



# Medicare levy adjustment fortnightly tax table

Withholding tax table for fortnightly payments to an employee who is entitled to a Medicare levy adjustment.

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## Using this tax table


**This tax table is for payments made from 1 July 2024.**

Use this tax table if you make payments to your employee on a fortnightly basis and they are entitled to a Medicare levy adjustment.

This tax table should be used with the [Fortnightly tax table](#) and the [Medicare levy variation declaration](#).

You can also:

- use the [Medicare levy adjustment lookup tool \(XLSX, 34KB\)](#) to quickly work out a Medicare levy adjustment

- download a printable version of [Medicare levy adjustment fortnightly tax table \(NAT 1011, PDF 868KB\)](#) .

## When your employee is entitled to a Medicare levy adjustment

Your employee is entitled to an adjustment if they meet all of the following requirements:

- they have provided you with a **Medicare levy variation declaration** in which they
  - claimed dependants
  - answered **yes** to question 10 in the declaration '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 on page 2?'
- they have fortnightly earnings of \$1,000 or more, but less than the corresponding amount in column A of **Table 1** – for example, an employee who claims 2 dependent children must have fortnightly earnings of less than \$2,494 to be entitled to a Medicare levy adjustment.

No Medicare levy is payable on fortnightly earnings of less than \$1,000.

If your employee claims more than 10 children, the column A amount is \$4,044 plus \$194 for each child claimed in excess of 10.

Column B shows the values used in calculating adjustments for employees with more than 5 dependent children. If your employee claims more than 10 dependent children, the column B amount is \$3,235.24 plus \$154.90 for each child in excess of 10.

For information about how to use Table 1, refer to **Working out the Medicare levy adjustment**.

### Medicare levy adjustments

**Table 1: Medicare levy adjustment fortnightly earnings limits**

Dependants	Column A	Column B
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Spouse only	\$2,106	-
1 child	\$2,300	-
2 children	\$2,494	-
3 children	\$2,688	-
4 children	\$2,882	-
5 children	\$3,076	-
6 children	\$3,268	\$2,615.70
7 children	\$3,462	\$2,770.58
8 children	\$3,656	\$2,925.46
9 children	\$3,850	\$3,080.34
10 children	\$4,044	\$3,235.24

## Working out the withholding amount

To work out the amount you need to withhold, you must:

1. Use the **Fortnightly tax table** to find the fortnightly amount to withhold from your employee's earnings, allowing for any tax offsets claimed.
2. Reduce this amount by the amount of the Medicare levy adjustment, worked out as detailed in **Working out the Medicare levy adjustment**.


Where the adjustment equals or exceeds the amount obtained in step 1, the amount to be withheld is nil.

## Working out the Medicare levy adjustment


How you work out the Medicare levy adjustment varies depending on the number of dependent children your employee is claiming, see either:

- Employee claiming spouse and/or one to 5 dependent children
- Employee with more than 5 dependent children.

## Employee claiming spouse and/or one to 5 dependent children

Round the fortnightly earnings down to the nearest dollar amount. Input the fortnightly earnings into the [Medicare levy adjustment lookup tool \(XLSX, 34KB\)](#)  and find the corresponding amount of Medicare levy adjustment in the appropriate column.

### Example: employee claiming spouse and/or one to 5 dependent children


The employee has fortnightly earnings of \$1,036 and is claiming 4 dependent children on the *Medicare levy variation declaration*. Input \$1,036 into the [Medicare levy adjustment lookup tool \(XLSX 34KB\)](#)  and refer to the corresponding Medicare levy adjustment of \$4.00 from the '4 children' column.

## Employee with more than 5 dependent children

How you work out the Medicare levy adjustment for an employee with more than 5 dependent children varies depending on the fortnightly earnings of your employee. Refer to:

- Fortnightly earnings less than \$2,461
- Fortnightly earnings of \$2,461 or more but less than the column B amount that corresponds to the number of dependent children claimed
- Fortnightly earnings of \$2,461 or more and greater than the column B amount but less than the column A amount that corresponds to the number of dependent children claimed.

### Fortnightly earnings less than \$2,461

Use the '5 children' column. Round the fortnightly earnings down to the next dollar amount. Input the fortnightly earnings into the [Medicare levy adjustment lookup tool \(XLSX, 34KB\)](#)  and refer to the

corresponding amount of Medicare levy adjustment from the '5 children' column.

**Example: fortnightly earnings less than \$2,461**

The employee has fortnightly earnings of \$1,015.30 and is claiming 6 dependent children. Input \$1,015 into the [Medicare levy adjustment lookup tool \(XLSX, 34KB\)](#) and refer to the corresponding Medicare levy adjustment of \$2.00 from the '5 children' column.

**Fortnightly earnings of \$2,461 or more but less than the column B amount that corresponds to the number of dependent children claimed**

Round the fortnightly earnings down to the next dollar amount. Take 2% of that amount and round to the nearest dollar.

**Example: fortnightly earnings of \$2,461 or more but less than the column B amount**

The employee has fortnightly earnings of \$2,530.50 and is claiming 7 dependent children. Take 2% of \$2,530 (the next lower dollar amount), this equals \$50.60.

The Medicare levy adjustment is \$51, rounded to the nearest dollar.

**Fortnightly earnings of \$2,461 or more and greater than the column B amount but less than the column A amount that corresponds to the number of dependent children claimed**

Complete steps 1–4 below:

1. Take 2% of the relevant column B amount. Round the result to the nearest cent.
2. Take 8% of the difference between the fortnightly earnings (round down to the next dollar amount) and the column B amount. Round the result to the nearest cent.

3. Subtract the result of step 2 from step 1.
4. Round the result to the nearest dollar.

**Example: fortnightly earnings of \$2,461 or more and greater than the column B amount**

The employee has fortnightly earnings of \$3,066.00 and is claiming 8 dependent children.

1.  $2\% \times \$2,925.46$  (column B amount for 8 children)  
= \$58.51
2.  $8\% \times (\$3,066.00 - \$2,925.46)$   
=  $8.0\% \times \$140.54$   
= \$11.24
3.  $\$58.51 - \$11.24$   
= \$47.27
4. \$47.00 (\$47.27 rounded to the nearest dollar).

The Medicare levy adjustment is \$47.

## Using a formula

The withholding amounts shown in this tax table can be expressed in a mathematical form.

If you have developed your own payroll or accounting software package, refer to **Schedule 1 – Statement of formulas for calculating amounts to be withheld**.

## PAYG withholding publications

You can access all PAYG withholding tax tables and other PAYG withholding publications at:

- Tax tables
- PAYG withholding.

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