



# Weekly tax table with no and half Medicare levy

Withholding tax table for weekly payments to a prescribed person entitled to a full or half Medicare levy exemption.

**Last updated** 17 June 2024

## Using this tax table

**This tax table applies to payments made from 1 July 2024.**

Use this tax table if you make payments to a prescribed person entitled to a full or half Medicare levy exemption. Prescribed persons include members of the defence force and certain recipients of repatriation and social security pensions and benefits.

You should use this tax table if you make any of the following payments to these payees on a weekly basis:

- salary, wages, allowances and leave loading paid to employees
- paid parental leave
- directors' fees
- salary and allowances paid to office holders (including members of parliament, statutory office holders, defence force members and police officers)
- payments to labour-hire workers
- payments to religious practitioners
- government education or training payments
- compensation, sickness or accident payments that are calculated at a periodical rate and made because a person is unable to work

(unless the payment is made under an insurance policy to the policy owner).

If you make payments to these payees on a monthly or quarterly basis, you will need to convert their payments into weekly earnings. For more information, refer to [Working out the monthly or quarterly withholding amounts](#).

If you make fortnightly payments, refer to [Fortnightly tax table with no and half Medicare levy](#).



For this tax table to apply, your payee must have completed both a:

- valid [Tax file number declaration](#) claiming the tax-free threshold
- [Medicare levy variation declaration](#) claiming a full or half levy exemption from their Medicare levy.

Other tax tables may apply if you made payments to shearers, workers in the horticultural industry, performing artists and those engaged on a daily or casual basis.

This tax table does not apply to individuals who are not prescribed persons. This includes foreign residents, or individuals employed in the seasonal workers programme or under a working holiday maker visa.

You can also:

- use the [Medicare levy adjustment tool \(XLSX, 34KB\)](#)  to quickly work out a Medicare levy adjustment
- download a printable version of [Weekly tax table with no and half Medicare levy \(NAT 1008, PDF 2.1MB\)](#) .

## Medicare levy adjustments

To claim the Medicare levy adjustment available in certain situations, your payee must give you a [Medicare levy variation declaration](#) with their *Tax file number declaration*.

If a payee has claimed a half levy exemption from the Medicare levy and has also answered **yes** to questions 10 and 12 on the *Medicare levy variation declaration*, they may be entitled to a Medicare levy adjustment if their weekly earnings are \$739 or more. Refer to [Medicare levy adjustment to half levy](#) for instructions on working out the Medicare levy adjustment to half levy.

## Eligibility for a full exemption

To obtain a full exemption from the Medicare levy, your payee must have completed section A of the *Medicare levy variation declaration* and answered 'yes' to the following:

- Question 5 – 'Do you qualify for a Medicare levy exemption?'
- Question 6 – 'Do you want to claim a full exemption from the Medicare levy?'

## Eligibility for a half levy exemption

To obtain a half levy exemption from the Medicare levy, your payee must have completed section A of the *Medicare levy variation declaration* and answered 'yes' to the following:

- Question 5 – 'Do you qualify for a Medicare levy exemption?'
- Question 7 – 'Do you want to claim a half levy exemption from the Medicare levy?'


## Using a formula

The withholding amounts and Medicare levy adjustments 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**.


## Working out the withholding amount

To work out the withholding amount, follow these steps:

1. Calculate your employee's total weekly earnings – add any allowances and irregular payments that are to be included in this week's pay to the normal weekly earnings, ignoring any cents.
2. Input the amount from step 1 into the [Withholding lookup tool \(XLSX, 33KB\)](#)  as per instructions in the tool.
3. Use the appropriate column to find the amount to withhold. If your employee is claiming:
  - full Medicare levy exemption, use column 2

- half Medicare levy exemption, use column 3.
4. Adjust the withholding amount found in step 3 if your employee:
- is entitled to a [tax offset](#)
  - is entitled to an adjustment for the [Medicare levy – half levy](#)
  - has advised you of an accumulated Higher Education Loan Program (HELP), VET Student Loan (VSL), Financial Supplement (FS), Student Start-up Loan (SSL) or Australian Apprenticeship Support Loan (AASL) debt. See [Study and training support loans weekly tax table](#).


### Example: full exemption from the Medicare levy

An employee has weekly earnings of \$871.40. Ignoring cents, input \$871 into the [Withholding lookup tool \(XLSX, 33KB\)](#)  and refer to the corresponding amount to be withheld of \$84 from column 2.

