

For the spiciest **tax data** for 2006/2007...

Grant Thornton 



Resident individuals

Taxable income (\$)	Tax payable (\$)
0 – 6,000	0
6,001 – 25,000	15% of amount over 6,000
25,001 – 75,000	2,850 + 30% of amount over 25,000
75,001 – 150,000	17,850 + 40% of amount over 75,000
150,001 and over	47,850 + 45% of amount over 150,000

Add 1.5% Medicare levy (except for low income earners).
Add 1% Medicare levy surcharge for high-income earners without private patient hospital cover.

Non-resident individuals

Taxable income (\$)	Tax payable (\$)
0 – 25,000	29%
25,001 – 75,000	7,250 + 30% of amount over 25,000
75,001 – 150,000	22,250 + 40% of amount over 75,000
150,001 and over	52,250 + 45% of amount over 150,000

Maternity payment - the new improved baby bonus

One off lump sum of \$4,000 on the birth of each child (or adoption before two years of age), occurring after 1 July 2006 and increases to \$5,000 (1 July 2008). There is no means test.

PAYG quarterly instalments

Due dates: 28 October 2006, 28 February 2007, 28 April 2007, 28 July 2007.

Instalments only payable if individual taxpayer has received instalment rate notice from the Commissioner.

Capital gains tax

Exemption/Discounts	
Discount on capital gains for individuals and trusts*	50%
Discount on capital gains for superannuation funds*	33.3%
Net asset threshold for small business exemptions	\$5,000,000**
Retirement exemption on capital gains	\$500,000
Indexation frozen from 30/9/1999 at indexation number	123.4
CGT improvement threshold	112,512

*Assets must have been held for at least 12 months-other limitations apply. Other small business concessions may also apply.

**It is currently proposed that this will be increased to \$6,000,000.

Company tax

Tax rate 30%

Division 7A benchmark interest rate 7.55%

Pay As You Go (PAYG) instalments	1st	2nd	3rd	4th
Due dates for 30 June balance date	30/10/06	28/2/07	30/4/07	30/7/07

- instalments only payable if taxpayer has received instalment rate notice from the Commissioner
- options available for calculating instalments and number of instalments payable each year according to Commissioner's guidelines
- due dates are 21 days after each quarter end for companies paying GST monthly
- companies with substituted accounting periods pay PAYG instalments on the 28th day after each quarter end
- any balance of tax payable is due on lodgement of the company tax return.

Lodgement & payment dates

Taxable large/medium businesses	Payment	1/12/06
	Lodge	15/1/07
Substituted Accounting Period (SAP) taxpayers	Payment	1st day of 6th month after year end
	Lodge	15th day of 7th month after year end
Other taxable businesses		15 May 2007
Non-taxable businesses (excluding large/medium businesses)		3 June 2007

*Note, new registrants or taxpayers with returns outstanding at 30 June 2006 may have different lodgement dates to the above.

Simplified dividend imputation

Shareholders rebate	Franking credit attached
Franking account credit/debit	Tax paid basis
Franking account deficit tax (FDT)	Deficit amount

Superannuation funds

Tax rate	15%
Tax rate non-arms length income & private company dividends	45%

Important due dates

Quarterly IAS & BAS	Super contributions	Monthly BAS
28/07/06	28/07/06	21/07/06
30/10/06	30/10/06	21/08/06
28/02/07	29/01/07	21/09/06
30/04/07	28/04/07	23/10/06
		21/11/06
		21/12/06
Payment summaries		
14/07/06		22/01/07
		21/02/07
Super guarantee shortfall		
28/08/06		21/03/07
28/11/06		23/04/07
28/02/07		21/05/07
28/05/07		21/06/07

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Superannuation guarantee

Minimum level of support	9%
Maximum contribution base for each quarterly period	\$35,240

- due date for contributions: 30 October 2006, 29 January 2007, 30 April 2007, and 30 July 2007.

Superannuation contributions	
Age based limits - deductions	
Under 35	\$15,260
35 to 49	\$42,385
Over 50	\$105,113

Self employed deduction formula	
Up to \$5,000	amount of contribution
Over \$5,000	\$5,000 plus 75% of excess
Subject to age based limits	

Reasonable benefit limits

Lump sum RBL	\$678,149
Pension RBL	\$1,356,291

Eligible termination payment

Post June 83 component		
Age	Taxed element*	Untaxed element*
Under 55	20%	30%

55 and over		
\$0 -135,590	0%	15%
\$135,590+	15%	30%

^{*}Excluding Medicare

Redundancy or early retirement

Tax free amount = \$6,783 + \$3,392 x years of service.

The balance of a redundancy or early retirement payment is taxed as an ETP.

