



## Tax offsets

How to complete tax offsets sections of your tax return using myTax.

### Zone or overseas forces

How to determine your entitlement to a zone or overseas forces tax offset when you lodge your return using myTax.

### Small business income tax offset

How to determine your entitlement to the small business income tax offset when you lodge your return using myTax.

### Seniors and pensioners tax offset

How to determine your eligibility for the seniors and pensioners tax offset when you lodge your return using myTax.

### Foreign income tax offset

How to claim the foreign income tax offset in your return using myTax.

### Other tax offsets

How to complete myTax if you have other tax offsets.

QC 101658

# myTax 2024 Zone or overseas forces

How to determine your entitlement to a zone or overseas forces tax offset when you lodge your return using myTax.

**Last updated** 3 June 2024

## Things to know

Complete this section to claim this tax offset if you either:

- lived in a remote or isolated area of Australia (not including an offshore oil or gas rig)
- served overseas as a member of the Australian Defence Force or a United Nations armed force.

If eligible, the zone or overseas forces tax offset is made up of:

- a fixed amount
- a base amount.

The **fixed amount** is a prescribed amount available to all people in the zone or overseas area eligible for the tax offset.

You may be able to include a **base amount** if you either:

- maintained a child under 21 or full time student under 25
- were entitled to claim the **Invalid and invalid carer offset**.

Your circumstances determine your fixed and base amounts.

## Zone tax offset

To be eligible for the zone tax offset, your usual place of residence must be in a zone. If your usual place of residence was not in a zone, you are not eligible for this offset.

Remote areas are classed as either zone A or zone B. There are also special areas within these zones. If you don't know which zone your

area is in, visit **Australian zone list**.

To qualify for the tax offset, your usual place of residence must have been in a remote area (not necessarily continuously) for either:

- 183 days or more during 2023–24
- 183 days or more during the period 1 July 2022 to 30 June 2024 (including at least one day in 2023–24), and you did not claim a zone tax offset in your 2023 tax return.

If your usual place of residence was in a zone for less than 183 days in 2023–24, you may still be able to claim a tax offset as long as your usual place of residence was in a zone for a continuous period of less than 5 years after 1 July 2018 and:

- you were unable to claim in the first year because you lived there less than 183 days
- the total days you lived there in the first year and in 2023–24 is 183 or more. The period you lived in a zone in 2023–24 must include 1 July 2023 (the first day of the income year).

### **Related page**

#### **Zone and overseas forces tax offsets**

Check if you are eligible for a tax offset for living in a remote area or serving overseas as a member of a force.

## **Overseas forces tax offset**

You may be eligible for an overseas forces tax offset if:

- you served in a specified overseas locality as a member of the Australian Defence Force or a United Nations armed force in 2023–24
- income relating to that service was not specifically exempt from tax.

When working out your eligibility for the tax offset, exclude periods of service for which your income was 'exempt foreign employment income'.

Your employer will be able to advise you whether you served in a locality that qualifies for the overseas forces tax offset. You can also see which localities qualify for the overseas forces tax offset at **Current specified localities** or **contact us**.

To claim the full overseas forces tax offset:

- you must have served in the overseas locality for 183 days or more in 2023–24, or
- the total number of days served in the overseas locality, when added to the number of days served in one or more zones, must be 183 days or more. If you served as a member of the Australian Defence Force, days spent in a zone must be defence force service.

If your overseas service was less than 183 days, you may be able to claim part of the tax offset. Unlike the zone tax offset, you cannot carry forward any unused days from previous years to make up 183 days.

### Related page

#### Zone and overseas forces tax offsets

Check if you are eligible for a tax offset for living in a remote area or serving overseas as a member of a force.

## Completing this section

If you qualify for both a zone tax offset and an overseas forces tax offset, you can claim only one of them. Claim the higher one.

To personalise your return to show the zone and overseas forces tax offset, at **Personalise return** select:

- You are claiming tax offsets or adjustments
- Zone or overseas forces

To show your zone or overseas forces tax offset details, at **Prepare return** select 'Add/Edit' at the Offsets banner.

