



Australian Government

Australian Taxation Office

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## Legislative Instrument

# TAXATION ADMINISTRATION ACT WITHHOLDING SCHEDULES CORRECTION OCTOBER 2016

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I, Matthew Bambrick, Acting Deputy Commissioner of Taxation, make this determination under section 15-25 of Schedule 1 to the *Taxation Administration Act 1953*.

**Matthew Bambrick**

Acting Deputy Commissioner of Taxation

23 September 2016

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### 1. Name of instrument

This determination is the *Taxation Administration Act Withholding Schedules Correction October 2016*.

### 2. Commencement

This instrument commences on the day after registration.

### 3. Purpose

- (a) Withholding schedules specify the formulas and procedures to be used for working out the amount to be withheld by an entity from a withholding payment covered by Subdivision 12-B, 12-C or 12-D of Schedule 1 to the *Taxation Administration Act 1953*.
- (b) The withholding schedules in this instrument are made for the purposes of collecting income tax, Medicare levy, Temporary Budget Repair levy and amounts of liabilities to the Commonwealth under the *Higher Education Support Act 2003*, the *Trade Support Loans Act 2014*, the *Social Security Act 1991* and the *Student Assistance Act 1973*.
- (c) The withholding schedules in this instrument replace eight schedules included in Legislative Instrument F2016L01380 which was registered on 2 September 2016. Legislative Instrument F2016L01380 is repealed on commencement of this determination.

#### 4. Withholding schedules

Each of the withholding schedules listed in the following table applies to payments made on or after 1 October 2016:

Schedule number	Quick code number	Title
1	50006	Statement of formulas for calculating amounts to be withheld
3	50015	Tax table for actors, variety artists and other entertainers
5	50017	Tax table for back payments, commissions, bonuses and similar payments
6	50018	Tax table for annuities
7	50019	Tax table for unused leave payments on termination of employment
8	50005	Statement of formulas for calculating Higher Education Loan Program (HELP), Student Start-up Loan (SSL), Trade Support Loan (TSL) and Student Financial Supplement Scheme (SFSS) components
9	50020	Tax table for seniors and pensioners
13	50021	Tax table for superannuation income streams

# Schedule 1 – Statement of formulas for calculating amounts to be withheld

For payments made on or after 1 October 2016

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* (TAA). It applies to withholding payments covered by Subdivisions 12-B (except sections 12-50 and 12-55), and 12-D of Schedule 1 to the TAA.

## Using this schedule

If you develop your own payroll software package, this schedule provides the formulas that you will need to calculate the amounts to be withheld from payments made on a weekly, fortnightly, monthly or quarterly basis.

To assist employers who do not have a payroll software package our website makes available:

- a [tax withheld calculator](#), and
- [tax tables](#)

which are based on the formulas in this schedule.

Payments covered include:

- salary, wages, allowances and leave loading paid to employees
- paid parental leave
- directors' fees
- salary and allowances paid to office holders (including members of parliament, statutory office holders, defence force members and police officers)
- payments to labour hire-workers
- payments to religious practitioners
- government pensions
- government education or training payments
- compensation, sickness or accident payments that are calculated at a periodical rate and made because a person is unable to work (unless the payment is made under an insurance policy to the policy owner).

### Get it done

You can download a printable version of [Statement of formulas for calculating amounts to be withheld](#) (NAT 1004, 586KB) in Portable Document Format (PDF).

# Coefficients for calculation of amounts to be withheld (withholding amounts) from weekly payments

Where the tax-free threshold is not claimed in *Tax file number declaration* – Scale 1

Weekly earnings (x) less than \$	a	b
60	0.1900	0.1900
361	0.2332	2.6045
932	0.3477	44.0006
1,323	0.3450	41.4841
3,111	0.3900	101.0225
3,111 & over	0.4900	412.1764

Where the employee claimed the tax-free threshold in *Tax file number declaration* – Scale 2

Weekly earnings (x) less than \$	a	b
355	-	-
410	0.1900	67.4635
512	0.2900	108.4923
711	0.2100	67.4646
1,282	0.3477	165.4435
1,673	0.3450	161.9819
3,461	0.3900	237.2704
3,461 & over	0.4900	583.4242

Foreign residents –Scale 3

Weekly earnings (x) less than \$	a	b
1,673	0.3250	0.3250
3,461	0.3700	75.2885
3,461 & over	0.4700	421.4423

**Where a tax file number (TFN) was not provided by employee –Scale 4**

<b>Earnings</b>	<b>Tax rate</b>
<b>Resident</b> \$1 & over	0.4900
<b>Foreign resident</b> \$1 & over	0.4700

**Where the employee claimed the FULL exemption from Medicare levy in *Medicare levy variation declaration* –Scale 5**

<b>Weekly earnings (x) less than \$</b>	<b>a</b>	<b>b</b>
355	-	-
711	0.1900	67.4635
1,282	0.3277	165.4423
1,673	0.3250	161.9808
3,461	0.3700	237.2692
3,461 & over	0.4700	583.4231

**Where the employee claimed the HALF exemption from Medicare levy in *Medicare levy variation declaration* –Scale 6**

<b>Weekly earnings (x) less than \$</b>	<b>a</b>	<b>b</b>
355	-	-
692	0.1900	67.4635
711	0.2400	102.0798
865	0.3777	200.0587
1,282	0.3377	165.4425
1,673	0.3350	161.9810
3,461	0.3800	237.2694
3,461 & over	0.4800	583.4233

## Notes

1. If you have 27 fortnightly, or 53 weekly pays in a financial year, refer to [withholding additional amounts from employee earnings](#).
2. Scales 1, 2, 3, 5 and 6 may be applied only where employees have provided their TFN.

3. For scale 4 no coefficients are necessary. To calculate withholding, apply the tax rate to earnings, ignoring any cents in earnings and in the withholding result.
4. Scale 1 and 2 apply whether or not the employee is entitled to any leave loading.
5. Tax offsets may be allowed only where scales 2, 5 or 6 are applied.
6. All scales include the Temporary Budget Repair Levy.
7. Scale 1, 2, 4 and 6 incorporate the Medicare levy. Scale 4 incorporates the Medicare levy for residents only.
8. For scale 2 no Medicare levy is payable by a person whose taxable income for the year is \$21,335 (\$410 per week) or less. Where the taxable income exceeds \$21,335 but is less than \$26,668 (\$512 per week), the levy is shaded in at the rate of 10% of the excess over \$21,335. Where a person's taxable income is \$26,668 (\$512 per week) or more, Medicare is levied at the rate of 2% of total taxable income.
9. The Medicare levy is also shaded in for scale 6. The Medicare levy parameters for scales 2 and 6 are as follows:

#### Medicare levy parameters

	Scale 2	Scale 6
Weekly earnings threshold	410	692
Weekly earnings shade-in threshold	512	865
Medicare levy family threshold	36,001	36,001
Weekly family threshold divisor	52	52
Additional child	3,306	3,306
Shading out point multiplier	0.1000	0.0500
Shading out point divisor	0.0800	0.0400
Weekly levy adjustment factor	410.2900	692.3300
Medicare levy	0.0200	0.0100

## About this schedule

Amounts to be withheld from payments made weekly, fortnightly, monthly and quarterly, as set out in the relevant PAYG withholding tax table, can be calculated using the formulas and coefficients contained in this schedule.

Separate formulas apply to:

- employees who have not claimed the tax-free threshold
- foreign residents
- employees claiming a full exemption from Medicare levy
- employees claiming a half exemption from Medicare levy

- employees who have claimed the tax-free threshold.

### Find out more

- [Tax file number \(TFN\) declarations](#)
- [Withholding declarations](#)
- [Allowances](#)
- [Holiday pay, long service leave and employment termination payments](#)
- [Claiming tax offsets](#)
- [Medicare levy adjustment](#)

## Using a formula

The formulas comprise linear equations of the form  $y = ax - b$ , where:

- $y$  is the weekly withholding amount expressed in dollars
- $x$  is the number of whole dollars in the weekly earnings plus 99 cents

$a$  and  $b$  are the values of the coefficients for each set of formulas for each range of weekly earnings (or, in the case of fortnightly, monthly or quarterly earnings, [the weekly equivalent of these amounts](#)).

The formulas relate only to the calculation of withholding amounts before any tax offsets and Medicare levy adjustments are allowed. For instructions on the treatment of tax offsets and Medicare levy adjustments, refer to [Tax offsets](#) and [Medicare levy adjustments](#).

