Australian Government
Australian Taxation Office

Medicare levy variation declaration

Instructions and form for taxpayers

Complete a Medicare levy variation declaration to vary the amount withheld from payments to you.

Who should complete this form

Complete this form 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 the 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.

> ⚠️ These instructions are current from **1 March 2025**.
>
> You must lodge a new declaration 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 Medicare reduction due to low family income
- you have to pay the Medicare levy surcharge and want to increase the amount withheld from payments to you to cover the surcharge.

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.

> ℹ️ For more information, visit ato.gov.au/mlvariation

How to complete this form

Section A: Payee's declaration

To be completed by payee.

Question 1

What is your tax file number (TFN)?

We and your payer are authorised by the *Taxation Administration Act 1953* to request your TFN. 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 on **13 28 61** between 8:00 am and 6:00 pm, Monday to Friday
- complete a *Tax file number – application or enquiry for individuals* (NAT 1432) form.

If you phone us, we need to establish your identity before discussing or updating your tax record or one you're authorised for. We will ask you questions based on information we hold about you, including information from third parties and other government departments.

We may also ask to confirm details of identity documents such as your drivers licence, Medicare card or passport.

> **ⓘ** For more information, visit ato.gov.au/TFN

Questions 2 and 3

Complete these questions by providing your personal information.

Question 4

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

You're 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
- your income is above a certain amount.

> **ⓘ** For more information on MLS, income thresholds and rates, visit ato.gov.au/mls

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.

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
   - you were a blind pensioner
   - you were entitled to full free medical treatment for all conditions under either
     – Defence Force arrangements
     – Veterans' Affairs Repatriation Health Card (Gold Card)

2. During the period you met a condition above, you also met one of the conditions listed in the table on the following page.

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: • was not in an exemption category, and • 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, and • were entitled to Family Tax Benefit Part A or the rental assistance component of Family Tax Benefit Part A for that child, and • were in a shared care arrangement.	• For the days that you had care of your dependent child – **Half** • For the days that you did not have care of your dependent child – **Full**
You had a spouse who met at least one of the medical conditions and you had one dependent child who was: • not in an exemption category, and • 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.

> ℹ️ For more information on medical conditions and family agreements, visit ato.gov.au/medicalexemption

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
  – 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 did not 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.

> ℹ️ For more information about how to apply for a MES:
> - phone Services Australia on **1300 300 271**
> - visit the Services Australia website at servicesaustralia.gov.au/medicareentitlement

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.

> ℹ️ For more information, visit ato.gov.au/mlreduction

Question 9

Do you have a spouse?

For a definition of spouse, visit ato.gov.au/mlvariation.

Question 10

Is the combined weekly income of you and your spouse, or your income as a sole parent, less than the relevant weekly income amount?

> ℹ️ For more information on the weekly income amount, visit ato.gov.au/mlvariation

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 you have repaid your debt in full.

> ℹ️ For more Information about HELP, VSL, FS, SSL or AASL debts:
> - visit ato.gov.au/getloaninfo
> - phone us on **13 28 61** between 8:00 am and 6:00 pm, Monday to Friday.

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 on dependent children for Medicare reduction purposes, visit ato.gov.au/mlreduction

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.

Section B: Payer's declaration

To be completed by payer.

Payer obligations

If you withhold amounts from payments, or are likely to withhold amounts, your payee may give you this form with Section A completed. 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.**

More information

ATO online services

You can lodge your employment forms online, including the *Medicare levy variation declaration*. To access these forms, you need to link your myGov account to the Australian Taxation Office. For more information, visit ato.gov.au and search for Access and complete employment forms in ATO online.

Useful products

You can get the following forms and publications from ato.gov.au/onlineordering or by phoning **1300 720 092**:

- *Tax file number declaration* (NAT 3092)
- *Withholding declaration* (NAT 3093)
- *Tax file number – application or enquiry for individuals* (NAT 1432)
- *Medicare levy adjustment weekly tax table* (NAT 1010).

> ⓘ For more information about income tests for a number of tax offsets and government benefits, visit ato.gov.au/incometests.

Phone us

Phone us on **13 28 61** between 8:00 am and 6:00 pm, Monday to Friday. You can:

- get help to complete this form
- receive information about
  – HELP, VSL, FS, SSL or AASL debts
  – claiming the tax-free threshold
  – the Medicare Levy Surcharge.

Other services

Translating and interpreting service for people from non-English speaking backgrounds, phone **13 14 50**.

National Relay Service (NRS) – If you have difficulty hearing or speaking to people who use a phone, you can contact us through the NRS.

- TTY users, phone **13 36 77** and ask for the ATO number you need.
- Voice Relay users, phone **1300 555 727** and ask for the ATO number you need.
- Internet relay users, connect to the NRS on relayservice.com.au and ask for the ATO number you need.

> ⓘ If you would like further information about the NRS, phone **1800 555 660** or email helpdesk@relayservice.com.au.

