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Medicare levy variation declaration

How to complete a Medicare levy variation declaration form (NAT 0929) to vary the amount withheld from payments.

Last updated 11 December 2024

Who should complete this form

Complete a *Medicare levy variation declaration* if you want to:

- increase the amount withheld from payments to you to cover the Medicare levy surcharge
- claim an exemption from the Medicare levy
- reduce the pay as you go (PAYG) amount withheld that covers Medicare levy from payments to you
- claim an exemption from compulsory Higher Education Loan Program (HELP), VET Student Loan (VSL), Financial Supplement (FS), Student Start-up Loan (SSL) or Australian Apprenticeship Support Loan (AASL) repayments.

You must provide, or have previously provided, your payer with a completed *Tax file number declaration* (NAT 3092) quoting your tax file number or claiming an exemption from quoting it, before you can vary your Medicare levy.

You must lodge a new form if either:

- you start to receive payments from a new payer and want them to vary the amount withheld
- your circumstances change.

You need to provide all the information requested on this form.

Providing the wrong information may lead to incorrect amounts being withheld from payments made to you.

Claiming an exemption or varying the amount withheld

Complete this form to claim an exemption from the Medicare levy or to vary the amount withheld for the levy if one of the following applies:

- You're in one of the Medicare levy exemption categories.
- You're eligible for a reduced Medicare levy because either
  - the combined weekly income of you and your spouse is less than $1,053 or, if you maintain a child or student, less than the relevant amount shown in Table A
  - you are a sole parent with a weekly income of less than $1,150 or, if you maintain more than one child or student, less than the relevant amount shown in Table A.
- You have to pay the Medicare levy surcharge and want to increase the amount withheld from payments to you to cover the surcharge (for more information, see Question 4).

Also complete this form if you want to claim an exemption from HELP, VSL, FS, SSL or AASL repayments for a year because you are entitled to a reduction of the Medicare levy.

Reduced Medicare levy

Your Medicare levy is reduced if your family taxable income is below a certain amount. In some cases, you may not have to pay this levy at all.

Refer to Table A to check if your weekly income qualifies you for a reduction in the Medicare levy.

Table A: Weekly income

Number of dependent children	Weekly income
0	$1,053
1	$1,150

2	$1,247
3	$1,344
4	$1,441
5	$1,538
6	$1,634
7	$1,731
8	$1,828
9	$1,925
10	$2,022

How to get this form

You can get the *Medicare levy variation declaration* form:

- Online
- Phone us
- Download

Easier online

It's fast and easy to complete your *Medicare levy variation declaration* online through ATO online services. To access the form, you need to link your myGov account to the Australian Taxation Office (ATO). The online form can be used for employment and non-employment related payments. This includes payments from a superannuation income stream or compensation payments.

You can also view your current and historical tax details in ATO online services. Sign in to your myGov account and go to your linked ATO online services. Select **Employment** from the menu, and then **Employment details**.

For more information on how to complete the form online, see Access and complete employment forms in ATO online.

Phone us

To get a copy of this form emailed to you, phone our automated Publications distribution service on **1300 720 092** (24 hours a day, 7 days a week):

- order - *Medicare levy variation declaration* (NAT 0929)
- print the form and fill it in by hand.

Download

You can also download the Medicare levy variation declaration (NAT 0929, PDF 424KB) form, and either:

- fill in the form on screen, then save and print the form
- print the form and fill it in by hand.

How to complete the form – payee

The following instructions are for the downloadable or printed copy of the form. If completing the form online, see Access and complete employment forms in ATO online.

Section A: Payee's declaration

To be completed by payee.

- Question 1 – What is your tax file number (TFN)?
- Questions 2 and 3
- Question 4 – Do you want your payer to increase the amounts withheld from you to cover the Medicare levy surcharge (MLS)?
- Questions 5, 6 and 7 – Claiming a Medicare levy exemption
- Question 8 – Do you want to claim a Medicare levy reduction?
- Questions 9 and 10
- Question 11 – Do you have a Higher Education Loan Program (HELP), VET Student Loan (VSL), Financial Supplement (FS) Student Start-up Loan (SSL) or Australian Apprenticeship Support Loan (AASL) debt?
- Question 12 – Do you have dependent children?

- Declaration

Question 1 – What is your tax file number (TFN)?

We and your payer are authorised by the *Taxation Administration Act 1953* to request your tax file number. You're not legally required to quote your TFN. However, quoting your TFN reduces the risk of administrative errors and having extra tax withheld.

Your payer is required to withhold the top rate of tax from all payments made to you if you don't provide your TFN or claim an exemption from quoting your TFN.

Where to find your TFN

If you already have a TFN, you can find it online through myGov by going to your linked ATO online services.