For sample data to verify that the software program is calculating the correct withholding amounts and Medicare levy adjustments, see [Withholding amounts](#) and [Medicare levy adjustments](#).

Withholding amounts calculated using these formulas may vary slightly to those calculated using the method set out in the footnote to the appropriate PAYG withholding tax table. This applies if earnings exceed \$3,275 weekly or \$6,550 fortnightly.

## Rounding of withholding amounts

Withholding amounts calculated as a result of applying the above formulas are rounded to the nearest dollar. Values ending in 50 cents are rounded to the next higher dollar. Do this rounding directly – that is, do not make a preliminary rounding to the nearest cent.

Use these rounding rules across all scales except scale 4 (where employee does not provide a TFN). For scale 4, cents are ignored when applying the tax rate to earnings and when withholding amounts are calculated.

## When there are 53 pays in a financial year

In some years, you may have 53 pays instead of the usual 52. As this schedule is based on 52 pays, the extra pay may result in insufficient amounts being withheld. You should let your employees know when this occurs so if they are concerned about a shortfall in tax withheld, they can ask you to withhold the additional amount in the table below.

<b>Weekly earnings</b> \$	<b>Additional withholding</b> \$
725 to 1,524	3
1,525 to 3,449	4
3,450 and over	10

## When there are 27 pays in a financial year

In some years, you may have 27 pays instead of the usual 26. As this schedule is based on 26 pays, the extra pay may result in insufficient amounts being withheld. You should let employees know when this occurs so if they are concerned about a shortfall in tax withheld, they can ask you to withhold the additional amounts in the table below.

<b>Fortnightly earnings</b> \$	<b>Additional withholding</b> \$
1,400 to 3,049	12
3,050 to 6,799	17
6,800 and over	42

## Working out the weekly earnings

The method of working out the weekly earnings (x) for the purpose of applying the formulas is as follows:

### Example

Weekly income	\$467.59
Add allowance subject to withholding	<u>\$ 9.50</u>
Total earnings (ignore cents)	\$477.00
Add 99 cents	<u>\$0.99</u>
<b>Weekly earnings</b>	<b>\$477.99</b>

## Calculating withholding fortnightly, monthly or quarterly amounts

First calculate the weekly equivalent of fortnightly, monthly or quarterly earnings. If you pay:

- fortnightly – divide the sum of the fortnightly earnings and the amount of any allowances subject to withholding by two. Ignore any cents in the result and then add 99 cents.
- monthly – obtain the sum of the monthly earnings and the amount of any allowances subject to withholding (if the result is an amount ending in 33 cents, add one cent),



multiply this amount by three and then divide by 13. Ignore any cents in the result and then add 99 cents.

- quarterly – divide the sum of the quarterly earnings and the amount of any allowances subject to withholding by 13. Ignore any cents in the result and then add 99 cents.

Then calculate fortnightly, monthly or quarterly withholding amounts as follows:

- fortnightly – work out the rounded weekly withholding amount applicable to the weekly equivalent of earnings, before any adjustment for tax offsets. Multiply this amount by two.
- monthly – work out the rounded weekly withholding amount applicable to the weekly equivalent of earnings, before any adjustment for tax offsets. Multiply this amount by 13, divide the product by three and round the result to the nearest dollar.
- quarterly – work out the rounded weekly withholding amount applicable to the weekly equivalent of earnings, before any adjustment for tax offsets. Multiply this amount by 13.

## Tax offsets

The withholding amount calculated using scales 2, 5 or 6 of the formulas is reduced as follows:

- weekly – 1.9% of the total amount claimed at the tax offsets questions on the *Withholding declaration* (NAT 3093), rounded to the nearest dollar
- fortnightly – 3.8% of the total amount claimed at the tax offsets questions on the *Withholding declaration*, rounded to the nearest dollar
- monthly – 8.3% of the total amount claimed at the tax offsets questions on the *Withholding declaration*, rounded to the nearest dollar
- quarterly – 25% of the total amount claimed at the tax offsets questions on the *Withholding declaration*, rounded to the nearest dollar.

# Medicare levy adjustment

A Medicare levy adjustment is not allowed where withholding amounts have been calculated using scales 1, 3, 4 or 5. The amount obtained using scales 2 or 6 (after allowing for any tax offsets) is reduced by any amount of Medicare levy adjustment applicable.

## When an employee is entitled to an adjustment

An employee who has lodged both a completed [Withholding declaration](#) and a [Medicare levy variation declaration](#) (NAT 0929), may be entitled to a Medicare levy adjustment if they have weekly earnings of one of the following:

- \$410 or more where scale 2 is applied
- \$692 or more where scale 6 is applied.

To claim the adjustment, the employee must answer **yes** to question 10 and **yes** to question 9, and/or question 12 on the *Medicare levy variation declaration*.

## Calculating the Medicare levy adjustment

To calculate the Medicare levy adjustment, your software package will need to be able to distinguish those employees who have answered **yes** to question 9 and **no** to question 12 on the *Medicare levy variation declaration*.

Where employees have answered **yes** to question 12, the software must be able to store the number of dependants shown at this question on the declaration.

You will need to calculate the weekly family threshold and shading out point (SOP) before calculating the weekly levy adjustment for employees with weekly earnings of one of the following:

- \$512 or more where scale 2 is applied
- \$865 or more where scale 6 is applied.

Values used in the calculations may be regarded as variables.

## Weekly family threshold (WFT)

### Where scale 2 or scale 6 is applied

- Where an employee has answered **yes** to question 9 and **no** to question 12 on the *Medicare levy variation declaration*:
  - $\text{WFT} = \$692.33 \text{ (} 36,001 \div 52 \text{) (rounded to the nearest cent).}$
- Where an employee has answered **yes** to question 12 on the *Medicare levy variation declaration*, you need to:
  - a. multiply the number of children shown at question 12 by 3,306 and add the result to 36,001
  - b. divide the result of (a) by 52

c. round the result of (b) to the nearest cent.

### Example

If the employee has shown two dependent children at question 12:

$$\text{WFT} = ([3,306 \times 2] + 36,001) \div 52$$

$$\text{WFT} = 819.4808 \text{ or } \$819.48 \text{ (rounded to the nearest cent)}$$

## Shading Out Point (SOP)

The SOP relative to an employee's WFT is calculated as follows:

Multiply WFT by 0.1 and divide the result by 0.0800. Ignore any cents in the result.

### Example

Employee has shown six dependent children at question 12 and scale 2 is applied:

$$\text{WFT} = ([3,306 \times 6] + 36,001) \div 52$$

$$\text{WFT} = 1,073.7885 \text{ or } \$1,073.79 \text{ (rounded to the nearest cent)}$$

$$\text{SOP} = (\text{WFT} \times 0.1) \div 0.0800$$

$$\text{SOP} = (\$1,073.79 \times 0.1) \div 0.0800$$

$$\text{SOP} = 1,342.2375 \text{ or } \$1,342 \text{ (ignoring cents)}$$

## Weekly Levy Adjustment (WLA)

### Where scale 2 is applied

Where weekly earnings are \$410 or more but less than the SOP, the WLA is derived by applying the weekly earnings (**x**) expressed in whole dollars plus an amount of 99 cents (refer to [Working out the weekly earnings](#)), in the following formulas:

1. If **x** is less than \$512,  $\text{WLA} = (\mathbf{x} - 410.29) \times 0.1$
2. If **x** is \$512 or more but less than WFT,  $\text{WLA} = \mathbf{x} \times 0.0200$
3. If **x** is equal to or greater than WFT and less than the SOP,  $\text{WLA} = (\text{WFT} \times 0.0200) - ([\mathbf{x} - \text{WFT}] \times 0.0800)$

### Where scale 6 is applied

Where weekly earnings are \$692 or more but less than the SOP, the WLA is derived by applying the weekly earnings (**x**) expressed in whole dollars plus an amount of 99 cents (refer to [Working out the weekly earnings](#)), in the following formulas:

1. If **x** is less than \$865,  $\text{WLA} = (\mathbf{x} - 692.33) \times 0.05$
2. If **x** is \$865 or more but less than WFT,  $\text{WLA} = \mathbf{x} \times 0.0100$
3. If **x** is equal to or greater than WFT and less than the SOP,  $\text{WLA} = (\text{WFT} \times 0.0100) - ([\mathbf{x} - \text{WFT}] \times 0.0400)$

In each case WLA should be rounded to the nearest dollar.

