



# Pay as you go (PAYG) withholding Medicare levy adjustment monthly tax table

For payments made on  
or after 1 JULY 2005

## SCHEDULE 8 – A

This document is a withholding schedule made by the Commissioner of Taxation in accordance with sections 15–25 and 15–30 of Schedule 1 to the *Taxation Administration Act 1953*. It applies to withholding payments covered by Subdivisions 12–B (except sections 12–50 and 12–55) and 12–D of Schedule 1.

This table should be read in conjunction with the *PAYG withholding monthly tax table incorporating Medicare levy (NAT 1007)* and the *Medicare levy variation declaration (NAT 0929)*.

### Who should use this table?

Use this table if a payee has:

- provided you with a *Medicare levy variation declaration* claiming dependants
- answered Yes to question 10 on the *Medicare levy variation declaration*, and
- monthly earnings of \$1,304 or more.

❗ No Medicare levy is payable on monthly earnings of less than \$1,304.

If a payee's monthly earnings are less than the amounts in Column A of Table 1, a Medicare levy adjustment may be available.

For example, a payee who claims 2 dependent children must have monthly earnings of less than \$2,832 to be entitled to a Medicare levy adjustment. If a payee claims more than 10 children, the Column A amount is \$4,608, plus \$222 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 a payee claims more than 10 dependent children, the Column B amount is \$4,262.83 plus \$205.33 for each child in excess of 10. See **How to calculate the Medicare levy adjustment** to use Columns A and B.

TABLE 1

	Column A	Column B
Spouse only	\$2,388	—
Number of children		
1	\$2,610	—
2	\$2,832	—
3	\$3,054	—
4	\$3,276	—
5	\$3,498	—
6	\$3,720	\$3,441.50
7	\$3,942	\$3,646.83
8	\$4,164	\$3,852.17
9	\$4,386	\$4,057.50
10	\$4,608	\$4,262.83

### Using formulas

The Medicare levy adjustments shown in this table can be expressed in mathematical form and may be of assistance to payers who use computers in the preparation of payrolls. Refer to *PAYG Statement of formulas for calculating amounts to be withheld (NAT 1004)* available from [www.ato.gov.au](http://www.ato.gov.au)

### How to work out withholding amounts

1. Use the *PAYG withholding monthly tax table incorporating Medicare levy (NAT 1007)* to calculate the monthly amount to be withheld from the payee's earnings, allowing for any family tax benefit (FTB) or tax offsets claimed.
2. Reduce the amount to be withheld by the amount of the Medicare levy adjustment. Where the adjustment equals or exceeds the amount obtained in Step 1, the amount to be withheld is nil.

### How to calculate the Medicare levy adjustment

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

Round the monthly earnings down to the nearest dollar. Find the payee's monthly earnings, or the closest lower amount in the 'Monthly earnings' column of the table, and read off the corresponding amount of Medicare levy adjustment from the 'Spouse only OR 1-5 children' column at the bottom of page 2.

#### Example

The payee has monthly earnings of \$1,381.05 and is claiming 4 dependent children on the *Medicare levy variation declaration*.

Find \$1,381.05, or the closest lower amount, in this case \$1,378.00, in the 'Monthly earnings' column and read off the corresponding Medicare levy adjustment of \$17.00 from the 'Spouse only OR 1-5 children' column.

#### Payee with more than 5 dependent children

##### 1. Monthly earnings less than \$3,236.

Find the payee's earnings, or the closest lower amount, in the 'Monthly earnings' column and read off the corresponding amount of Medicare levy adjustment from the appropriate 5 children column.

**Note:** Where monthly earnings are less than \$3,236 and 5 or more dependent children are claimed, the maximum Medicare levy adjustment that can be claimed is the amount equal to the amount of Medicare levy actually included in the amount to be withheld on the payee's monthly earnings.

#### Example

The payee has monthly earnings of \$1,779.48 and is claiming 6 dependent children. Find \$1,779.48, or the closest lower amount, in this case \$1,776.67, in the 'Monthly earnings' column and read off the corresponding Medicare levy adjustment of \$26.00 from the 'Spouse only OR 1-5 children' column.

**2. Monthly earnings of \$3,236 or more but less than the column B amount that corresponds to the number of dependent children claimed.**

Take 1.5% of the payee's monthly earnings (expressed as the next higher whole dollar that is a multiple of \$4) and round to the nearest dollar.

**Example**

The payee has monthly earnings of \$3,281.60 and is claiming 7 dependent children. Take 1.5% of \$3,284 (that is, \$3,281.60 expressed as the next higher whole dollar that is a multiple of \$4). The amount of the Medicare levy adjustment is \$49.00, rounded to the nearest dollar.