Use the following steps to work out your tax offset and show it at the **Zone or overseas forces** heading:

#### 1. Do the following circumstances apply to you?

- Your usual place of residence was in only one zone or you served in only one specified overseas locality for at least 183 days, and
- You are not able to include a base amount as
  - you were not entitled to claim the Invalid and invalid carer tax offset, and

- you either did not have a dependent [child or student](#) at any time in 2023–24 or if you did have a dependent child or student, their adjusted taxable income (ATI) was equal to or greater than \$282 plus \$28.92 for each week you maintained them.

**No** – Go to step 3.

**Yes** – Note the tax offset amount for your circumstance from **Table 1**.  
Go to step 2.


**Table 1: Tax offset amounts**

Your circumstances	Zone A	Zone B	Special area	Overseas forces
<b>You were able to claim the fixed amount only (you were not able to include a base amount)</b>	\$338	\$57	\$1,173	\$338

2. Are you claiming the zone tax offset?

**No** – Go to step 4.

**Yes** – If you received a remote area allowance from Centrelink or the Department of Veterans' Affairs, you must reduce the amount of your zone tax offset by the amount you received for this allowance.  
Go to step 4.

3. Work out your tax offset amount using the [Zone or overseas forces tax offset calculator](#) .

4. Enter the amount of your tax offset into the **Offset amount** field.

5. Select **Save and continue** when you have completed the **Offsets** section.

## Definitions

### Child or student

**Child** includes:

- your adopted child, stepchild or ex-nuptial child
- your child born or adopted in 2023–24
- a child of your spouse
- someone who is your child within the meaning of the *Family Law Act 1975* (for example, a child who is considered to be a child of a person under a state or territory court order giving effect to a surrogacy agreement).

A **student** must be full-time at a school, college or university.

## Dependant

A **dependant** must be an Australian resident for tax purposes. A dependant can be:

- a child who is under 21 years old (see above) and is not a student
- a student under 25 years old who is studying full time at school, college or university
- an invalid or an invalid carer.

## Maintaining a dependant or another person

You **maintained a dependant** or **maintained another person** if any of the following applied:

- you both lived in the same house
- you gave them food, clothing and lodging
- you helped them to pay for their living, medical and educational costs.

If you had a spouse for the whole of 2023–24 and your spouse worked at any time during the year, we still consider you to have maintained your spouse as a dependant for the whole income year.

We consider you to have maintained a dependant or maintained another person even if the 2 of you were temporarily separated, for example, due to holidays or overseas travel.

If you maintained a dependant or maintained another person for only part of the year, you may need to adjust your claim accordingly.

# myTax 2024 Small business income tax offset

How to determine your entitlement to the small business income tax offset when you lodge your return using myTax.

**Last updated** 3 June 2024

## Things to know

Complete this section if you are an eligible small business entity with a turnover less than \$5 million. You may be entitled to the small business income tax offset.

The maximum small business income tax offset is \$1,000 per year per person from all your sources of small business income.

To be eligible, you must either:

- be carrying on a small business as a sole trader
- have a share of net small business income from a partnership or trust.

Your statement of distribution or advice from the partnership or trustee should include details of your 'Share of net small business income' from each partnership or trust that is a small business entity.

## Report your business income in two places

Amounts you enter at the **Small business income tax offset** question are only used to work out your tax offset. They are not included in your taxable income.

To make sure your taxable income and tax offset are correct, you must report your business income in 2 places:

- at **Business income or losses** – these amounts are included in your taxable income. You must also report the following business

income/loss at the relevant sections

- foreign business income
- net farm management deposits or repayments
- interest and dividend income from carrying on your business
- at **Small business income tax offset** in the **Offsets** section – these amounts are only used to work out your tax offset.

## Eligible income

Only include income that is eligible for the offset. The offset is worked out on your net income (not gross income), which is your:

- sole trader net small business income (business income after deductions)
- share of partnership net small business income less your deductions relating to that share
- share of trust net small business income less your deductions relating to that share.

Small business income tax offset includes more information:

- about eligibility for this offset
- on considerations particular to sole traders, partnerships, trusts and beneficiaries.

