

For the juiciest **tax data** from
2005/2006...

Grant Thornton 



Resident individuals

Taxable Income (\$)	Tax Payable (\$)
0 - 6,000	0
6,001 - 21,600	15% of amount over 6,000
21,601 - 63,000	2,340 + 30% of amount over 21,600
63,001 - 95,000	14,760 + 42% of amount over 63,000
95,001 and over	28,200 + 47% of amount over 95,000

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 - 21,600	29%
21,601 - 63,000	6,264 + 30% of amount over 21,600
63,001 - 95,000	18,684 + 42% of amount over 63,000
95,001 and over	32,124 + 47% of amount over 95,000

Maternity payment - the new improved baby bonus

One off lump sum of \$3,000 on the birth of each child (or adoption before 26 weeks of age) occurring after 1 July 2004 and increases to \$4,000 (1 July 2005) and \$5,000 (1 July 2008).

PAYG quarterly instalments

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

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

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

Company tax

Tax Rate 30%

Pay As You Go (PAYG) Instalments	1st	2nd	3rd	4th
Due dates for 30 June balance date	28/10/05	28/2/06	28/4/06	28/7/06

- 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 28th day after each quarter end.
- any balance of tax payable is due on lodgement of the company tax return.

Simplified dividend imputation

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

N.B. Inter-corporate dividend rebate has not been available since 1 July 2003.

Superannuation funds

Tax rate	15%
Tax rate for non-arms length income & private company dividends	47%
Surcharge	Nil

Important due dates

Quarterly IAS & BAS	Super Contributions	BAS
28/07/05	28/07/05	21/07/05
28/10/05	28/10/05	22/08/05
28/02/06	28/02/06	21/09/05
28/04/06	28/04/06	21/10/05
		22/11/05
		21/12/05
Payment Summaries		23/01/06
14/07/05		21/02/06
		21/03/06
Super Guarantee Shortfall		21/04/06
15/08/05		22/05/06
14/11/05		21/06/06
14/02/06		
15/05/06		

FBT Return	Superannuation Surcharge
29/05/06	15/12/05
	15/09/06

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Superannuation Guarantee

Minimum level of support	9%
Maximum contribution base for each quarterly period	\$33,720

- Due date for contributions: 28 October 2005, 28 January 2006, 28 April 2006, and 28 July 2006.

Superannuation contributions

Age based limits - deductions

Under 35	\$14,603
35 to 49	\$40,560
Over 50	\$100,587

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	\$648,946
Pension RBL	\$1,297,886

Eligible termination payment

Post June 83 component

Age	Taxed element*	Untaxed element*
Under 55	20%	30%

55 and over

\$0-129,751	0%	15%
\$129,751+	15%	30%

*Excluding Medicare

Redundancy or early retirement

Tax free amount = \$6,491 + 3,246 x completed years of service. The balance of a redundancy or early retirement payment is taxed as an ETP.

Fringe Benefits Tax

Rate 2004/05	48.5%
Fringe benefits gross-up factor 2005/06 *	2.129189
Return and payment due**	29 May 2006
Benchmark interest rate 2005/06	7.05%
Instalment threshold	\$3,000
Reportable fringe benefits threshold (per employee)	\$1,000

* If employer was entitled to an input tax credit for the benefits provided - otherwise the rate of 1.9417 will apply.

** Instalment payments are due with quarterly Business Activity Statements.

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.

Business Activity Statements (BAS)

BAS's 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 equity raising 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:

- (i) Up to 5,000 kilometres business use

Non-rotary (cc)	Rotary (cc)	Per km rates
0-1600	0-800	52c
1601-2600	801-1300	62c
2601+	1301+	63c

- (ii) over 5,000 km 1/3 total expenses or 12% of cost of car or per km rate limited to 5,000 kms
- (iii) regardless of distance log book method

Motor vehicle depreciation cost limit \$57,009

Payroll Tax

	NSW	VIC	QLD	SA	TAS	WA	NT	ACT
Threshold ('000)	600	550	850	504	1010	750	1000	1250
Rate on excess	6%	5.25%	4.75%	5.5%	6.1%	5.5%	6.2%	6.85%

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 Victoria ^{***} , WA and Tasmania)

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

Transfer of Property - Maximum Stamp Duty Rates

State	Consideration	(\$) ¹ 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.

Vendor Duty

State	(\$) ¹ Duty Payable
NSW	2.25%

Mortgage Duty - Maximum Stamp Duty Rates

State	Amount Secured	(\$) ¹ 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	\$25 + 0.35% for excess over \$10,000
WA	0.4%	
VIC	0.0	Abolished 1 July 2004