The employee has claimed a tax offset of \$500 on the *Withholding declaration*. To work out their weekly equivalent to their entitlement, take 1.9% of \$500 which is \$10 (rounded to the nearest dollar).

Subtract this amount from \$84 and the result of \$74 needs to be withheld.

### Example: half Medicare levy exemption

An employee has weekly earnings of \$879.90. Ignoring cents, input \$879 into the [Withholding lookup tool \(XLSX 33KB\)](#)  and refer to the corresponding amount to be withheld of \$88 from column 3.

The employee has claimed a tax offset of \$1,000 on the *Withholding declaration*. To work out their weekly entitlement, take 1.9% of \$1,000 which is \$19.

Subtract this amount from \$88 and the result of \$69 needs to be withheld.

## Working out the monthly or quarterly withholding amounts

First calculate the weekly equivalent of monthly or quarterly earnings. If you pay:

- **monthly** - obtain the sum of the monthly earnings and the amount of any allowances subject to withholding (if the result is an amount ending in 33 cents, add one cent), multiply this amount by three and then divide by 13. Ignore any cents in the result and then add 99 cents.
- **quarterly** – divide the sum of the quarterly earnings and the amount of any allowances subject to withholding by 13. Ignore any cents in the result and then add 99 cents.

Then calculate monthly or quarterly withholding amounts as follows:

- **monthly** – work out the rounded weekly withholding amount applicable to the weekly equivalent of earnings, before any adjustment for tax offsets. Multiply this amount by 13, divide the product by three and round the result to the nearest dollar.
- **quarterly** – work out the rounded weekly withholding amount applicable to the weekly equivalent of earnings, before any adjustment for tax offsets. Multiply this amount by 13.

## Tax file number (TFN) declarations

The answers your payees provide on their **Tax file number declaration** determines the amount you need to withhold from their payments. A *Tax file number declaration* applies to any payments made after you receive the declaration. If you receive an updated declaration from a payee, it will override the previous one.

If a payee does not give you a valid *Tax file number declaration* within 14 days of starting a payer/payee relationship, you must complete a *Tax file number declaration* with all available details of the payee and send it to us.

## When a TFN has not been provided

You must withhold 47% from any payment you make to a resident payee and 45% from a foreign resident payee (ignoring any cents), if all of the following apply:

- they have not quoted their TFN
- they have not claimed an exemption from quoting their TFN
- they have not advised you that they have applied for a TFN or have made an enquiry with us.

If a payee states at question 1 of the *Tax file number declaration* they have lodged a Tax file number – application or enquiry for individuals with us, they have 28 days to provide you with their TFN.

If the payee has not given you their TFN within 28 days, you must withhold 47% from any payment you make to a resident payee and 45% from a foreign resident payee (ignoring any cents), unless we tell you not to.

Do not allow for any tax offsets or Medicare levy adjustments. Do not withhold any amount for study and training support loans.

## When your payee has a study and training support loans debt

If your payee has a HELP, VSL, FS, SSL or AASL debt, you may need to withhold additional amounts from their payments. Your payee will need to notify you of this on their *Tax file number declaration* or *Withholding declaration*.

To calculate additional withholding amounts for:

- HELP, VSL, FS, SSL or AASL debts, refer to **Study and training support loans weekly tax table**.

## Allowances

Allowances are generally added to normal earnings and the amount to withhold is calculated on the total amount of earnings and allowances.

For more information on when to withhold and report on allowances, refer to **Withholding for allowances**.

# **Holiday pay, long service leave and employment termination payments**

## **Payees who continue working for you**

You must include holiday pay (including any leave loading) and long service leave payments as part of normal earnings, except when they are paid on termination of employment.

For more information, refer to *Withholding from leave payments for continuing employees*.

## **Payees who stop working for you**

This tax table does not cover any lump sum payments made to a payee who stops working for you.

If a payee has unused annual leave, leave loading or long service leave, refer to *Schedule 7 – Tax table for unused leave payments on termination of employment*.

Any other lump sum payments may be employment termination payments, refer to *Schedule 11 – Tax table for employment termination payments*.

Do not withhold any amount for study and training support loans debts from lump sum termination payments.


## **Leave loading**

If you pay leave loading as a lump sum, you now need to use *Schedule 5 – Tax table for back payments, commissions, bonuses and similar payments* to calculate withholding.