Values ending in 50 cents should be rounded to the next higher dollar.

## Examples

### Example 1

Employee's weekly earnings are \$465.33 and scale 2 is applied.

$$x = 465.99$$

As  $x$  is less than \$512, WLA is calculated using formula (1):

$$\begin{aligned} \text{WLA} &= (465.99 - 410.29) \times 0.1 \\ &= 5.5700 \text{ or } \$6.00 \text{ (rounded to the nearest dollar).} \end{aligned}$$

### Example 2

Employee's weekly earnings are \$869.47 and the number of children claimed at question 12 is three. Scale 6 is applied.

$$x = 869.99$$

$$\begin{aligned} \text{WFT} &= ([3,306 \times 3] + 36,001) \div 52 \\ &= 883.0577 \text{ or } \$883.06 \text{ (rounded to the nearest cent)} \end{aligned}$$

As  $x$  is greater than \$865 and less than WFT, WLA is calculated using formula (2):

$$\begin{aligned} \text{WLA} &= 869.99 \times 0.01 \\ &= 8.6999 \text{ or } \$9.00 \text{ (rounded to the nearest dollar).} \end{aligned}$$

### Example 3

Employee's weekly earnings are \$982.29 and the number of children claimed at question 12 is four. Scale 2 is applied.

$$x = 982.99$$

$$\begin{aligned} \text{WFT} &= ([3,306 \times 4] + 36,001) \div 52 \\ &= 946.6346 \text{ or } \$946.63 \text{ (rounded to the nearest cent).} \end{aligned}$$

$$\begin{aligned} \text{SOP} &= (946.63 \times 0.1) \div 0.08 \\ &= 1,183.2875 \text{ or } \$1,183 \text{ (ignoring cents).} \end{aligned}$$

As  $x$  is greater than WFT and less than SOP, WLA is calculated using formula (3):

$$\begin{aligned} \text{WLA} &= (946.63 \times 0.020) - ([982.99 - 946.63] \times 0.0800) \\ &= 16.0238 \text{ or } \$16.00 \text{ (rounded to the nearest dollar)} \end{aligned}$$

## Fortnightly levy adjustment

Multiply rounded weekly levy adjustment by two.

### Example

Employee's fortnightly earnings are \$1,595.52 and the number of children claimed at question 12 is one. Scale 2 is applied.

Equivalent weekly earnings =  $\$1,595.52 \div 2$

= \$797.76

$x = 797.99$

WFT =  $([3,306 \times 1] + 36,001) \div 52$

= 755.9038 or \$755.90 (rounded to the nearest cent).

SOP =  $(755.90 \times 0.1) \div 0.08$

= 944.8750 or \$944 (ignoring cents).

As  $x$  is greater than WFT and less than SOP, formula (3) is used:

WLA =  $(755.90 \times 0.020) - ([797.99 - 755.90] \times 0.0800)$

= 11.7508 or \$12.00 (rounded to the nearest dollar).

The fortnightly levy adjustment is therefore \$24.00 ( $\$12.00 \times 2$ )

## Monthly levy adjustment

Multiply rounded weekly levy adjustment by 13 and divide the result by three. The result should be rounded to the nearest dollar.

### Example

Employee's monthly earnings are \$2,800.33 and has a spouse but no children. Scale 2 is applied.

Equivalent weekly earnings =  $(\$2,800.33 + 0.01) \times 3 \div 13$

= \$646.23

$x = 646.99$

WFT = \$692.33

As  $x$  is greater than \$512 and less than WFT, formula (2) applies:

WLA =  $646.99 \times 0.0200 = 12.9398$  or \$13.00 (rounded to the nearest dollar).

The monthly adjustment is therefore \$56.00 ( $\$13.00 \times 13 \div 3$ , rounded to the nearest dollar).

## Quarterly levy adjustment

Multiply rounded weekly levy adjustment by 13

# General examples

## Example 1

Employee's weekly earnings are \$1,103.45. Employee has completed a *Tax file number declaration* claiming the tax-free threshold. The employee has also provided a *Medicare levy variation declaration* with five children shown at question 12.

**Therefore, scale 2 is applied.**

$$x = 1103.99$$

Weekly withholding amount (**y**)

$$= (a \times x) - b$$

$$= (0.3477 \times 1103.99) - 165.4435$$

$$= 218.4138 \text{ or } \$218.00 \text{ (rounded to nearest dollar)}$$

Levy adjustment: weekly earnings are greater than WFT (\$1010.21) and less than the SOP (\$1,262) appropriate to employee with five children. Formula (3) applies.

$$= (1010.21 \times 0.0200) - ([1103.99 - 1010.21] \times 0.0800)$$

$$= 20.2042 - 7.5024$$

$$= 12.7018 \text{ or } \$13.00 \text{ (rounded to nearest dollar)}$$

Net weekly withholding amount

$$\$218.00 - \$13.00 = \$205.00$$

## Example 2

Employee's fortnightly earnings are \$1,110.30. Employee resides in zone B, has provided a *Tax file number declaration* that claims the tax-free threshold and a *Withholding declaration* that claims zone and tax offsets at the tax offsets questions that totals \$1,645. The employee has also lodged a *Medicare levy variation declaration* claiming a full exemption from the Medicare levy.

**Therefore, scale 5 is applied.**

Convert to weekly equivalent

$$= (1,110.30 \div 2)$$

$$= 555.15 \text{ or } \$555 \text{ (ignore cents)}$$

$$x = 555.99$$

Weekly withholding amount (**y**)

$$= (a \times x) - b$$

$$= (0.1900 \times 555.99) - 67.4635$$

= 38.1746 or \$38.00 (rounded to nearest dollar)

Fortnightly withholding amount

$\$38.00 \times 2 = \$76.00$

Tax offsets claimed at the tax offsets questions on the *Withholding declaration*

= 3.8% of \$1,645

= 62.5100 or \$63.00 (rounded to nearest dollar)

Net fortnightly withholding amount

$\$76.00 - \$63.00 = \$13.00$ .

### **Example 3**

Employee's monthly earnings are \$4,156.33. Employee has provided a *Tax file number declaration* claiming the tax-free threshold and claimed a total tax offset of \$1,365 at the tax offsets question on the *Withholding declaration*. The employee has one child but is not eligible for a Medicare levy adjustment. The weekly equivalent of the employee's earnings exceeds the Medicare levy SOP of \$944 appropriate to an employee with one child.

**Therefore, scale 2 is applied.**

Convert to weekly equivalent

$= (\$4,156.33 + 0.01) \times 3 \div 13$

= 959.1554 or \$959 (ignore cents)

**x** = 959.99

Weekly withholding amount (**y**)

$= (a \times x) - b$

$= (0.3477 \times 959.99) - 165.4435$

= 168.3450 or \$168.00 (rounded to nearest dollar)

Monthly withholding amount

$\$168.00 \times 13 \div 3 = \$728.00$  (rounded to nearest dollar)

Tax offset claimed

= 8.3% of \$1,365

= 113.2950 or \$113.00 (rounded to nearest dollar)

Net monthly withholding amount

$\$728.00 - \$113.00 = \$615.00$

# Calculating withholding amounts for payments made on a daily or casual basis

The withholding amounts shown in the [Tax table for daily and casual workers](#) (NAT 1024) can be expressed in a mathematical form, using the formulas and coefficients provided.

To work out withholding amounts using the formulas:

4. Multiply earnings (ignoring any cents) by five to work out the weekly equivalent. Add 99 cents to the result.
5. Calculate the weekly amount by applying the coefficients at:
  - Scale 1 where an employee is not claiming the tax-free threshold
  - Scale 2 where an employee is claiming the tax-free threshold.
6. Round the result to the nearest dollar.
7. Divide this amount by five to convert it to the daily equivalent.
8. Round the daily withholding amount to the nearest dollar.

Where the employee is entitled to the seniors and pensioners tax offset, replace with the appropriate coefficients from [Tax table for seniors and pensioners](#) (NAT 4466)

## Accounting software

Software written in accordance with the formulas in this schedule should be tested for accuracy against the sample data provided. The results obtained when using the coefficients in this schedule may differ slightly from the amounts shown in the PAYG tax tables. The differences result from the rounding of components.