## Income and deductions not eligible for this offset

Some income and deductions should not be included in small business income in the **Offsets** section as they are not used when working out your tax offset. These include (but are not limited to):

- income
  - personal services income (unless from a personal services business)
  - salary and wages, allowances and director's fees
  - some government payments
  - interest and dividends (unless related to a business activity)
- deductions



- gifts, donations or contributions
- personal superannuation contributions.

For full list of items excluded see **Income and deductions you cannot include**.

## Completing this section


We pre-fill your tax return with small business income tax offset information shown in **Managed fund and trust distributions**.

To personalise your return to show small business income tax offset, at **Personalise return** select:

- You are claiming tax offsets or adjustments
- Small business income tax offset

To show small business income tax offset, at **Prepare return** select 'Add/Edit' at the Offsets banner.

At the **Small business income tax offset** heading:

1. Work out the amounts to enter at this section using the [Small business income tax offset calculator](#) .
2. Enter information into the corresponding fields.
3. Select **Save and continue** when you have completed the **Offsets** section.

We will work out your tax offset, using the amounts you entered at:

- Net small business income (from sole trading activities).
- Partnership share of net small business income less deductions attributable to that share.
- Trust share of net small business income less deductions attributable to that share.

# myTax 2024 Seniors and pensioners (includes self-funded retirees)

How to determine your eligibility for the seniors and pensioners tax offset when you lodge your return using myTax.

**Published** 3 June 2024

## Things to know

Complete this section if you are eligible for the seniors and pensioners tax offset (SAPTO), as it may reduce your tax liability.

To qualify for this tax offset, you must meet both [eligibility conditions](#).

If you had a spouse at any time during 2023–24, you also need to work out whether they met both eligibility conditions.

We'll use the information you provide in this section to calculate your tax offset. If you have a spouse that is also eligible for this tax offset, we'll automatically transfer any unused amounts between you.

If you were in jail for the whole of 2023–24, you can't claim this tax offset.

## Completing this section

We may have pre-filled your tax offset code for you based on the information you entered into myTax.

At **Personalise return**, you don't need to make a selection to show seniors and pensioners as it's always displayed at Prepare return when you:

- have shown an amount at Australian Government payments such as pensions and carer payments and
- are 60 years old or older.

To show your seniors and pensioners tax offset code, at **Prepare return** select 'Add/Edit' at the Offsets banner.

At the **Seniors and pensioners (includes self-funded retirees)** heading:

1. Has the **Tax offset code** been pre-filled in myTax?
  - **Yes** – go to step 2.
  - **No** – go to step 3.
2. Is the pre-filled code correct for your circumstances? If unsure, check [Tax offset codes](#) table.
  - **Yes** – go to step 4.
  - **No** – go to step 3.
3. If you meet both of the [eligibility conditions](#), choose the tax offset code that applies to you in the [Tax offset codes](#) table.
4. Were you or your spouse a veteran, war widow or war widower?
  - **No** – go to step 5.
  - **Yes** – choose the veteran code that applies to you in the [Veteran codes](#) table. Go to step 5.
5. Go back to myTax, which should be open in another tab or window. Select your **Tax offset code** and **Veteran code** (if applicable) from the drop-down lists.
6. Select **Save and continue** when you have completed the **Offsets** section.

## Tax offset codes

### Seniors and pensioners tax offset (SAPTO) codes

Your eligibility and circumstance at any time in 2023–24	Code
You met the eligibility conditions for this tax offset and were single, separated or widowed.	<b>A</b>
You and your spouse both met the eligibility conditions for this tax offset and you lived apart because: <ul style="list-style-type: none"><li>• one of you was in a nursing home, or</li></ul>	<b>B</b>

<ul style="list-style-type: none"> <li>of illness – one or both of you have indefinitely continuing illness or infirmity and, as a result, your combined living expenses were increased.</li> </ul>	
<p>You met the eligibility conditions for this tax offset, but your spouse didn't, and you lived apart because:</p> <ul style="list-style-type: none"> <li>one of you was in a nursing home, or</li> <li>of illness – one or both of you have indefinitely continuing illness or infirmity and, as a result, your combined living expenses were increased.</li> </ul>	<b>C</b>
<p>You and your spouse both met the eligibility conditions for this tax offset and you lived together.</p>	<b>D</b>
<p>You met the eligibility conditions for this tax offset, but your spouse didn't, and you lived together.</p>	<b>E</b>

If more than one code applies, use the first code in the list above that applies to you, except:

- if both **A** and **B** apply, use code **A** if your spouse's taxable income was \$18,334 or more. Otherwise, use code **B**.
- if both **A** and **D** apply, use code **A** if your spouse's taxable income was \$12,494 or more. Otherwise, use code **D**.