**3. Monthly earnings of \$3,236 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.**

Take 1.5% of the relevant column B amount and round the result to the nearest cent. Reduce this amount by 18.5% of the difference between the monthly earnings (expressed as the next higher whole dollar that is a multiple of \$4) and the column B amount. Round the result to the nearest dollar.

**Example**

The payee has monthly earnings of \$3,950.36 and is claiming 8 dependent children. Take 1.5% of the column B amount for 8 children of \$3,852.17, which equals \$57.78. Reduce this amount by 18.5% of \$99.83 (that is, \$3,952 less \$3,852.17), which equals \$18.47. The resulting Medicare levy adjustment is \$39.00 (that is, \$57.78 less \$18.47), rounded to the nearest dollar.

**PAYG withholding publications**

All PAYG withholding tax tables and other PAYG publications can be accessed quickly and easily from [www.ato.gov.au](http://www.ato.gov.au)

Copies of weekly and monthly tax tables are available from most newsagents. Newsagents also hold copies of the *Tax file number declaration* and the *Withholding declaration*.

**Monthly Medicare levy adjustment table**

Monthly earnings \$	Spouse only OR 1-5 children \$	Monthly earnings \$	Spouse only OR 1-5 children \$	Monthly earnings \$	Spouse only OR 1-5 children \$	Monthly earnings \$	Spouse only OR 1-5 children \$	Monthly earnings \$	Spouse only OR 1-5 children \$	Monthly earnings \$	Spouse only OR 1-5 children \$
1299.33	—	1434.33	22.00	1586.00	26.00	1737.67	26.00	1889.33	30.00	2041.00	30.00
1300.33	—	1438.67	22.00	1590.33	26.00	1742.00	26.00	1893.67	30.00	2045.33	30.00
1301.33	—	1443.00	22.00	1594.67	26.00	1746.33	26.00	1898.00	30.00	2049.67	30.00
1302.33	—	1447.33	22.00	1599.00	26.00	1750.67	26.00	1902.33	30.00	2054.00	30.00
1303.33	—	1451.67	22.00	1603.33	26.00	1755.00	26.00	1906.67	30.00	2058.33	30.00
1304.33	—	1456.00	22.00	1607.67	26.00	1759.33	26.00	1911.00	30.00	2062.67	30.00
1308.67	—	1460.33	22.00	1612.00	26.00	1763.67	26.00	1915.33	30.00	2067.00	30.00
1313.00	4.00	1464.67	22.00	1616.33	26.00	1768.00	26.00	1919.67	30.00	2071.33	30.00
1317.33	4.00	1469.00	22.00	1620.67	26.00	1772.33	26.00	1924.00	30.00	2075.67	30.00
1321.67	4.00	1473.33	22.00	1625.00	26.00	1776.67	26.00	1928.33	30.00	2080.00	30.00
1326.00	4.00	1477.67	22.00	1629.33	26.00	1781.00	26.00	1932.67	30.00	2084.33	30.00
1330.33	4.00	1482.00	22.00	1633.67	26.00	1785.33	26.00	1937.00	30.00	2088.67	30.00
1334.67	9.00	1486.33	22.00	1638.00	26.00	1789.67	26.00	1941.33	30.00	2093.00	30.00
1339.00	9.00	1490.67	22.00	1642.33	26.00	1794.00	26.00	1945.67	30.00	2097.33	30.00
1343.33	9.00	1495.00	22.00	1646.67	26.00	1798.33	26.00	1950.00	30.00	2101.67	30.00
1347.67	9.00	1499.33	22.00	1651.00	26.00	1802.67	26.00	1954.33	30.00	2106.00	30.00
1352.00	9.00	1503.67	22.00	1655.33	26.00	1807.00	26.00	1958.67	30.00	2110.33	30.00
1356.33	13.00	1508.00	22.00	1659.67	26.00	1811.33	26.00	1963.00	30.00	2114.67	30.00
1360.67	13.00	1512.33	22.00	1664.00	26.00	1815.67	26.00	1967.33	30.00	2119.00	30.00
1365.00	13.00	1516.67	22.00	1668.33	26.00	1820.00	26.00	1971.67	30.00	2123.33	30.00
1369.33	13.00	1521.00	22.00	1672.67	26.00	1824.33	26.00	1976.00	30.00	2127.67	30.00
1373.67	13.00	1525.33	22.00	1677.00	26.00	1828.67	26.00	1980.33	30.00	2132.00	30.00
1378.00	17.00	1529.67	22.00	1681.33	26.00	1833.00	26.00	1984.67	30.00	2136.33	30.00
1382.33	17.00	1534.00	22.00	1685.67	26.00	1837.33	26.00	1989.00	30.00	2140.67	30.00
1386.67	17.00	1538.33	22.00	1690.00	26.00	1841.67	26.00	1993.33	30.00	2145.00	30.00
1391.00	17.00	1542.67	22.00	1694.33	26.00	1846.00	26.00	1997.67	30.00	2149.33	30.00
1395.33	17.00	1547.00	22.00	1698.67	26.00	1850.33	26.00	2002.00	30.00	2153.67	30.00
1399.67	22.00	1551.33	22.00	1703.00	26.00	1854.67	26.00	2006.33	30.00	2158.00	30.00
1404.00	22.00	1555.67	22.00	1707.33	26.00	1859.00	26.00	2010.67	30.00	2162.33	30.00
1408.33	22.00	1560.00	22.00	1711.67	26.00	1863.33	26.00	2015.00	30.00	2166.67	35.00
1412.67	22.00	1564.33	22.00	1716.00	26.00	1867.67	26.00	2019.33	30.00	2171.00	35.00
1417.00	22.00	1568.67	22.00	1720.33	26.00	1872.00	26.00	2023.67	30.00	2175.33	35.00
1421.33	22.00	1573.00	22.00	1724.67	26.00	1876.33	30.00	2028.00	30.00	2179.67	35.00
1425.67	22.00	1577.33	22.00	1729.00	26.00	1880.67	30.00	2032.33	30.00	2184.00	35.00
1430.00	22.00	1581.67	22.00	1733.33	26.00	1885.00	30.00	2036.67	30.00	2188.33	35.00