## Sample data

### Weekly withholding amounts

#### Amounts to be withheld

Weekly earnings \$	Scale 1 No tax-free threshold \$	Scale 2 With tax-free threshold \$	Scale 3 Foreign resident \$	Scale 5 Full Medicare exemption \$	Scale 6 Half Medicare exemption \$
59	11.00	0.00	19.00	0.00	0.00
60	12.00	0.00	19.00	0.00	0.00
116	25.00	0.00	38.00	0.00	0.00
117	25.00	0.00	38.00	0.00	0.00



249	56.00	0.00	81.00	0.00	0.00
250	56.00	0.00	81.00	0.00	0.00
354	80.00	0.00	115.00	0.00	0.00
355	80.00	0.00	115.00	0.00	0.00
360	82.00	1.00	117.00	1.00	1.00
361	82.00	1.00	117.00	1.00	1.00
409	99.00	10.00	133.00	10.00	10.00
410	99.00	11.00	133.00	11.00	11.00
511	134.00	40.00	166.00	30.00	30.00
512	134.00	40.00	166.00	30.00	30.00
691	197.00	78.00	225.00	64.00	64.00
692	197.00	78.00	225.00	64.00	64.00
710	203.00	82.00	231.00	68.00	69.00
711	204.00	82.00	231.00	68.00	69.00
864	257.00	135.00	281.00	118.00	127.00
865	257.00	136.00	281.00	118.00	127.00
931	280.00	159.00	303.00	140.00	149.00
932	280.00	159.00	303.00	140.00	150.00
1281	401.00	280.00	416.00	255.00	267.00
1282	401.00	281.00	417.00	255.00	268.00
1322	415.00	294.00	430.00	268.00	281.00
1323	415.00	295.00	430.00	268.00	282.00
1672	551.00	415.00	543.00	382.00	398.00
1673	552.00	416.00	544.00	382.00	399.00
1844	619.00	482.00	607.00	445.00	464.00
1845	619.00	483.00	608.00	446.00	464.00
2119	726.00	590.00	709.00	547.00	568.00
2120	726.00	590.00	709.00	547.00	569.00
2490	870.00	734.00	846.00	684.00	709.00
2491	871.00	735.00	847.00	685.00	710.00

2652	934.00	797.00	906.00	744.00	771.00
2653	934.00	798.00	907.00	745.00	771.00
2736	966.00	830.00	937.00	775.00	803.00
2737	967.00	831.00	938.00	776.00	803.00
2898	1030.00	893.00	997.00	835.00	864.00
2899	1030.00	894.00	998.00	836.00	865.00
2913	1035.00	899.00	1003.00	841.00	870.00
2914	1036.00	900.00	1003.00	841.00	870.00
3110	1112.00	976.00	1076.00	914.00	945.00
3111	1113.00	976.00	1076.00	914.00	945.00
3460	1284.00	1113.00	1205.00	1043.00	1078.00
3461	1284.00	1113.00	1206.00	1044.00	1078.00

## Fortnightly withholding amounts

### Amounts to be withheld

Fortnightly earnings \$	Scale 1 No tax-free threshold \$	Scale 2 With tax-free threshold \$	Scale 3 Foreign resident \$	Scale 5 Full Medicare exemption \$	Scale 6 Half Medicare exemption \$
118	22.00	0.00	38.00	0.00	0.00
120	24.00	0.00	38.00	0.00	0.00
232	50.00	0.00	76.00	0.00	0.00
234	50.00	0.00	76.00	0.00	0.00
498	112.00	0.00	162.00	0.00	0.00
500	112.00	0.00	162.00	0.00	0.00
708	160.00	0.00	230.00	0.00	0.00
710	160.00	0.00	230.00	0.00	0.00
720	164.00	2.00	234.00	2.00	2.00
722	164.00	2.00	234.00	2.00	2.00
818	198.00	20.00	266.00	20.00	20.00

820	198.00	22.00	266.00	22.00	22.00
1022	268.00	80.00	332.00	60.00	60.00
1024	268.00	80.00	332.00	60.00	60.00
1382	394.00	156.00	450.00	128.00	128.00
1384	394.00	156.00	450.00	128.00	128.00
1420	406.00	164.00	462.00	136.00	138.00
1422	408.00	164.00	462.00	136.00	138.00
1728	514.00	270.00	562.00	236.00	254.00
1730	514.00	272.00	562.00	236.00	254.00
1862	560.00	318.00	606.00	280.00	298.00
1864	560.00	318.00	606.00	280.00	300.00
2562	802.00	560.00	832.00	510.00	534.00
2564	802.00	562.00	834.00	510.00	536.00
2644	830.00	588.00	860.00	536.00	562.00
2646	830.00	590.00	860.00	536.00	564.00
3344	1102.00	830.00	1086.00	764.00	796.00
3346	1104.00	832.00	1088.00	764.00	798.00
3688	1238.00	964.00	1214.00	890.00	928.00
3690	1238.00	966.00	1216.00	892.00	928.00
4238	1452.00	1180.00	1418.00	1094.00	1136.00
4240	1452.00	1180.00	1418.00	1094.00	1138.00
4980	1740.00	1468.00	1692.00	1368.00	1418.00
4982	1742.00	1470.00	1694.00	1370.00	1420.00
5304	1868.00	1594.00	1812.00	1488.00	1542.00
5306	1868.00	1596.00	1814.00	1490.00	1542.00
5472	1932.00	1660.00	1874.00	1550.00	1606.00
5474	1934.00	1662.00	1876.00	1552.00	1606.00
5796	2060.00	1786.00	1994.00	1670.00	1728.00
5798	2060.00	1788.00	1996.00	1672.00	1730.00
5826	2070.00	1798.00	2006.00	1682.00	1740.00

5828	2072.00	1800.00	2006.00	1682.00	1740.00
6220	2224.00	1952.00	2152.00	1828.00	1890.00
6222	2226.00	1952.00	2152.00	1828.00	1890.00
6920	2568.00	2226.00	2410.00	2086.00	2156.00
6922	2568.00	2226.00	2412.00	2088.00	2156.00

## Monthly withholding amounts

### Amounts to be withheld

Monthly earnings \$	Scale 1 No tax-free threshold \$	Scale 2 With tax-free threshold \$	Scale 3 Foreign resident \$	Scale 5 Full Medicare exemption \$	Scale 6 Half Medicare exemption \$
255.67	48.00	0.00	82.00	0.00	0.00
260.00	52.00	0.00	82.00	0.00	0.00
502.67	108.00	0.00	165.00	0.00	0.00
507.00	108.00	0.00	165.00	0.00	0.00
1079.00	243.00	0.00	351.00	0.00	0.00
1083.33	243.00	0.00	351.00	0.00	0.00
1534.00	347.00	0.00	498.00	0.00	0.00
1538.33	347.00	0.00	498.00	0.00	0.00
1560.00	355.00	4.00	507.00	4.00	4.00
1564.33	355.00	4.00	507.00	4.00	4.00
1772.33	429.00	43.00	576.00	43.00	43.00
1776.67	429.00	48.00	576.00	48.00	48.00
2214.33	581.00	173.00	719.00	130.00	130.00
2218.67	581.00	173.00	719.00	130.00	130.00
2994.33	854.00	338.00	975.00	277.00	277.00
2998.67	854.00	338.00	975.00	277.00	277.00
3076.67	880.00	355.00	1001.00	295.00	299.00
3081.00	884.00	355.00	1001.00	295.00	299.00

3744.00	1114.00	585.00	1218.00	511.00	550.00
3748.33	1114.00	589.00	1218.00	511.00	550.00
4034.33	1213.00	689.00	1313.00	607.00	646.00
4038.67	1213.00	689.00	1313.00	607.00	650.00
5551.00	1738.00	1213.00	1803.00	1105.00	1157.00
5555.33	1738.00	1218.00	1807.00	1105.00	1161.00
5728.67	1798.00	1274.00	1863.00	1161.00	1218.00
5733.00	1798.00	1278.00	1863.00	1161.00	1222.00
7245.33	2388.00	1798.00	2353.00	1655.00	1725.00
7249.67	2392.00	1803.00	2357.00	1655.00	1729.00
7990.67	2682.00	2089.00	2630.00	1928.00	2011.00
7995.00	2682.00	2093.00	2635.00	1933.00	2011.00
9182.33	3146.00	2557.00	3072.00	2370.00	2461.00
9186.67	3146.00	2557.00	3072.00	2370.00	2466.00
10790.00	3770.00	3181.00	3666.00	2964.00	3072.00
10794.33	3774.00	3185.00	3670.00	2968.00	3077.00
11492.00	4047.00	3454.00	3926.00	3224.00	3341.00
11496.33	4047.00	3458.00	3930.00	3228.00	3341.00
11856.00	4186.00	3597.00	4060.00	3358.00	3480.00
11860.33	4190.00	3601.00	4065.00	3363.00	3480.00
12558.00	4463.00	3870.00	4320.00	3618.00	3744.00
12562.33	4463.00	3874.00	4325.00	3623.00	3748.00
12623.00	4485.00	3896.00	4346.00	3644.00	3770.00
12627.33	4489.00	3900.00	4346.00	3644.00	3770.00
13476.67	4819.00	4229.00	4663.00	3961.00	4095.00
13481.00	4823.00	4229.00	4663.00	3961.00	4095.00
14993.33	5564.00	4823.00	5222.00	4520.00	4671.00
14997.67	5564.00	4823.00	5226.00	4524.00	4671.00