Fringe Benefits Tax	
Rate 2006/07	46.5%
Fringe benefits gross-up factor 2006/07 [*]	2.0647
Return and payment due ^{**}	21 May 2007
Benchmark interest rate 2006/07	7.3%
Instalment threshold	\$3,000
Reportable fringe benefits threshold (per employee)	\$1,000 ^{***}
Car parking threshold	\$6.62

^{*} If an employer was entitled to an input tax credit for the benefits provided - otherwise the rate of 1.8692 will apply.

^{**} Instalment payments are due with quarterly Business Activity Statements.

^{***} It is currently proposed that this be increased to \$2,000.

Motor vehicle statutory formula	
kms per annum	FBT Value %
less than 15,000	26
15,000 to 24,999	20
25,000 to 40,000	11
more than 40,000	7

Goods and Services Tax

Tax rate [^]	10%
Annual turnover* threshold for registration (\$100,000 for non-profit organisations)	\$50,000
Annual turnover* threshold for accrual accounting	\$1,000,000 ^{**}
Annual turnover* threshold for monthly payments	\$20,000,000

[^]Calculated as 1/11th of the GST inclusive value.

^{*}Annual turnover includes taxable and GST free supplies connected with Australia.

^{**} This is proposed to increase to \$2,000,000.

Business Activity Statements (BAS)

BAS are required to be lodged by taxpayers to report and pay their tax obligations, including:

- GST
- Pay As You Go Withholding
- Pay As You Go Instalments
- FBT instalments

Quarterly activity statements are generally due on the 28th day after end of September, January, March and June.

Monthly activity statements are due on the 21st day after the end of each month.

Withholding tax	
Fully franked dividends	Nil
Unfranked dividends	30% (0%-25% if tax treaty)
Interest	10%
Royalties	30% (5%-25% if tax treaty)
Remittance	via PAYG system

Capital allowances

Asset acquired	Rate
pre 21/9/1999	accelerated
post 21/9/1999	effective life
less than \$1,000	37.5% diminishing if pooled [*]

- different rates apply to Simplified Tax System taxpayers
- business establishment and many other business related costs are deductible over 5 years
- building write-off 2.5% per annum if construction started before 22 August 1984 or after 15 September 1987.

^{*}18.75% for first year in pool

Motor vehicle business deductions

Alternatives available for expense claims for individuals:

- Up to 5,000 kilometres business use

Non-rotary (cc)	Rotary (cc)	Per km rates
0-1600	0-800	55c
1601-2600	801-1300	66c
2601+	1301+	67c
- Over 5,000 km 1/3 total expenses or 12% of cost of car or per km rate limited to 5,000 kms
- Regardless of distance log book method

Motor vehicle depreciation cost limit \$57,009

Stamp duty

At the time of publishing this document various State Governments had committed to reducing stamp duty. Please consult your advisor prior to relying on these rates.

Transfer of shares for all states		
Securities	Duty payable	
Quoted	Nil	
Unquoted	60 cents for every \$100 (nil in Vic [*] , WA, NT and Tas)	

^{*}Transfers of shares in land rich companies remain dutiable in Victoria

Transfer of property - maximum stamp duty rates			
State	Consideration	Duty payable (\$)	
NSW ^{**}	Over 1,000,000	\$40,490 + 5.5% for every \$100 excess	
ACT	Over 1,000,000	\$49,250 + 6.75% for excess over \$1m	
VIC [*]	Over 870,000	5.5%	
QLD [^]	Over 500,000	\$15,975 + 3.75% for excess over \$500,000	
SA	Over 500,000	\$21,330 + 5.5% for excess over \$500,000	
WA	Over 500,000	\$20,700 + 5.4% for excess over \$500,000	
TAS	Over 225,000	\$6,550 + 4% for excess over \$255,000	
NT	Over 500,001	5.4%	

^{*}Applies to transfer of real property

^{**}Premium property duty of 7% is payable on excess over \$3m of residential properties

[^]For residential property value over \$500,000 stamp duty is \$11,250 plus 3.75% of the excess.

Mortgage duty - maximum stamp duty rates							
State	Amount secured (\$)	Duty payable					
NSW	Over 16,000	\$5 + 0.4% for excess over \$16,000					
QLD	0.4%						
SA	Over 6,000	\$10 + 0.45% for excess over \$6,000 [*]					
TAS	Over 10,000	\$20 + 0.175% for excess over \$10,000					
WA	0.2%						
VIC	0.0	Abolished 1 July 2004					

^{*}Loans for residential homes are exempt.

Payroll tax								
	NSW	VIC	QLD	SA	TAS	WA	NT	ACT
Threshold ('000)	600	550	1000	504	1010	750	1250	1250
Rate on excess	6%	5.15%	4.75%	5.5%	6.1%	5.5%	6.2%	6.85%