Centrelink pension age.

Taxation of employer payments

Resignation or retirement

Unused long service leave payments	Tax
Pre 16 August 1978	5% included in assessable income and taxed at marginal rate ¹
16 August 1978 to 17 August 1993 inclusive	100% included in assessable income and taxed at a maximum rate of 30% ¹
Post 17 August 1993 service	100% included in assessable income and taxed at marginal rate ¹

Unused annual leave payments	Tax
Pre 18 August 1993 service	100% included in assessable income and taxed at a maximum rate of 30% ¹
Post 17 August 1993 service	100% included in assessable income and taxed at marginal rate ¹

¹ Plus Medicare levy where applicable.

Genuine redundancy, invalidity or early retirement scheme

First \$11,591 plus \$5,797 for each completed year of service is tax free. Remainder of payment is an employment termination payment (excluding annual leave and long service leave payments).

Unused long service leave payments Tax

Pre 16 August 1978 service	5% included in assessable income and taxed at marginal rate ¹
Post 15 August 1978 service	100% included in assessable income and taxed at a maximum rate of 30% ¹

Unused annual leave payments Tax

100% included in assessable income and taxed at a maximum rate of 30%¹

¹ Plus Medicare levy where applicable.

Employment Termination Payments

Employment termination payments (ETP) cannot be rolled into superannuation. Taxation of ETPs depends on the reason for receiving the ETP. Unless it is an excluded ETP, the payment will only attract the ETP concessional tax rates when income including the ETP is less than \$180,000 and within the ETP cap amount.

Life benefit termination payments (excluded ETPs)¹

Component	Age	Amount (\$)	Tax (%)
Tax-free	Any age	All of component	Tax-free
	Under preservation age	First 230,000	30 ²
Taxable	Preservation age or over	Balance	45 ²
		First 230,000	15 ²
		Balance	45 ²

¹ Applies if termination payment solely consists of amounts relating to genuine redundancy, employment related disputes and permanent incapacity.

² Plus Medicare levy where applicable.

Life benefit termination payments (not excluded ETPs)¹

Component	Age	Amount (\$)	Tax (%)
Tax-free	Any age	All of component	Tax-free
	Under preservation age	First 180,000 less taxable income (excluding this ETP)	30 ²
Taxable	Preservation age or over	Balance	45 ²
		First 180,000 less taxable income (excluding this ETP)	15 ²
		Balance	45 ²

¹ Applies to golden handshakes and any termination payments that would have been received upon resignation and are not excluded ETPs.

² Plus Medicare levy where applicable.

Different rules apply if both excluded and non-excluded ETPs are received in the same financial year.

Death benefit termination payments

Component	Paid to	Amount (\$)	Tax (%)
Tax-free	Anyone	All of component	Tax-free
Taxable	Dependant	First 230,000	Tax-free
		Balance	45 ¹
	Non-dependant	First 230,000	30 ¹
		Balance	45 ¹

¹ Plus Medicare levy where applicable.

Note: Tax rates shown for all ETPs are maximum rates except where the highest marginal rate applies.

Important information

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SMSF Administration Solutions Pty Ltd ABN 76 097 695 988

Phone 1300 023 170

Web superconcepts.com.au

Email enquiries@superconcepts.com.au



superconcepts.com.au