## Sample data – Scale 2

### Weekly Medicare levy adjustment

Weekly earnings \$	Spouse only \$	1 child \$	2 children \$	3 children \$	4 children \$	5 children \$
409	0.00	0.00	0.00	0.00	0.00	0.00
410	0.00	0.00	0.00	0.00	0.00	0.00
460	5.00	5.00	5.00	5.00	5.00	5.00
461	5.00	5.00	5.00	5.00	5.00	5.00
511	10.00	10.00	10.00	10.00	10.00	10.00
512	10.00	10.00	10.00	10.00	10.00	10.00
537	11.00	11.00	11.00	11.00	11.00	11.00
538	11.00	11.00	11.00	11.00	11.00	11.00
563	11.00	11.00	11.00	11.00	11.00	11.00
564	11.00	11.00	11.00	11.00	11.00	11.00
589	12.00	12.00	12.00	12.00	12.00	12.00
590	12.00	12.00	12.00	12.00	12.00	12.00
615	12.00	12.00	12.00	12.00	12.00	12.00
616	12.00	12.00	12.00	12.00	12.00	12.00
641	13.00	13.00	13.00	13.00	13.00	13.00
642	13.00	13.00	13.00	13.00	13.00	13.00
667	13.00	13.00	13.00	13.00	13.00	13.00
668	13.00	13.00	13.00	13.00	13.00	13.00
693	14.00	14.00	14.00	14.00	14.00	14.00
694	14.00	14.00	14.00	14.00	14.00	14.00
719	12.00	14.00	14.00	14.00	14.00	14.00
720	12.00	14.00	14.00	14.00	14.00	14.00
745	10.00	15.00	15.00	15.00	15.00	15.00
746	9.00	15.00	15.00	15.00	15.00	15.00

771	7.00	14.00	15.00	15.00	15.00	15.00
772	7.00	14.00	15.00	15.00	15.00	15.00
797	5.00	12.00	16.00	16.00	16.00	16.00
798	5.00	12.00	16.00	16.00	16.00	16.00
823	3.00	10.00	16.00	16.00	16.00	16.00
824	3.00	10.00	16.00	16.00	16.00	16.00
849	1.00	8.00	14.00	17.00	17.00	17.00
850	1.00	8.00	14.00	17.00	17.00	17.00
875	0.00	6.00	12.00	18.00	18.00	18.00
876	0.00	5.00	12.00	18.00	18.00	18.00
901	0.00	3.00	10.00	16.00	18.00	18.00
902	0.00	3.00	10.00	16.00	18.00	18.00
927	0.00	1.00	8.00	14.00	19.00	19.00
928	0.00	1.00	8.00	14.00	19.00	19.00
953	0.00	0.00	6.00	12.00	18.00	19.00
954	0.00	0.00	6.00	12.00	18.00	19.00
979	0.00	0.00	4.00	10.00	16.00	20.00
980	0.00	0.00	3.00	10.00	16.00	20.00
1005	0.00	0.00	1.00	8.00	14.00	20.00
1006	0.00	0.00	1.00	8.00	14.00	20.00
1182	0.00	0.00	0.00	0.00	0.00	6.00
1183	0.00	0.00	0.00	0.00	0.00	6.00
1261	0.00	0.00	0.00	0.00	0.00	0.00
1262	0.00	0.00	0.00	0.00	0.00	0.00

## Fortnightly Medicare levy adjustment

Fortnightly earnings \$	Spouse only \$	1 child \$	2 children \$	3 children \$	4 children \$	5 children \$
818	0.00	0.00	0.00	0.00	0.00	0.00
820	0.00	0.00	0.00	0.00	0.00	0.00
920	10.00	10.00	10.00	10.00	10.00	10.00
922	10.00	10.00	10.00	10.00	10.00	10.00
1022	20.00	20.00	20.00	20.00	20.00	20.00
1024	20.00	20.00	20.00	20.00	20.00	20.00
1074	22.00	22.00	22.00	22.00	22.00	22.00
1076	22.00	22.00	22.00	22.00	22.00	22.00
1126	22.00	22.00	22.00	22.00	22.00	22.00
1128	22.00	22.00	22.00	22.00	22.00	22.00
1178	24.00	24.00	24.00	24.00	24.00	24.00
1180	24.00	24.00	24.00	24.00	24.00	24.00
1230	24.00	24.00	24.00	24.00	24.00	24.00
1232	24.00	24.00	24.00	24.00	24.00	24.00
1282	26.00	26.00	26.00	26.00	26.00	26.00
1284	26.00	26.00	26.00	26.00	26.00	26.00
1334	26.00	26.00	26.00	26.00	26.00	26.00
1336	26.00	26.00	26.00	26.00	26.00	26.00
1386	28.00	28.00	28.00	28.00	28.00	28.00
1388	28.00	28.00	28.00	28.00	28.00	28.00
1438	24.00	28.00	28.00	28.00	28.00	28.00
1440	24.00	28.00	28.00	28.00	28.00	28.00
1490	20.00	30.00	30.00	30.00	30.00	30.00
1492	18.00	30.00	30.00	30.00	30.00	30.00
1542	14.00	28.00	30.00	30.00	30.00	30.00
1544	14.00	28.00	30.00	30.00	30.00	30.00
1594	10.00	24.00	32.00	32.00	32.00	32.00



1596	10.00	24.00	32.00	32.00	32.00	32.00
1646	6.00	20.00	32.00	32.00	32.00	32.00
1648	6.00	20.00	32.00	32.00	32.00	32.00
1698	2.00	16.00	28.00	34.00	34.00	34.00
1700	2.00	16.00	28.00	34.00	34.00	34.00
1750	0.00	12.00	24.00	36.00	36.00	36.00
1752	0.00	10.00	24.00	36.00	36.00	36.00
1802	0.00	6.00	20.00	32.00	36.00	36.00
1804	0.00	6.00	20.00	32.00	36.00	36.00
1854	0.00	2.00	16.00	28.00	38.00	38.00
1856	0.00	2.00	16.00	28.00	38.00	38.00
1906	0.00	0.00	12.00	24.00	36.00	38.00
1908	0.00	0.00	12.00	24.00	36.00	38.00
1958	0.00	0.00	8.00	20.00	32.00	40.00
1960	0.00	0.00	6.00	20.00	32.00	40.00
2010	0.00	0.00	2.00	16.00	28.00	40.00
2012	0.00	0.00	2.00	16.00	28.00	40.00
2364	0.00	0.00	0.00	0.00	0.00	12.00
2366	0.00	0.00	0.00	0.00	0.00	12.00
2522	0.00	0.00	0.00	0.00	0.00	0.00
2524	0.00	0.00	0.00	0.00	0.00	0.00

## Monthly Medicare levy adjustment

Monthly earnings \$	Spouse only \$	1 child \$	2 children \$	3 children \$	4 children \$	5 children \$
1772.33	0.00	0.00	0.00	0.00	0.00	0.00
1776.67	0.00	0.00	0.00	0.00	0.00	0.00
1993.33	22.00	22.00	22.00	22.00	22.00	22.00
1997.67	22.00	22.00	22.00	22.00	22.00	22.00
2214.33	43.00	43.00	43.00	43.00	43.00	43.00

