



Medicare levy adjustment fortnightly tax table

This tax table applies to payments made from 1 July 2026.

Using this tax table

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

This tax table should be used with the *Fortnightly tax table* (NAT 1006) and the *Medicare levy variation declaration* (NAT 0929).

For a full list of tax tables, visit our website at ato.gov.au/taxtables

We have a calculator to help work out the correct amount of tax to withhold from payments to most payees. To access the calculator, visit our website at ato.gov.au/taxwithheldcalculator

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* (NAT 0929) 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 \$1,076 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 fortnightly earnings of less than \$2,688 to be entitled to a Medicare levy adjustment.

No Medicare levy is payable on fortnightly earnings of less than \$1,076.

If your payee claims more than 10 children, the column A amount is \$4,356 plus \$208 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 \$3,485.30 plus \$166.84 for each child in excess of 10.

For information about how to use Table 1, refer to 'Working out the Medicare levy adjustment' on page 2.

Medicare levy adjustments

Table 1: Medicare levy adjustment fortnightly earnings limits

Dependants	Column A	Column B
Spouse only	\$2,270	–
1 child	\$2,478	–
2 children	\$2,688	–
3 children	\$2,896	–
4 children	\$3,104	–
5 children	\$3,312	–
6 children	\$3,522	\$2,817.92
7 children	\$3,730	\$2,984.76
8 children	\$3,938	\$3,151.62
9 children	\$4,148	\$3,318.46
10 children	\$4,356	\$3,485.30

Working out the withholding amount

To work out the amount you need to withhold, follow these steps:

1. Use the *Fortnightly tax table* (NAT 1006) to find the fortnightly amount to withhold from your payee'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 payee is claiming, see either:

- Payee claiming spouse or 1 to 5 dependent children
- Payee with more than 5 dependent children.

Payee claiming spouse or 1 to 5 dependent children

Round the fortnightly earnings down to the nearest dollar amount. Use the table from page 4 to find your payee's fortnightly earnings – or the nearest lower figure, in the 'Fortnightly earnings' column and find the corresponding amount of Medicare levy adjustment in the appropriate column.

Example: employee claiming spouse or 1 to 5 dependent children

An employee has fortnightly earnings of \$1,086.50 and is claiming 4 dependent children on the *Medicare levy variation declaration*. Find \$1,086 in the 'Fortnightly earnings' column and refer to the corresponding Medicare levy adjustment of \$2.00 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 fortnightly earnings of your payee.

Refer to:

- Fortnightly earnings less than \$2,652
- Fortnightly earnings of \$2,652 or more but less than the column B amount that corresponds to the number of dependent children claimed
- Fortnightly earnings of \$2,652 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 \$2,652

Use the '5 children' column. Round the fortnightly earnings down to the next dollar amount. Use the table from page 4 to find your payee's earnings – or the nearest lower figure, in the 'Fortnightly earnings' column and refer to the corresponding amount of Medicare levy adjustment from the '5 children' column.

Example: fortnightly earnings less than \$2,652

An employee has fortnightly earnings of \$2,406.30 and is claiming 6 dependent children. Find \$2,406, or the nearest lower figure, in the 'Fortnightly earnings' column and refer to the corresponding Medicare levy adjustment of \$48.00 from the '5 children' column.

Fortnightly earnings of \$2,652 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 \$2,652 or more but less than the column B amount

An employee has fortnightly earnings of \$2,876.40 and is claiming 7 dependent children. Take 2% of \$2,876 (the next lower dollar amount), this equals \$57.52.

The Medicare levy adjustment is \$58, rounded to the nearest dollar.

Fortnightly earnings of \$2,652 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 \$2,652 or more and greater than the column B amount

An employee has fortnightly earnings of \$3,458.00 and is claiming 8 dependent children.

1. $2\% \times \$3,151.62$ (column B amount for 8 children)
= \$63.03
2. $8\% \times (\$3,458.00 - \$3,151.62)$
= $8\% \times \$306.38$
= \$24.51
3. $\$63.03 - \24.51
= \$38.52
4. \$39.00 (\$38.52 rounded to the nearest dollar).

The Medicare levy adjustment is \$39.

Using a formula

The 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* (NAT 1004).

PAYG withholding publications

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

- ato.gov.au/taxtables
- ato.gov.au/paygw

Fortnightly earnings \$	Spouse only \$	1 Child \$	2 Children \$	3 Children \$	4 Children \$	5 Children \$
3,294	0.00	0.00	0.00	0.00	0.00	2.00
3,296	0.00	0.00	0.00	0.00	0.00	2.00
3,298	0.00	0.00	0.00	0.00	0.00	2.00
3,300	0.00	0.00	0.00	0.00	0.00	0.00
3,302	0.00	0.00	0.00	0.00	0.00	0.00
3,304	0.00	0.00	0.00	0.00	0.00	0.00
3,306	0.00	0.00	0.00	0.00	0.00	0.00
3,308	0.00	0.00	0.00	0.00	0.00	0.00
3,310	0.00	0.00	0.00	0.00	0.00	0.00
3,312	0.00	0.00	0.00	0.00	0.00	0.00

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