If you pay leave loading on a pro-rata basis, add the leave loading payment to earnings for the period to calculate withholding.

## **Claiming tax offsets**

If your payee chooses to claim their entitlement to a tax offset through reduced withholding, they must provide you with a *Withholding declaration*.

To work out the payees annual tax offset entitlement into a weekly value, use the [Ready reckoner for tax offsets](#). Deduct the weekly amount from the amount shown in column 2 or 3 of the [Withholding lookup tool \(XLSX, 33KB\)](#) .

If you pay your payee monthly or quarterly, use the following to calculate the relevant tax offset amount:

- **monthly** – 8.3% of the amount claimed at the tax offsets question on the *Withholding declaration*, rounded to the nearest dollar
- **quarterly** – 25% of the amount claimed at the tax offsets question on the *Withholding declaration*, rounded to the nearest dollar.

Do not allow for any tax offsets if any of the following apply:

- when a payee is not claiming the tax-free threshold
- you are using foreign resident rates
- when a payee does not provide you with their TFN.

### Example: claiming a tax offset

An employee with full Medicare levy exemption has weekly earnings of \$821 and, if using column 2, the amount to be withheld is \$75.

The employee claims a tax offset entitlement of \$1,000 on their *Withholding declaration*.

Using the [Ready reckoner for tax offsets](#), the weekly value is \$19.

The total amount to be withheld is worked out as follows:

Amount to be withheld on \$821 = \$75.00

less weekly offset value – \$19.00

**Total amount to be withheld = \$56.00**

## Ready reckoner for tax offsets

**Tax offset entitlement – weekly value**

<b>Amount claimed</b> \$	<b>Weekly value</b> \$
1	-
2	-
3	-
4	-
5	-
6	-
7	-
8	-
9	-
10	-
20	-
30	1
40	1
50	1
57	1
60	1
70	1
80	2
90	2
100	2

200	4
300	6
338	6
400	8
500	10
600	11
700	13
800	15
900	17
1,000	19
1,173	22
1,200	23
1,400	27
1,600	30
1,800	34
2,000	38
2,200	42
2,400	46
2,600	49
2,800	53
3,000	57

3,200	61
3,400	65
3,600	68
3,800	72
4,000	76

If the exact tax offset amount claimed is not shown in the ready reckoner, add the values for an appropriate combination of tax offsets.

### Example: claiming a tax offset

Tax offsets of \$422 claimed. For a weekly value add values of \$400, \$20 and \$2 from the weekly value column.

$$= \$8 + \$0 + \$0$$

$$= \$8$$

Therefore, reduce the amount to be withheld from weekly payments by \$8.

## Withholding declarations

A payee may use a **Withholding declaration** to advise you of a tax offset they choose to claim through reduced withholding from you.

Payees can also use a *Withholding declaration* to advise you of any changes to their situation that may affect the amount you need to withhold from their payments.

Changes that may affect the amount you need to withhold include:

- becoming or ceasing to be an Australian resident for tax purposes
- claiming or discontinuing a claim for the tax-free threshold
- advising of a HELP, VSL, FS, SSL or AASL debt, or changes to them
- entitlement to a seniors and pensioners tax offset.

When your payee provides you with a *Withholding declaration* it will take effect from the next payment you make. If you receive an updated declaration from a payee, it will replace the previous one.

A payee must have provided you with a valid *Tax file number declaration* before they can provide you with a *Withholding declaration*.

## Medicare levy adjustment to half levy table

### Using this table

Use this additional table if you make a payment to a payee who is entitled to an adjustment to their Medicare half levy.

You can download a printable version of [Weekly tax table with no and half Medicare levy \(NAT 1008, PDF 2.1MB\)](#) .

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

Your payee 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 questions 5, 7, 10 and 12
- they have weekly earnings of \$843 or more, but less than the corresponding amount in column A of [Table 1](#) – for example, a payee who claims 2 dependent children must have weekly earnings of less than \$1,247 to be entitled to a Medicare levy adjustment.

If your payee claims more than 10 children, the column A amount is \$2,022 plus \$97 for each child claimed in excess of 10.

Column B shows the values used in calculating adjustments for payees with more than 5 dependent children. If your payee claims more than 10 dependent children, the column B amount is \$1,617.62 plus \$77.45 for each child in excess of 10.