2218.67	43.00	43.00	43.00	43.00	43.00	43.00
2327.00	48.00	48.00	48.00	48.00	48.00	48.00
2331.33	48.00	48.00	48.00	48.00	48.00	48.00
2439.67	48.00	48.00	48.00	48.00	48.00	48.00
2444.00	48.00	48.00	48.00	48.00	48.00	48.00
2552.33	52.00	52.00	52.00	52.00	52.00	52.00
2556.67	52.00	52.00	52.00	52.00	52.00	52.00
2665.00	52.00	52.00	52.00	52.00	52.00	52.00
2669.33	52.00	52.00	52.00	52.00	52.00	52.00
2777.67	56.00	56.00	56.00	56.00	56.00	56.00
2782.00	56.00	56.00	56.00	56.00	56.00	56.00
2890.33	56.00	56.00	56.00	56.00	56.00	56.00
2894.67	56.00	56.00	56.00	56.00	56.00	56.00
3003.00	61.00	61.00	61.00	61.00	61.00	61.00
3007.33	61.00	61.00	61.00	61.00	61.00	61.00
3115.67	52.00	61.00	61.00	61.00	61.00	61.00
3120.00	52.00	61.00	61.00	61.00	61.00	61.00
3228.33	43.00	65.00	65.00	65.00	65.00	65.00
3232.67	39.00	65.00	65.00	65.00	65.00	65.00
3341.00	30.00	61.00	65.00	65.00	65.00	65.00
3345.33	30.00	61.00	65.00	65.00	65.00	65.00
3453.67	22.00	52.00	69.00	69.00	69.00	69.00
3458.00	22.00	52.00	69.00	69.00	69.00	69.00
3566.33	13.00	43.00	69.00	69.00	69.00	69.00
3570.67	13.00	43.00	69.00	69.00	69.00	69.00
3679.00	4.00	35.00	61.00	74.00	74.00	74.00
3683.33	4.00	35.00	61.00	74.00	74.00	74.00
3791.67	0.00	26.00	52.00	78.00	78.00	78.00
3796.00	0.00	22.00	52.00	78.00	78.00	78.00
3904.33	0.00	13.00	43.00	69.00	78.00	78.00

3908.67	0.00	13.00	43.00	69.00	78.00	78.00
4017.00	0.00	4.00	35.00	61.00	82.00	82.00
4021.33	0.00	4.00	35.00	61.00	82.00	82.00
4129.67	0.00	0.00	26.00	52.00	78.00	82.00
4134.00	0.00	0.00	26.00	52.00	78.00	82.00
4242.33	0.00	0.00	17.00	43.00	69.00	87.00
4246.67	0.00	0.00	13.00	43.00	69.00	87.00
4355.00	0.00	0.00	4.00	35.00	61.00	87.00
4359.33	0.00	0.00	4.00	35.00	61.00	87.00
5122.00	0.00	0.00	0.00	0.00	0.00	26.00
5126.33	0.00	0.00	0.00	0.00	0.00	26.00
5464.33	0.00	0.00	0.00	0.00	0.00	0.00
5468.67	0.00	0.00	0.00	0.00	0.00	0.00

# Sample data – Scale 6

## Weekly Medicare half-levy adjustment

Weekly earnings \$	1 child \$	2 children \$	3 children \$	4 children \$	5 children \$
691	0.00	0.00	0.00	0.00	0.00
692	0.00	0.00	0.00	0.00	0.00
777	4.00	4.00	4.00	4.00	4.00
778	4.00	4.00	4.00	4.00	4.00
864	9.00	9.00	9.00	9.00	9.00
865	3.00	6.00	9.00	9.00	9.00
880	3.00	6.00	9.00	9.00	9.00
881	3.00	6.00	9.00	9.00	9.00
896	2.00	5.00	8.00	9.00	9.00
897	2.00	5.00	8.00	9.00	9.00
912	1.00	4.00	8.00	9.00	9.00
913	1.00	4.00	8.00	9.00	9.00
928	1.00	4.00	7.00	9.00	9.00
929	1.00	4.00	7.00	9.00	9.00
944	0.00	3.00	6.00	9.00	9.00
945	0.00	3.00	6.00	9.00	9.00
960	0.00	3.00	6.00	9.00	10.00
961	0.00	2.00	6.00	9.00	10.00
976	0.00	2.00	5.00	8.00	10.00
977	0.00	2.00	5.00	8.00	10.00
992	0.00	1.00	4.00	8.00	10.00
993	0.00	1.00	4.00	8.00	10.00
1008	0.00	1.00	4.00	7.00	10.00
1009	0.00	1.00	4.00	7.00	10.00
1024	0.00	0.00	3.00	6.00	10.00

1025	0.00	0.00	3.00	6.00	9.00
1040	0.00	0.00	3.00	6.00	9.00
1041	0.00	0.00	2.00	6.00	9.00
1056	0.00	0.00	2.00	5.00	8.00
1057	0.00	0.00	2.00	5.00	8.00
1072	0.00	0.00	1.00	4.00	8.00
1073	0.00	0.00	1.00	4.00	8.00
1088	0.00	0.00	1.00	4.00	7.00
1089	0.00	0.00	1.00	4.00	7.00
1104	0.00	0.00	0.00	3.00	6.00
1105	0.00	0.00	0.00	3.00	6.00
1120	0.00	0.00	0.00	2.00	6.00
1121	0.00	0.00	0.00	2.00	6.00
1136	0.00	0.00	0.00	2.00	5.00
1137	0.00	0.00	0.00	2.00	5.00
1152	0.00	0.00	0.00	1.00	4.00
1153	0.00	0.00	0.00	1.00	4.00
1168	0.00	0.00	0.00	1.00	4.00
1169	0.00	0.00	0.00	1.00	4.00
1182	0.00	0.00	0.00	0.00	3.00
1183	0.00	0.00	0.00	0.00	3.00
1261	0.00	0.00	0.00	0.00	0.00
1262	0.00	0.00	0.00	0.00	0.00

## Fortnightly Medicare half-levy adjustment

Fortnightly earnings \$	1 child \$	2 children \$	3 children \$	4 children \$	5 children \$
1382	0.00	0.00	0.00	0.00	0.00
1384	0.00	0.00	0.00	0.00	0.00
1554	8.00	8.00	8.00	8.00	8.00

1556	8.00	8.00	8.00	8.00	8.00
1728	18.00	18.00	18.00	18.00	18.00
1730	6.00	12.00	18.00	18.00	18.00
1760	6.00	12.00	18.00	18.00	18.00
1762	6.00	12.00	18.00	18.00	18.00
1792	4.00	10.00	16.00	18.00	18.00
1794	4.00	10.00	16.00	18.00	18.00
1824	2.00	8.00	16.00	18.00	18.00
1826	2.00	8.00	16.00	18.00	18.00
1856	2.00	8.00	14.00	18.00	18.00
1858	2.00	8.00	14.00	18.00	18.00
1888	0.00	6.00	12.00	18.00	18.00
1890	0.00	6.00	12.00	18.00	18.00
1920	0.00	6.00	12.00	18.00	20.00
1922	0.00	4.00	12.00	18.00	20.00
1952	0.00	4.00	10.00	16.00	20.00
1954	0.00	4.00	10.00	16.00	20.00
1984	0.00	2.00	8.00	16.00	20.00
1986	0.00	2.00	8.00	16.00	20.00
2016	0.00	2.00	8.00	14.00	20.00
2018	0.00	2.00	8.00	14.00	20.00
2048	0.00	0.00	6.00	12.00	20.00
2050	0.00	0.00	6.00	12.00	18.00
2080	0.00	0.00	6.00	12.00	18.00
2082	0.00	0.00	4.00	12.00	18.00
2112	0.00	0.00	4.00	10.00	16.00
2114	0.00	0.00	4.00	10.00	16.00
2144	0.00	0.00	2.00	8.00	16.00
2146	0.00	0.00	2.00	8.00	16.00
2176	0.00	0.00	2.00	8.00	14.00

2178	0.00	0.00	2.00	8.00	14.00
2208	0.00	0.00	0.00	6.00	12.00
2210	0.00	0.00	0.00	6.00	12.00
2240	0.00	0.00	0.00	4.00	12.00
2242	0.00	0.00	0.00	4.00	12.00
2272	0.00	0.00	0.00	4.00	10.00
2274	0.00	0.00	0.00	4.00	10.00
2304	0.00	0.00	0.00	2.00	8.00
2306	0.00	0.00	0.00	2.00	8.00
2336	0.00	0.00	0.00	2.00	8.00
2338	0.00	0.00	0.00	2.00	8.00
2364	0.00	0.00	0.00	0.00	6.00
2366	0.00	0.00	0.00	0.00	6.00
2522	0.00	0.00	0.00	0.00	0.00
2524	0.00	0.00	0.00	0.00	0.00