# Monthly Medicare levy adjustment table

Monthly earnings \$	Spouse only \$	1 child \$	2 to 5 children \$	Monthly earnings \$	1 child \$	2 children \$	3 children \$	4 to 5 children \$	Monthly earnings \$	3 children \$	4 children \$	5 children \$	Monthly earnings \$	4 children \$	5 children \$
2192.67	35.00	35.00	35.00	2539.33	13.00	39.00	39.00	39.00	2886.00	30.00	43.00	43.00	3232.67	9.00	48.00
2197.00	35.00	35.00	35.00	2543.67	13.00	39.00	39.00	39.00	2890.33	30.00	43.00	43.00	3237.00	9.00	48.00
2201.33	35.00	35.00	35.00	2548.00	9.00	39.00	39.00	39.00	2894.67	30.00	43.00	43.00	3241.33	4.00	48.00
2205.67	35.00	35.00	35.00	2552.33	9.00	39.00	39.00	39.00	2899.00	26.00	43.00	43.00	3245.67	4.00	48.00
2210.00	30.00	35.00	35.00	2556.67	9.00	39.00	39.00	39.00	2903.33	26.00	43.00	43.00	3250.00	4.00	43.00
2214.33	30.00	35.00	35.00	2561.00	9.00	39.00	39.00	39.00	2907.67	26.00	43.00	43.00	3254.33	4.00	43.00
2218.67	30.00	35.00	35.00	2565.33	9.00	39.00	39.00	39.00	2912.00	26.00	43.00	43.00	3258.67	4.00	43.00
2223.00	30.00	35.00	35.00	2569.67	9.00	39.00	39.00	39.00	2916.33	26.00	43.00	43.00	3263.00	—	43.00
2227.33	30.00	35.00	35.00	2574.00	4.00	39.00	39.00	39.00	2920.67	26.00	43.00	43.00	3267.33	—	43.00
2231.67	30.00	35.00	35.00	2578.33	4.00	39.00	39.00	39.00	2925.00	22.00	43.00	43.00	3271.67	—	43.00
2236.00	26.00	35.00	35.00	2582.67	4.00	39.00	39.00	39.00	2929.33	22.00	43.00	43.00	3276.00	—	39.00
2240.33	26.00	35.00	35.00	2587.00	4.00	39.00	39.00	39.00	2933.67	22.00	43.00	43.00	3280.33	—	39.00
2244.67	26.00	35.00	35.00	2591.33	4.00	39.00	39.00	39.00	2938.00	22.00	43.00	43.00	3284.67	—	39.00
2249.00	26.00	35.00	35.00	2595.67	—	39.00	39.00	39.00	2942.33	22.00	43.00	43.00	3289.00	—	39.00
2253.33	26.00	35.00	35.00	2600.00	—	39.00	39.00	39.00	2946.67	17.00	43.00	43.00	3293.33	—	39.00
2257.67	22.00	35.00	35.00	2604.33	—	39.00	39.00	39.00	2951.00	17.00	43.00	43.00	3297.67	—	35.00
2262.00	22.00	35.00	35.00	2608.67	—	39.00	39.00	39.00	2955.33	17.00	43.00	43.00	3302.00	—	35.00
2266.33	22.00	35.00	35.00	2613.00	—	39.00	39.00	39.00	2959.67	17.00	43.00	43.00	3306.33	—	35.00
2270.67	22.00	35.00	35.00	2617.33	—	39.00	39.00	39.00	2964.00	17.00	43.00	43.00	3310.67	—	35.00
2275.00	22.00	35.00	35.00	2621.67	—	39.00	39.00	39.00	2968.33	13.00	43.00	43.00	3315.00	—	35.00
2279.33	17.00	35.00	35.00	2626.00	—	39.00	39.00	39.00	2972.67	13.00	43.00	43.00	3319.33	—	30.00