Privacy of information

We respect your privacy and only collect and disclose information, including your tax file number, as authorised by taxation law. For information about your privacy, visit ato.gov.au/privacy.

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 in this publication and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we must still apply the law correctly. If that means you owe us money, we must ask you to pay it but we will not charge you a penalty. Also, if you acted reasonably and in good faith we will not charge you interest.

If you make an honest mistake in trying to follow our information in this publication and you owe us money as a result, we will not charge you a penalty. However, we will ask you to pay the money, and we may also charge you interest. If correcting the mistake means we owe you money, we will pay it to you. We will also pay you any interest you are entitled to.

If you feel that this publication does not fully cover your circumstances, or you are unsure how it applies to you, you can seek further assistance from us.

We regularly revise our publications to take account of any changes to the law, so make sure that you have the latest information. If you are unsure, you can check for more recent information on our website at ato.gov.au or contact us.

This publication was current at **March 2025**

Australian Government
Australian Taxation Office

Medicare levy variation declaration form

A Medicare levy variation declaration authorises your payer to adjust the amount of tax withheld from your payments.

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

- Refer to the Instructions to help you complete this declaration.
- Print neatly in BLOCK LETTERS.
- Print **X** in the appropriate boxes.

Section A: **Payee's declaration**

⚠ To be completed by payee

1 What is your TFN?

☐☐☐ ☐☐☐ ☐☐☐

> For information about tax file numbers, see instructions.

2 What is your name?

Title: Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other ☐

Family name
☐

First given name
☐

Other given names
☐

3 What is your home address?

Street address
☐

Suburb/town/locality   State/territory   Postcode
☐   ☐☐☐   ☐☐☐☐

4 Do you want your payer to increase the amounts withheld from you to cover the Medicare levy surcharge?

No ☐   Yes ☐ ▶ Select one of the following rates

1% ☐   1.25% ☐   1.5% ☐

If you want to make other variations using this form, go to question 5. Otherwise, sign and date the declaration and give it to your payer.

5 Do you qualify for a Medicare levy exemption?

No ☐   Yes ☐

6 Do you want to claim a full exemption from the Medicare levy?

No ☐   Yes ☐ ▶ Go to question 9.

7 Do you want to claim a half levy exemption from the Medicare levy?

No ☐   Yes ☐ ▶ Go to question 9.

8 Do you want to claim a Medicare levy reduction?

No ☐   Yes ☐

9 Do you have a spouse?

No ☐   Yes ☐

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

No ☐   Yes ☐

11 **Do you have a Higher Education Loan Program (HELP), VET Student Loan (VSL), Financial Supplement (FS), Student Start-up Loan (SSL) or Australian Apprentice Support Loan (AASL) debt?**
No ☐　　Yes ☐▶ If you also answered **yes** at question 10, you are exempt from having additional PAYG amounts for HELP, VSL, FS, SSL or AASL withheld from payments to you.

12 **Do you have dependent children?**
No ☐▶ Sign and date the declaration.　　Yes ☐▶ How many? ☐

Declaration by payee

I declare that the information I have given on this form is true and correct.

⊖ The tax laws impose heavy penalties for giving false or misleading statements.

Signature of payee

[ ]

Date

Day		Month		Year
☐☐	/	☐☐	/	☐☐☐☐

⚠ Give your completed declaration to your payer.

Privacy

For information about your privacy, visit our website at ato.gov.au/privacy

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Section B: **Payer's declaration**

⚠ To be completed by payer

Your details

1 **What is your ABN (or your withholding payer number if you are not in business)?**

☐☐　☐☐☐　☐☐☐　☐☐☐

2 **What is your registered business name or trading name (or your individual name if you are not a business)?**

[ ]

⚠ **How much should you withhold?**

A **yes** answer at question 4 will require increasing the amount you withhold by 1%, 1.25% or 1.5% of the payee's gross earnings.

A **yes** answer at questions 6, 7 or 8 will require the special *Medicare levy adjustment weekly tax table* (NAT 1010) to calculate the correct amount to withhold.

A **yes** answer at question 10 will require the special *Medicare levy adjustment weekly tax table* (NAT 1010) to calculate the correct amount to withhold. If the payee also has a HELP, VSL, FS, SSL or AASL debt, do not withhold additional amounts to cover the HELP, VSL, FS, SSL or AASL repayment.

Declaration by payer

I declare that the information I have given on this form is true and correct.

⊖ The tax laws impose heavy penalties for giving false or misleading statements.

Signature of payer

[ ]

Date

Day		Month		Year
☐☐	/	☐☐	/	☐☐☐☐

Privacy

For information about your privacy, visit our website at ato.gov.au/privacy

⚠ Don't send this declaration form to us.

Storing and disposing of Medicare levy variation 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, you should file it.

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 *Medicare levy variation declaration* or leaves your employment, you must keep this declaration for the current and following financial year.