## Monthly Medicare half-levy adjustment

Monthly earnings \$	1 child \$	2 children \$	3 children \$	4 children \$	5 children \$
2994.33	0.00	0.00	0.00	0.00	0.00
2998.67	0.00	0.00	0.00	0.00	0.00
3367.00	17.00	17.00	17.00	17.00	17.00
3371.33	17.00	17.00	17.00	17.00	17.00
3744.00	39.00	39.00	39.00	39.00	39.00
3748.33	13.00	26.00	39.00	39.00	39.00
3813.33	13.00	26.00	39.00	39.00	39.00
3817.67	13.00	26.00	39.00	39.00	39.00
3882.67	9.00	22.00	35.00	39.00	39.00
3887.00	9.00	22.00	35.00	39.00	39.00
3952.00	4.00	17.00	35.00	39.00	39.00

3956.33	4.00	17.00	35.00	39.00	39.00
4021.33	4.00	17.00	30.00	39.00	39.00
4025.67	4.00	17.00	30.00	39.00	39.00
4090.67	0.00	13.00	26.00	39.00	39.00
4095.00	0.00	13.00	26.00	39.00	39.00
4160.00	0.00	13.00	26.00	39.00	43.00
4164.33	0.00	9.00	26.00	39.00	43.00
4229.33	0.00	9.00	22.00	35.00	43.00
4233.67	0.00	9.00	22.00	35.00	43.00
4298.67	0.00	4.00	17.00	35.00	43.00
4303.00	0.00	4.00	17.00	35.00	43.00
4368.00	0.00	4.00	17.00	30.00	43.00
4372.33	0.00	4.00	17.00	30.00	43.00
4437.33	0.00	0.00	13.00	26.00	43.00
4441.67	0.00	0.00	13.00	26.00	39.00
4506.67	0.00	0.00	13.00	26.00	39.00
4511.00	0.00	0.00	9.00	26.00	39.00
4576.00	0.00	0.00	9.00	22.00	35.00
4580.33	0.00	0.00	9.00	22.00	35.00
4645.33	0.00	0.00	4.00	17.00	35.00
4649.67	0.00	0.00	4.00	17.00	35.00
4714.67	0.00	0.00	4.00	17.00	30.00
4719.00	0.00	0.00	4.00	17.00	30.00
4784.00	0.00	0.00	0.00	13.00	26.00
4788.33	0.00	0.00	0.00	13.00	26.00
4853.33	0.00	0.00	0.00	9.00	26.00
4857.67	0.00	0.00	0.00	9.00	26.00
4922.67	0.00	0.00	0.00	9.00	22.00
4927.00	0.00	0.00	0.00	9.00	22.00
4992.00	0.00	0.00	0.00	4.00	17.00



4996.33	0.00	0.00	0.00	4.00	17.00
5061.33	0.00	0.00	0.00	4.00	17.00
5065.67	0.00	0.00	0.00	4.00	17.00
5122.00	0.00	0.00	0.00	0.00	13.00
5126.33	0.00	0.00	0.00	0.00	13.00
5464.33	0.00	0.00	0.00	0.00	0.00
5468.67	0.00	0.00	0.00	0.00	0.00

# Other statements of formulas

Statements of formulas for other classes of payees are also available. These include PAYG withholding:

- [Statement of formulas for calculating HELP, SSL, TSL and SFSS components](#) (NAT 3539)
- [Tax table for individuals employed in the horticultural or shearing industry](#) (NAT 1013)
- [Tax table for actors, variety artists and other entertainers](#) (NAT 1023)
- [Tax table for seniors and pensioners](#) (NAT 4466).

## Tax file number (TFN) declarations

The answers your employees provide on their [Tax file number declaration](#) (NAT 3092) determine the amount you need to withhold from their payments. A *Tax file number declaration* applies to any payments made after you receive the declaration. If you receive an updated declaration from an employee, it will override the previous one.

If an employee does not give you a valid *Tax file number declaration* within **14 days** of starting an employer/employee relationship, you must complete a *Tax file number declaration* with all available details of the employee and send it to us.

## When a TFN has not been provided

You must withhold 49% from any payment you make to a resident employee and 47% from a foreign resident employee, (ignoring any cents), if all of the following apply:

- they have not quoted their TFN
- they have not claimed an exemption from quoting their TFN
- they have not advised you that they have applied for a TFN or have made an enquiry with us.

If an employee states at question 1 of the *Tax file number declaration* they have lodged a [Tax file number – application or enquiry for individuals](#) (NAT 1432) with us, they have **28 days** to provide you with their TFN.

If the employee has not given you their TFN within **28 days**, you must withhold 49% from any payment you make to a resident employee and 47% from a foreign resident employee (ignoring any cents) unless we tell you not to.

Do not allow for any tax offsets or Medicare levy adjustments. Do not withhold any amount for:

- Higher Education Loan Program (HELP) debts
- Student Start-up Loan (SSL) debts
- Trade Support Loan (TSL) debts
- Financial Supplement debts.

## When your employee is a foreign resident

If your employee has answered **no** to the question 'Are you an Australian resident for tax purposes?' on their *Tax file number declaration*, you will need to use the foreign resident tax rates.

There are two ways you can withhold from a foreign resident's earnings:

- If they have given you a valid TFN, use scale 3.
- If they have not given you a valid TFN, use scale 4.

Foreign residents cannot claim tax offsets to reduce withholding. They may, in limited circumstances, be entitled to claim a zone or overseas forces offset in their income tax return. If your foreign resident employee has claimed a tax offset on the *Tax file number declaration*, you don't need to make any adjustments to the amount you withhold.

## Withholding declarations

An employee may use a [Withholding declaration](#) (NAT 3093) to advise you of a tax offset they choose to claim through reduced withholding from you.

Employees can also use a *Withholding declaration* to advise you of any changes to their situation that may affect the amount you need to withhold from their payments.

Changes that may affect the amount you need to withhold include:

- becoming or ceasing to be an Australian resident for tax purposes
- claiming or discontinuing a claim for the tax-free threshold
- advising of a HELP, SSL, TSL or Financial Supplement debt, or changes to them
- entitlement to a seniors and pensioners tax offset.

When your employee provides you with a *Withholding declaration* it will take effect from the next payment you make. If you receive an updated declaration from an employee, it will replace the previous one.

An employee must have provided you with a valid *Tax file number declaration* before they can provide you with a *Withholding declaration*.

## When your employee has a HELP, SSL, TSL or Financial Supplement debt

If your employee has a HELP, SSL, TSL or Financial Supplement debt, you may need to withhold additional amounts from their payments. Your employee will need to notify you of this on their *Tax file number declaration* or *Withholding declaration*.

**Work it out**

To calculate additional withholding amounts for:

- HELP, SSL or TSL debts, refer to either
  - [HELP/SSL/TSL weekly tax table](#)
  - [HELP/SSL/TSL fortnightly tax table](#)
  - [HELP/SSL/TSL monthly tax table](#).
- Financial Supplement debts, refer to either
  - [SFSS weekly tax table](#).
  - [SFSS fortnightly tax table](#)
  - [SFSS monthly tax table](#)
- Statement of formulas, refer to
  - [Statement of formulas for calculating HELP, SSL, TSL and SFSS components](#)

Employees who are entitled to a reduction of Medicare levy or do not have to pay the Medicare levy because of low family income, will not have to make a compulsory HELP, SSL, TSL or Financial Supplement repayment for that year. The exemption from making a compulsory HELP, SSL, TSL or Financial Supplement repayment may be claimed on the *Medicare levy variation declaration*.

## Allowances

Generally, allowances are added to normal earnings and the amount to withhold is calculated on the total amount of earnings and allowances.

[Withholding from allowances](#)

## Leave loading

If you pay leave loading as a lump sum, use [Tax table for back payments, commissions, bonuses and similar payments](#) (NAT 3348) to calculate withholding.

If you pay leave loading on a pro-rata basis, add the leave loading payment to earnings for that period to calculate withholding.

# Holiday pay, long service leave and employment termination payments

## Employees who continue working for you

You must include holiday pay (including any leave loading) and long service leave payments as part of normal earnings, except when they are paid on termination of employment.

For more information, see [Withholding from annual and long service leave for continuing employees](#)

## Employees who stop working for you

This schedule does not cover any lump sum payments made to an employee who stops working for you.

If an employee has unused annual leave, leave loading or long service leave, refer to [Tax table for unused leave payments on termination of employment](#) (NAT 3351).