## Veteran codes

### Veteran codes

<b>Circumstance</b>	<b>Code letter</b>
You were a veteran, war widow or war widower.	<b>V</b>
Your spouse was a veteran, war widow or war widower.	<b>W</b>
Both you and your spouse were a veteran, war widow or war widower.	<b>X</b>

## Eligibility conditions

To claim this offset, you must meet condition 1 and condition 2. If you meet both conditions, go to [Completing this section](#).

### Condition 1: Eligibility for Australian Government pensions and similar payments

You meet this condition if you can answer **Yes** to **any** of the following in 2023–24.

#### Condition 1 – Eligibility for Australian Government pensions and payments

Requirement	Do you meet this requirement?
<p>At <b>Australian Government payments such as pensions and carer payments</b> on your return, you included either:</p> <ul style="list-style-type: none"><li>• a pension or allowance from Centrelink</li><li>• a pension, allowance or benefit from the Department of Veterans' Affairs (DVA).</li></ul> <p>Visit <a href="#">Australian Government payments such as pensions and carer payments</a> to learn more.</p> <p><b>Note:</b> If you are <b>under age-pension age</b>:</p> <ul style="list-style-type: none"><li>• Australian Government payments are not taxable in some circumstances. When these payments are not taxable, don't include them at <b>Australian Government payments such as pensions and carer payments</b>.</li><li>• If your Australian Government payments are not taxable, they don't meet this eligibility condition.</li><li>• Visit <a href="#">Amounts that you do not pay tax on</a> to learn more.</li></ul>	Yes/No

<p>You met the <a href="#">Centrelink age pension age</a> requirement and were eligible for an Australian Government age pension, but did not receive it because:</p> <ul style="list-style-type: none"><li>• you didn't make a claim, or</li><li>• you didn't meet the income test or the assets test, but you meet one of the following<ul style="list-style-type: none"><li>– you had been an Australian resident for age-pension purposes for 10 years or more, of which 5 years were continuous</li><li>– you had a qualifying residence exemption because you arrived in Australia as a refugee or under a special humanitarian program</li><li>– you received a partner allowance, a widow allowance or a widow B pension, immediately before turning age pension age</li><li>– you are a woman who was widowed in Australia, and<ul style="list-style-type: none"><li>– you and your late partner were Australian residents when your late partner died</li><li>– you are currently in Australia, and</li><li>– you have been an Australian resident for at least the last 2 years</li></ul></li><li>– you are a woman and on 19 March 2020<ul style="list-style-type: none"><li>– you were receiving a wife pension and you were not receiving a carer allowance; <b>or</b></li><li>– you were receiving a special needs widow B pension</li></ul></li><li>– you are a woman and on 31 December 2021 you were receiving a widow allowance</li><li>– you would have qualified for an age pension under an international social security agreement.</li></ul></li></ul>	<p>Yes/No</p>
--	---------------



<p>You met the <a href="#">veteran pension age test</a> and were eligible for a pension, allowance or benefit from Veterans' Affairs during 2023–24, but did not receive it because:</p> <ul style="list-style-type: none"> <li>• you didn't make a claim, or</li> <li>• you didn't meet the income test or the assets test, <b>and</b> you were either <ul style="list-style-type: none"> <li>– a veteran with eligible war service</li> <li>– a Commonwealth veteran, allied veteran or allied mariner with qualifying service.</li> </ul> </li> </ul>	<p>Yes/No</p>
--	---------------

If you:

- answer **Yes** to any of the condition 1 requirements, continue to [condition 2](#).
- answer **No** to all the condition 1 requirements, you are not eligible for this tax offset.