2283.67	17.00	35.00	35.00	2630.33	—	35.00	39.00	39.00	2977.00	13.00	43.00	43.00	3323.67	—	30.00
2288.00	17.00	35.00	35.00	2634.67	—	35.00	39.00	39.00	2981.33	13.00	43.00	43.00	3328.00	—	30.00
2292.33	17.00	35.00	35.00	2639.00	—	35.00	39.00	39.00	2985.67	13.00	43.00	43.00	3332.33	—	30.00
2296.67	17.00	35.00	35.00	2643.33	—	35.00	39.00	39.00	2990.00	13.00	43.00	43.00	3336.67	—	30.00
2301.00	17.00	35.00	35.00	2647.67	—	35.00	39.00	39.00	2994.33	9.00	43.00	43.00	3341.00	—	30.00
2305.33	13.00	35.00	35.00	2652.00	—	35.00	39.00	39.00	2998.67	9.00	43.00	43.00	3345.33	—	26.00
2309.67	13.00	35.00	35.00	2656.33	—	30.00	39.00	39.00	3003.00	9.00	43.00	43.00	3349.67	—	26.00
2314.00	13.00	35.00	35.00	2660.67	—	30.00	39.00	39.00	3007.33	9.00	43.00	43.00	3354.00	—	26.00
2318.33	13.00	35.00	35.00	2665.00	—	30.00	39.00	39.00	3011.67	9.00	43.00	43.00	3358.33	—	26.00
2322.67	13.00	35.00	35.00	2669.33	—	30.00	39.00	39.00	3016.00	4.00	43.00	43.00	3362.67	—	26.00
2327.00	9.00	35.00	35.00	2673.67	—	30.00	39.00	39.00	3020.33	4.00	43.00	43.00	3367.00	—	22.00
2331.33	9.00	35.00	35.00	2678.00	—	26.00	39.00	39.00	3024.67	4.00	43.00	43.00	3371.33	—	22.00
2335.67	9.00	35.00	35.00	2682.33	—	26.00	39.00	39.00	3029.00	4.00	43.00	43.00	3375.67	—	22.00
2340.00	9.00	35.00	35.00	2686.67	—	26.00	39.00	39.00	3033.33	4.00	43.00	48.00	3380.00	—	22.00
2344.33	9.00	35.00	35.00	2691.00	—	26.00	39.00	39.00	3037.67	4.00	43.00	48.00	3384.33	—	22.00
2348.67	9.00	35.00	35.00	2695.33	—	26.00	39.00	39.00	3042.00	—	43.00	48.00	3388.67	—	22.00
2353.00	4.00	35.00	35.00	2699.67	—	22.00	39.00	39.00	3046.33	—	43.00	48.00	3393.00	—	17.00
2357.33	4.00	35.00	35.00	2704.00	—	22.00	39.00	39.00	3050.67	—	39.00	48.00	3397.33	—	17.00
2361.67	4.00	35.00	35.00	2708.33	—	22.00	39.00	39.00	3055.00	—	39.00	48.00	3401.67	—	17.00
2366.00	4.00	35.00	35.00	2712.67	—	22.00	39.00	39.00	3059.33	—	39.00	48.00	3406.00	—	17.00
2370.33	4.00	35.00	35.00	2717.00	—	22.00	39.00	39.00	3063.67	—	39.00	48.00	3410.33	—	17.00
2374.67	—	35.00	35.00	2721.33	—	22.00	39.00	39.00	3068.00	—	39.00	48.00	3414.67	—	13.00
2379.00	—	35.00	35.00	2725.67	—	17.00	39.00	39.00	3072.33	—	39.00	48.00	3419.00	—	13.00
2383.33	—	35.00	35.00	2730.00	—	17.00	39.00	39.00	3076.67	—	35.00	48.00	3423.33	—	13.00
2387.67	—	35.00	35.00	2734.33	—	17.00	39.00	39.00	3081.00	—	35.00	48.00	3427.67	—	13.00
2392.00	—	35.00	35.00	2738.67	—	17.00	39.00	39.00	3085.33	—	35.00	48.00	3432.00	—	13.00