If you don't have a myGov account, you can usually find your TFN on:

- your income tax notice of assessment (NOA), if you have lodged a tax return
- letters you have received from us, such as a statement of account
- a payment summary or income statement (provided by your employer)
- your superannuation account statement.

If you use a registered tax agent, you can ask them for your TFN.

If you still can't find your TFN after checking these options, you can phone us.

Questions 2 and 3

Complete these questions by providing your personal information. For details about the information we collect, see Privacy notice – Medicare levy variation declaration.

Question 4 – Do you want your payer to increase the amounts withheld from you to cover the Medicare levy surcharge (MLS)?

You are liable for the MLS if you meet all of the following conditions:

- you and your dependants (including your spouse) are not in any of the 3 Medicare levy exemption categories

- you don’t have an appropriate level of private patient hospital cover for yourself, your spouse and all your dependent children
- you are either
  - single, have no dependants and your income for surcharge purposes is more than $97,000
  - a member of a family that has a combined income for surcharge purposes of $194,000 or more. The family income threshold is increased by $1,500 for each MLS dependent child after the first child.

Use the MLS income threshold tables below to work out which MLS rate applies to you.

Table B: Single

Income threshold	Rate
$97,000 or less	0%
Tier 1 $97,001 – $113,000	1%
Tier 2 $113,001 – $151,000	1.25%
Tier 3 $151,001 or more	1.5%

Table C: Family

Income threshold	Rate
$194,000 or less	0%
Tier 1 $194,001 – $226,000	1%
Tier 2 $226,001 – $302,000	1.25%

Tier 3 $302,001 or more	1.5%

For more information, see:

- Medicare levy – income for surcharge
- Income for Medicare levy surcharge

Questions 5, 6, and 7 – Claiming a Medicare levy exemption

Do you have more than one job?

If you are entitled to an exemption and have more than one job, you must lodge this form only with the payers you are claiming the tax-free threshold from.

If you receive income from more than one source, phone us to determine if you're eligible to have a reduced amount withheld from your income from other sources.

Medicare levy exemption categories

Medical – category 1

You may be able to claim a full or half Medicare levy exemption if you satisfy both of the following conditions:

1. One of the following Category 1 **medical conditions** applied during all or part of the income year

Table D: Conditions and their applied Medicare levy exemption

Condition	Exemption that applies
You had no dependants.	Full
Each of your dependants (including your spouse) either: • was in one of the exemption categories • had to pay the Medicare levy.	Full

You had dependent children who were not in an exemption category but who were also dependants of your spouse, and your spouse either: • had to pay the Medicare levy • met at least one of the medical conditions and you have completed a family agreement stating that your spouse will pay half of the levy for your joint dependants.	Full
You had at least one dependant (for example, a spouse) who both: • was not in an exemption category • didn't have to pay the Medicare levy.	Half
You were single or separated and you: • had a dependent child who was not in a Medicare levy exemption category • were entitled to Family Tax Benefit Part A or the rental assistance component of Family Tax Benefit Part A for that child • were in a shared care arrangement.	for the days that you didn't have care of your dependent child – Full
You had a spouse who met at least one of the medical conditions and you had a dependent child who was both: • not in an exemption category • dependent on both of you.	Either you or your spouse can claim a full exemption and the other can claim a half exemption by completing a family agreement.

Foreign resident – category 2

If you were a foreign resident for tax purposes for:

- the full year, you can claim a full exemption from the Medicare levy
- only part of the year, you can still claim full exemption from the Medicare levy for that period if either
  - you didn't have any dependants for that period
  - all your dependants were in a Medicare levy exemption category for that period.

Not entitled to medical benefits – category 3

You can claim a full exemption for any period that you:

- have a Medicare Entitlement Statement (MES) showing you were not entitled to Medicare benefits because you were a temporary resident for Medicare purposes, and either:
  - you didn't have any dependants for that period
  - all your dependants (including your spouse) were also in a Medicare levy exemption category for that period
- are a member of a diplomatic mission or consular post in Australia and meet other conditions.

For more information about how to apply for a MES:

- phone Services Australia on **1300 300 271**
- visit the Services Australia website at Medicare Entitlement Statement.

Question 8 – Do you want to claim a Medicare levy reduction?

Reduction based on family taxable income

If you're not in an exemption category, you may be able to claim a reduction based on your family taxable income. To be eligible, you must be in one of the following categories:

- You had a spouse (married or de facto) on the last day of the financial year.

- Your spouse died during the year, and you didn't have another spouse before the end of the year.
- You were a sole parent at some time during the year (that is, you had sole care of any dependent children or students). This includes any child for whom you had sole care, not just your own child.

If you are eligible, one of the following must also apply:

- you are a sole parent with a gross weekly income of less than $1,150 or, if you have more dependants, less than the relevant amount shown in Table A.
- you have a spouse, and your combined gross weekly income is less than $1,053 or, if you have one or more dependants, less than the relevant amount shown in Table A.