## Centrelink age pension age

To be eligible for an Australian Government age pension from Centrelink, on 30 June 2024 you must be 67 years or older.

If you need help to work out whether you were eligible for a social security or Centrelink pension only, go to [servicesaustralia.gov.au](https://servicesaustralia.gov.au)  or [contact Services Australia](#) .

## Veteran pension age test

To be eligible for a **pension, allowance or benefit** from Veterans' Affairs you must:



- be 60 years old or older on 30 June 2024, **and**
- meet the veteran pension age test.

You meet the veteran pension age test if one of the following applied to you, and you were eligible for a pension, allowance or benefit under the *Veterans' Entitlements Act 1986*:

- you have eligible war service, that is, service in World War II or operational service as a member of the Australian Defence Force
- you're a Commonwealth or allied veteran who served in a conflict in which the Australian Defence Force was engaged during a period of hostilities that is, World War II, Korea, Malaya, Indonesia or Vietnam
- you're an Australian or allied mariner who served during World War II
- you're the war widow or widower of a former member of the Australian Defence Force.

**Pension, allowance or benefit** includes:

- disability pension
- service pension
- white or gold Repatriation health cards for treatment entitlements.

If you are not sure whether you were eligible for a payment, go to [dva.gov.au](https://dva.gov.au)  or [contact the Department of Veterans' Affairs](#) .

## Condition 2: Income

You meet this condition if you can answer **Yes** to **any** of the following for 2023–24.

### Condition 2 – Income

Requirement	Do you meet this requirement?
You didn't have a spouse, and your <a href="#">rebate income</a> was less than \$50,119.	Yes/No
You had a spouse, and the combined <a href="#">rebate income</a> of you and your spouse was less than \$83,580.	Yes/No
At any time in 2023–24 <ul style="list-style-type: none"> <li>• you and your spouse had to live apart due to illness (see note below) or because one of you was in a nursing home, and</li> </ul>	Yes/No



- the combined rebate income of you and your spouse was less than \$95,198.

**Note: Had to live apart due to illness** refers to situations where you and your spouse did not live together because one or both of you have an indefinitely continuing illness or infirmity and, as a result, your combined living expenses were increased.

If you:

- answer **Yes** to any of the condition 2 requirements, go to [Completing this section](#).
- answer **No** to all the condition 2 requirements, you are not eligible for this tax offset.

## Rebate income

Your 'rebate income' is used to determine whether you are eligible for the seniors and pensioners tax offset.

If you have a spouse, your combined rebate income is used to work out whether you are eligible for this tax offset, but your **own** rebate income is used to work out the amount you're entitled to. Depending on how much income you have earned, you could meet the overall eligibility requirements and still not get this tax offset.

Use the following worksheet if you want to know how to work out your:

- rebate income
- combined rebate income (if you have a spouse).

## Worksheet – Working out rebate income

Row	Calculation	You	Spouse
<b>a</b>	Taxable income	\$	\$
<b>b</b>	Assessable First home super saver (FHSS) released amount	\$	\$

<b>c</b>	<p>Take away the amount at row <b>b</b> from <b>a</b>. If the amount is less than zero, write 0 at row <b>c</b>.</p> <p>The result is your taxable income disregarding your assessable FHSS released amount.</p>	\$	\$
<b>d</b>	Reportable employer superannuation contributions	\$	\$
<b>e</b>	Deductible personal superannuation contributions	\$	\$
<b>f</b>	Net financial investment loss	\$	\$
<b>g</b>	Net rental property loss	\$	\$
<b>h</b>	Reportable fringe benefits amounts from employers exempt from FBT under section 57A of FBTA 1986 multiplied by 0.53. Round down the answer to the nearest dollar.	\$	\$
<b>i</b>	Reportable fringe benefits amounts from employers not exempt from FBT under section 57A of FBTA 1986.	\$	\$
<b>j</b>	<p>Add up the amounts from rows <b>c</b> to <b>i</b>. This is each individual's rebate income.</p>	\$	\$
<b>k</b>	<p>The amount on which a trustee of a trust was liable to pay tax in respect of your spouse because your spouse was under a legal disability, such as:</p> <ul style="list-style-type: none"> <li>being an undischarged bankrupt</li> </ul>	N/A	\$