2396.33	—	35.00	35.00	2743.00	—	17.00	43.00	43.00	3089.67	—	35.00	48.00	3436.33	—	9.00
2400.67	—	35.00	35.00	2747.33	—	13.00	43.00	43.00	3094.00	—	35.00	48.00	3440.67	—	9.00
2405.00	—	35.00	35.00	2751.67	—	13.00	43.00	43.00	3098.33	—	30.00	48.00	3445.00	—	9.00
2409.33	—	35.00	35.00	2756.00	—	13.00	43.00	43.00	3102.67	—	30.00	48.00	3449.33	—	9.00
2413.67	—	35.00	35.00	2760.33	—	13.00	43.00	43.00	3107.00	—	30.00	48.00	3453.67	—	9.00
2418.00	—	35.00	35.00	2764.67	—	13.00	43.00	43.00	3111.33	—	30.00	48.00	3458.00	—	9.00
2422.33	—	35.00	35.00	2769.00	—	13.00	43.00	43.00	3115.67	—	30.00	48.00	3462.33	—	4.00
2426.67	—	35.00	35.00	2773.33	—	9.00	43.00	43.00	3120.00	—	30.00	48.00	3466.67	—	4.00
2431.00	—	30.00	35.00	2777.67	—	9.00	43.00	43.00	3124.33	—	26.00	48.00	3471.00	—	4.00
2435.33	—	30.00	35.00	2782.00	—	9.00	43.00	43.00	3128.67	—	26.00	48.00	3475.33	—	4.00
2439.67	—	30.00	35.00	2786.33	—	9.00	43.00	43.00	3133.00	—	26.00	48.00	3479.67	—	4.00
2444.00	—	30.00	35.00	2790.67	—	9.00	43.00	43.00	3137.33	—	26.00	48.00	3484.00	—	—
2448.33	—	30.00	35.00	2795.00	—	4.00	43.00	43.00	3141.67	—	26.00	48.00	3488.33	—	—
2452.67	—	30.00	39.00	2799.33	—	4.00	43.00	43.00	3146.00	—	22.00	48.00	3492.67	—	—
2457.00	—	26.00	39.00	2803.67	—	4.00	43.00	43.00	3150.33	—	22.00	48.00	3497.00	—	—
2461.33	—	26.00	39.00	2808.00	—	4.00	43.00	43.00	3154.67	—	22.00	48.00	3501.33	—	—
2465.67	—	26.00	39.00	2812.33	—	4.00	43.00	43.00	3159.00	—	22.00	48.00	3505.67	—	—
2470.00	—	26.00	39.00	2816.67	—	—	43.00	43.00	3163.33	—	22.00	48.00	3510.00	—	—
2474.33	—	26.00	39.00	2821.00	—	—	43.00	43.00	3167.67	—	17.00	48.00	3514.33	—	—
2478.67	—	22.00	39.00	2825.33	—	—	43.00	43.00	3172.00	—	17.00	48.00	3518.67	—	—
2483.00	—	22.00	39.00	2829.67	—	—	39.00	43.00	3176.33	—	17.00	48.00	3523.00	—	—
2487.33	—	22.00	39.00	2834.00	—	—	39.00	43.00	3180.67	—	17.00	48.00	3527.33	—	—
2491.67	—	22.00	39.00	2838.33	—	—	39.00	43.00	3185.00	—	17.00	48.00	3531.67	—	—
2496.00	—	22.00	39.00	2842.67	—	—	39.00	43.00	3189.33	—	17.00	48.00	3536.00	—	—
2500.33	—	22.00	39.00	2847.00	—	—	39.00	43.00	3193.67	—	13.00	48.00	3540.33	—	—
2504.67	—	17.00	39.00	2851.33	—	—	35.00	43.00	3198.00	—	13.00	48.00	3544.67	—	—
2509.00	—	17.00	39.00	2855.67	—	—	35.00	43.00	3202.33	—	13.00	48.00	3549.00	—	—
2513.33	—	17.00	39.00	2860.00	—	—	35.00	43.00	3206.67	—	13.00	48.00	3553.33	—	—
2517.67	—	17.00	39.00	2864.33	—	—	35.00	43.00	3211.00	—	13.00	48.00	3557.67	—	—</