For example, the relevant income amount for both parents with 2 dependent children is $1,247 a week. If your combined weekly income is less than this amount, answer **Yes** at question 8.

If you are entitled to a reduction, answer **Yes** at question 8.

Question 9

Do you have a spouse?

If you have a spouse, answer **Yes** at question 9.

Question 10 – Is the combined weekly income of you and your spouse, or your income as a sole parent, less than the relevant amount in Table A?

If your combined income or your income is less than the weekly income amount, answer **Yes** at Question 10.

Question 11 – Do you have a Higher Education Loan Program (HELP), VET Student Loan (VSL), Financial Supplement (FS) Student Start-up Loan (SSL) or Australian Apprenticeship Support Loan (AASL) debt?

Answer **Yes** if you have a HELP, VSL, FS, SSL, or AASL debt.

Answer **No** if you don’t have a HELP, VSL, FS, SSL or AASL debt, or have repaid your debt in full.

Trade support loan (TSL) is now known as Australian Apprenticeship Support Loan (AASL).

For more information, see Study and training support loans.

Question 12 – Do you have dependent children?

Answer **Yes** if you have dependent children and write the number of children at this question.

For more information, see Dependent children for Medicare levy family income reduction purposes.

Sign and date the declaration

Make sure you have answered all questions in Section A, then sign and date the declaration.

Give the declaration to your payer so they can work out how much tax to withhold from payments they make to you.

Payer obligations

Section B: Payer's declaration

To be completed by payer.

If you withhold amounts from payments, or are likely to withhold amounts, your payee may give you either a printed:

- copy of *Medicare levy variation declaration* (NAT 0929) with Section A completed.
- summary of their employee tax or details summary (or both) from ATO online services.

A *Medicare levy variation declaration* applies to payments made after the declaration is provided to you. The information provided on this form is used to work out the amount of tax to be withheld from payments based on the PAYG withholding tax tables we publish.

If your payee gives you another declaration, it overrides any previous declarations.

The information in the completed *Medicare levy variation declaration* form must be treated as sensitive. Once you have completed, signed and dated the declaration, file the declaration form. **Don't send the declaration to us.**

The TFN rule issued under the *Privacy Act 1988* requires a TFN recipient to use secure methods when storing and disposing of TFN information. If a payee submits a new *Withholding declaration* or leaves your employment, you must keep this declaration for the current and following financial year.

Definitions

Child

A child includes:

- your child, whether born in marriage or not
- your adopted child
- a newborn or newly adopted child
- a child of your spouse (your stepchild)
- someone who is a child of yours within the meaning of the *Family Law Act 1975*.

Dependant

There are 3 different categories of dependants:

1. Family and dependant for Medicare levy surcharge purposes.

2. Dependants for Medicare levy exemption.

3. Dependent children for Medicare levy family income reduction purposes.

Sole care

Sole care means you alone had full responsibility for the upbringing, welfare and maintenance of a child or student.

You aren't considered to have sole care if you are living with a spouse (married or de facto) unless there are special circumstances. For example, if a spouse is medically incapable of assisting you with the care.

Spouse

Your spouse includes another person (of any sex) who either:

- you were in a relationship with that was registered under a prescribed state or territory law
- although not legally married to you, lived with you on a genuine domestic basis in a relationship as a couple.

Spouse weekly income

If the income of your spouse consists solely of salary or wages, the amount to be taken into account is the gross weekly earnings before tax. If your spouse has income other than earnings (for example, share dividends), you must take into account the weekly equivalent of all their income. To obtain this amount, divide their estimated taxable income from all sources by 52.

Medicare levy – income for surcharge purposes

Your income for Medicare levy surcharge purposes is the sum of the following items for you (and your spouse, if you have one):

1. Taxable income

- include the net amount on which family trust distribution tax has been paid
- don't include any assessable first home super saver (FHSS) released amount for the income year under the FHSS scheme

2. Reportable fringe benefits

3. Total net investment losses – the sum of

- net financial investment losses
- net rental property losses

4. Reportable super contributions – the sum of

- reportable employer super contributions
- deductible personal super contributions

5. If you have a spouse, their share of the net income of a trust on which the trustee must pay tax (under section 98 of the *Income Tax Assessment Act 1936*) and which has not been included in their taxable income.

If you had exempt foreign employment income, add it to your taxable income if your taxable income is $1 or more.

If you meet both of the following conditions, you can reduce income for MLS purposes by any taxed element of the super lump sum, other than a death benefit, that does not exceed your (or your spouse's) low rate cap:

- you (or your spouse) are aged from your (or their) preservation age to under 60 years old
- you (or your spouse) received a super lump sum.

QC 17088

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If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

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