



TD 98/12 - Income tax: what are the thresholds and limits for superannuation amounts in 1998-99?

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 This document has changed over time. This is a consolidated version of the ruling which was published on *3 June 1998*

Taxation Determination

Income tax: what are the thresholds and limits for superannuation amounts in 1998-99?

Preamble

The number, subject heading, date of effect and paragraphs 2 to 7 of this Taxation Determination are a 'public ruling' for the purposes of Part IVAAA of the *Taxation Administration Act 1953* and are legally binding on the Commissioner. The remainder of the Determination is administratively binding on the Commissioner. Taxation Rulings TR 92/1 and TR 97/16 together explain how a Determination is legally or administratively binding.

Date of effect

This Determination applies to the 1998-1999 financial year.

1. In accordance with the *Income Tax Assessment Act 1936* (the Act), there are a number of thresholds and limits that require indexation each year by movements in full-time adult Average Weekly Ordinary Time Earnings (AWOTE).

2. The AWOTE amount is an estimate by the Australian Statistician of the full-time adult average weekly ordinary time earnings for persons in Australia. The estimate for February 1998 was \$721.30 and the estimate for February 1997 was \$696.10. This produces an indexation factor of 1.036.

3. This factor is applied against the 1997-98 thresholds and limits. The new thresholds and limits that apply from 1 July 1998 are set out in the following paragraphs.

4. For the purposes of subsection 27A(20) of the Act, the **tax free amounts** of a bona fide redundancy payment or of an approved early retirement scheme payment are:

\$4,712 (formerly \$4,548)

\$2,356 (formerly \$2,274).

5. For the purposes of subsections 82AAC(2B) and 82AAT(2B) of the Act, the **age based deduction limits** for superannuation contributions by employers and eligible persons are:

\$10,600 (formerly \$10,232)

\$29,443 (formerly \$28,420)

\$73,019 (formerly \$70,482).

6. For the purposes of subsection 140ZD(3) of the Act, the **RBL limits** are:

Lump Sum RBL **\$471,088** (formerly \$454,718)

Pension RBL **\$942,175** (formerly \$909,435).

7. For the purposes of section 159SG of the Act, the **upper limit for determining the residual amount**, i.e., the threshold on the post-June 1983 component of an ETP is:

\$93,731 (formerly \$90,474).

Commissioner of Taxation

3 June 1998

FOI INDEX DETAIL: [Reference No.](#) I 1015673

Not previously released in draft form

[Related Determinations:](#) TD 96/24; TD 97/11

[Related Rulings:](#)

[Subject Ref:](#) age based deduction limits; approved early retirement scheme; bona fide redundancy; elective deduction limit; lump sum reasonable benefit limit; pension reasonable benefit limit

[Legislative Ref:](#) ITAA 27A(20); ITAA 82AAC(2B); ITAA 82AAT(2B); ITAA 140ZD(3); ITAA 159SG

[Case Ref:](#)

[ATO Ref:](#) NAT 96/4342-7

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