For information about how to use table 1, see [Working out the Medicare levy adjustment](#).

## Medicare levy adjustments

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

Number of children	Column A	Column B
1	\$1,150	–
2	\$1,247	–
3	\$1,344	–
4	\$1,441	–
5	\$1,538	–
6	\$1,634	\$1,307.85
7	\$1,731	\$1,385.29
8	\$1,828	\$1,462.73
9	\$1,925	\$1,540.17
10	\$2,022	\$1,617.62

## Working out the withholding amount with Medicare levy adjustments

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

1. Use column 3 from [Working out the withholding amount](#) to find the weekly amount to be withheld from the payees weekly earnings, allowing for any tax offsets claimed.
2. Reduce this amount by the amount of the Medicare levy adjustment.

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


## Working out the Medicare levy adjustment

If you make payments to your payee on a monthly or quarterly basis, you will need to convert their payments into weekly earnings. For more information, refer to [Working out the monthly or quarterly withholding amounts](#). For payments made on a fortnightly basis refer to [Fortnightly tax table with no and half Medicare levy](#).


How you work out the Medicare levy adjustment varies depending on the number of dependent children your payee is claiming. Refer to either:

- [Payee claiming spouse and/or 1 to 5 dependent children](#)
- [Payee with more than 5 dependent children](#)

### Payee claiming spouse and/or 1 to 5 dependent children

Input the payee's weekly earnings into the [Medicare levy adjustment to half levy lookup tool \(XLSX, 34KB\)](#)  as per instructions in the tool. Find the corresponding amount of Medicare levy adjustment from the appropriate number of children column.

#### Example: claiming 4 dependent children

The employee has weekly earnings of \$913.14 and is claiming 4 dependent children on the *Medicare levy variation declaration* form. Input \$913 into the [Medicare levy adjustment to half levy lookup tool \(XLSX, 34KB\)](#)  and refer to the corresponding Medicare levy adjustment of \$4.00 from the '4 children' column.

### Payee with more than 5 dependent children

How you work out the Medicare levy adjustment for a payee with more than 5 dependent children varies depending on the weekly earnings of the payee. Refer to:

- [Weekly earnings less than \\$1,230](#)

- [Weekly earnings of \\$1,230 or more but less than the column B amount that corresponds to the number of dependent children claimed](#)
- [Weekly earnings of \\$1,230 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](#)

## Weekly earnings less than \$1,230

Use the '5 children' column. Disregard any cents. Input the payee's weekly earnings into the [Medicare levy adjustment to half levy lookup tool \(XLSX 34KB\)](#) [↗](#) as instructed. Find the corresponding amount of Medicare levy adjustment from the '5 children' column.

### Example: weekly earnings less than \$1,230

The employee has weekly earnings of \$921.89 and is claiming 6 dependent children. Input \$921 into the [Medicare levy adjustment to half levy lookup tool \(XLSX, 34KB\)](#) [↗](#) and refer to the corresponding Medicare levy adjustment of \$4.00 from the '5 children' column.

## Weekly earnings of \$1,230 or more but less than the column B amount that corresponds to the number of dependent children claimed

Round the weekly earnings down to the nearest dollar and add 99 cents. Take 1% of that amount and round to the nearest dollar.

### Example: weekly earnings of \$1,230 or more but less than column B

The employee has weekly earnings of \$1,240.29 and is claiming 7 dependent children. Take 1% of \$1,240.99 (weekly earnings of \$1,240 rounded down to the nearest dollar plus 99 cents). The amount of the Medicare levy adjustment is \$12.00, rounded to the nearest dollar.

## Weekly earnings of \$1,230 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 to 4 below:

1. Take 1% of the relevant column B amount. Round the result to the nearest cent.
2. Take 4% of the difference between the weekly earnings (round down to the nearest dollar plus 99 cents) 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: weekly earnings of \$1,230 or more but greater than column B

The employee has weekly earnings of \$1,566.34 and is claiming 8 dependent children.

1.  $1\% \times \$1,462.73$  (column B amount for 8 children)  
= \$14.63
2.  $4\% \times (\$1,566.99 - \$1,462.73)$   
=  $4\% \times \$104.26$   
= \$4.17
3.  $\$14.63 - \$4.17$   
= \$10.46
4. \$10.00 (\$10.46 rounded to the nearest dollar).

Therefore, the Medicare levy adjustment is \$10.00.

## 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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