	<ul style="list-style-type: none"><li>a person who was declared legally incapable because of a mental condition.</li></ul>		
<b>i</b>	<p>Add the amount from:</p> <ul style="list-style-type: none"><li>row <b>j</b> in your column</li><li>row <b>j</b> in your spouse's column, and</li><li>row <b>k</b> in your spouse's column.</li></ul> <p>This is your combined rebate income.</p>	\$	

QC 101661

# myTax 2024 Foreign income tax offset

How to claim the foreign income tax offset in your return using myTax.

**Published** 3 June 2024

## Things to know

Complete this section if you paid foreign tax on:

- income included in your assessable income this year
- an attribution account payment you received (usually a dividend distribution) that was paid out of previously attributed income and that payment is non-assessable non-exempt income. This includes where you
  - acquired employee share scheme interests at a discount in relation to your foreign employment

- paid tax on the discounts in the foreign country.

You may be entitled to the foreign income tax offset (FITO). FITO is a non-refundable offset.

The **Guide to foreign income tax offset rules** explains which foreign taxes count towards the offset. If you received a distribution statement from a managed fund that reports a 'Foreign tax offset applicable to discountable capital gains' you will need to apportion that amount.

You need to read the **Guide to foreign income tax offset rules**, if:


- the total amount of foreign tax you paid during 2023–24 exceeds \$1,000
- you have paid foreign tax on an attribution account payment you received (usually a dividend distribution) that was paid out of previously attributed income and that payment is non-assessable non-exempt income
- the amount of foreign tax you have paid relates to an amount that differs from the amount included in your assessable income. For example, where you have both capital losses and foreign capital gains, the net capital gain included in your assessable income will be less than the foreign capital gain on which you paid foreign tax.

For Australian resident individuals with Joint Petroleum Development Area (JPDA) income, the FITO for an employee is the lesser of:

- Australian tax payable on the net assessable JPDA income (JPDA income less allowable deductions relating to that income)
- Timor-Leste tax paid on JPDA employment income.

The FITO limit doesn't apply to this income.

## Completing this section

All foreign tax paid must be converted to Australian dollars before you enter your amounts into your tax return. You can use the [Foreign income conversion calculator](#) .

At **Personalise return**, you don't need to make a selection to show foreign income tax offset. It's always shown at Prepare return when you have shown an amount at foreign tax paid in the following sections:

- Income statements and payment summaries
- Managed fund and trust distributions
- Foreign income, assets and entities
- Other income

To show your foreign income tax offset, at **Prepare return** select 'Add/Edit' at the Offsets banner.

At the **Foreign income tax offset** heading:

1. Does the total amount of the foreign tax you paid during 2023–24 exceed \$1,000?
  - **No** – go to step 2.
  - **Yes** – go to step 3.
2. When the total amount of the foreign tax you paid during 2023–24 does not exceed \$1,000, the amount of foreign tax you paid is automatically completed at **Offset amount** in the **Offsets** section. Go to step 4.
3. When the total amount of the foreign tax you paid during 2023–24 exceeds \$1,000, you need to work out and enter at **Offset amount** the foreign income tax offset amount that you are entitled to claim. To work out the amount, see **Guide to foreign income tax offset rules**.  
Alternatively, you can simply enter a tax offset amount of \$1,000 at **Offset amount**. However, if you claim only \$1,000 for 2023–24, you will not be able to claim the rest of your 2023–24 foreign tax in a future income year.
4. Select **Save and continue** when you have completed the **Offsets** section.

**Note:** If you paid foreign tax on exempt foreign employment income and included the amount in your tax return at the **Foreign employment** section, your foreign income tax offset amount may be different on your notice of assessment. We may calculate your foreign income tax offset amount in this circumstance.

## **Our commitment to you**

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

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.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

## **Copyright notice**

© Australian Taxation Office for the Commonwealth of Australia

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).