Any other lump sum payments may be employment termination payments, refer to [Tax table for employment termination payments](#) (NAT 70980).

Do not withhold any amount for HELP, SSL, TSL or Financial Supplement debts from lump sum termination payments.

## Claiming tax offsets

If your employee chooses to claim their entitlement to a tax offset through reduced withholding, they must provide you with a *Withholding declaration*.

To work out the employee's annual tax offset entitlement into a weekly, fortnightly, monthly or quarterly, refer to [Tax offsets](#).

Do not allow for any tax offsets if any of the following apply:

- where no tax-free threshold is claimed
- you are using foreign resident rates
- when an employee does not provide you with their TFN.

## Medicare levy adjustment

To claim the Medicare levy adjustment available to some low income earners with dependants, your employee must lodge a [Medicare levy variation declaration](#) (NAT 0929) with their *Tax file number declaration*.

Some employees may be liable for an increased rate of Medicare levy or the Medicare levy surcharge as a result of new income tests. They can lodge a *Medicare levy variation declaration*, requesting you to increase the amount to be withheld from their payments.

**Work it out**

[Medicare levy adjustment](#)

# Schedule 3 – Tax table for actors, variety artists and other entertainers

For payments made on or after 1 October 2016

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* (TAA). It applies to withholding payments covered by section 12-35 of Schedule 1 to the TAA.

Use the Withholding look-up tool to quickly [work out the amount to withhold](#).

## Using this table

You should use this table if you make payments to employees who are actors, variety artists and other entertainers who receive payments for their performances.

Do not use this table if you make payments to employees, or other individuals engaged under a contract, to perform in a promotional activity that is any one of the following:

- conducted in the presence of an audience
- intended to be communicated to an audience by print or electronic media
- for a film or tape
- for a television or radio broadcast.

For these types of payments the Commissioner has varied the rate of withholding to 20% of the payment.

For more information refer to [PAYG withholding – performing artists and promotional activities](#).

### Get it done

You can download a printable version of the [Tax table for actors, variety artists and other entertainers](#) (NAT 1023, 489KB) in Portable Document Format (PDF).

For all other relevant employees, refer to PAYG withholding [Weekly tax table](#) or [Fortnightly tax table](#).

Do not use this table for payments made to foreign residents engaged as contractors. These payments are subject to foreign resident withholding.

For more information refer to [Withholding from payments to foreign residents for entertainment or sports activities](#).

## Working out the withholding amount

The tax table for actors, variety artists and other entertainers is only applicable to those who have three performances per week and have claimed the tax-free threshold. If the number of

performances per week is different, or the employee has not claimed the tax-free threshold, use the [formulas](#) to calculate withholding amounts.

To work out the amount you need to withhold using the tax table, you must:

1. Ignore any cents, input the employee's daily earnings into the [Withholding look-up tool](#) and refer to the corresponding amount to be withheld in column 2.
2. If the employee has claimed any tax offsets, see [Claiming tax offsets](#) to work out the daily value of the amount claimed. Subtract the daily value of the tax offsets from the amount found in step 1.

### Example

An employee has claimed the tax-free threshold, earns \$279.35 daily, works three performances this week and claims tax offsets of \$500. Ignoring cents, input \$279 into the Withholding look-up tool and refer to the corresponding amount to be withheld in column 2 of \$24.00. Reduce this amount by the daily value of the tax offsets of \$3.00 ( $\$500 \div 52 \div 3$  rounded to the nearest dollar).

The amount to withhold is \$21.00 ( $\$24.00 - \$3.00$ ).

## Using a formula

The withholding amounts shown in this table can be expressed in a mathematical form.

If you have developed your own payroll software package, you can use the formulas and the coefficients outlined in [table A](#) and [table B](#).

This section should be read with [Statement of formulas for calculating amounts to be withheld](#) (NAT 1004).

The formulas comprise linear equations of the form  $y = ax - b$  where:

- $y$  is the weekly withholding amount expressed in dollars
- $x$  is the weekly earnings rounded down to whole dollars plus 99 cents, and
- $a$  and  $b$  are the values of the coefficient for the formulas as shown in tables A and B.

**Table A: Employee has claimed the tax-free threshold**

Weekly earnings (x) less than	a	b
\$443	0	0
\$512	0.1520	67.4635
\$641	0.2320	108.4923
\$889	0.1680	67.4646
\$1,602	0.2782	165.4435
\$2,091	0.2760	161.9819



\$4,326	0.3120	237.2704
\$4,326 & over	0.3920	583.4242

**Table B: Employee has not claimed the tax-free threshold**

<b>Weekly earnings (x) less than</b>	<b>a</b>	<b>b</b>
\$75	0.1520	0.1520
\$451	0.1866	2.6045
\$1,165	0.2782	44.0006
\$1,653	0.2760	41.4841
\$3,889	0.3120	101.0225
\$3,889 & over	0.3920	412.1764

To work out withholding amounts using the formulas, you must:

1. Ignore any cents, multiply the per performance earnings by the number of performances for the week to derive the weekly equivalent. Add 99 cents to the result.
2. Calculate the weekly amount by applying the relevant coefficients from table A or B above, rounding to the nearest dollar.
3. Divide this amount by the number of performances for the week to work out the per performance withholding amount. Multiply this amount by the number of performances per day to convert it to the daily earnings equivalent. Round the daily withholding amount to the nearest dollar.

If you pay your employees daily rather than per performance, the amount to withhold (including reductions for tax offsets) should be worked out on a daily basis.

### **Example**

Sandra has two performances for the week, one on Thursday and one on Saturday. Sandra earns \$500.35 for each performance. She has claimed the tax-free threshold.

1.  $\$500 \times 2 = \$1,000$ . Add 99 cents to the result = \$1,000.99.
2.  $\$1,000.99 \times 0.2782 - 165.4435 = \$113.0319$ . Round to the nearest dollar = \$113.
3.  $\$113 \div 2 = \$56.50$ . Round to the nearest dollar = \$57.

Therefore, the amount to withhold from each performance is \$57. As there is only one performance per day, the daily withholding amount is the same as the per performance withholding amount.

# Accounting software

Software written in accordance with the formulas in this table should be tested for accuracy against the [Withholding look-up tool](#). The results obtained when using the coefficients in this table may differ slightly from the *Withholding look-up tool*. The differences result from the rounding of components.

## Tax file number (TFN) declarations

The answers your employees provide on their [Tax file number declaration](#) determine the amount you need to withhold from their payments. A *Tax file number declaration* applies to any payments made after you receive the declaration. If you receive an updated declaration from an employee, it will override the previous one.

If an employee does not give you a valid *Tax file number declaration* within **14 days** of starting an employer/employee relationship, you must complete *Tax file number declaration* with all available details of the employee and send it to us.

### When a TFN has not been provided

You must withhold 49% from any payment you make to a resident employee and 47% from a foreign resident employee (ignoring any cents), if all of the following apply:

- they have not quoted their TFN
- they have not claimed an exemption from quoting their TFN
- they have not advised you that they have applied for a TFN or have made an enquiry with us.

If an employee states at question 1 of the *Tax file number declaration* they have lodged a [Tax file number – application or enquiry for individuals](#) (NAT 1432) with us, they have **28 days** to provide you with their TFN.

If an employee has not given you their TFN within **28 days**, you must withhold 49% from any payment you make to a resident employee and 47% from a foreign resident employee (ignoring any cents) unless we tell you not to.

Do not allow for any tax offsets or Medicare levy adjustment. Do not withhold any amount for:

- Higher Education Loan Program (HELP) debts
- Student Start-up Loan (SSL) debts
- Trade Support Loan (TSL) debts
- Financial Supplement debts.

# Claiming tax offsets

If your employee chooses to claim their entitlement to a tax offset through reduced withholding, they must provide you with a [Withholding declaration](#) (NAT 3093).

If your employee claims a tax offset, reduce the amount to be withheld from their earnings per performance by the value of the tax offset. The per performance value is the tax offset amount claimed divided by 52, divided by the number of performances per week. Round to the nearest dollar.

Do not allow for any tax offsets if any of the following apply:

- when no TFN has been provided
- you are using foreign resident rates
- the payee has not claimed the tax-free threshold.

# Withholding declarations

An employee may use a [Withholding declaration](#) (NAT 3093) to advise you of a tax offset they choose to claim through reduced withholding from you. For more information, see [Claiming tax offsets](#).

Employees can also use a *Withholding declaration* to advise you of any changes to their situation that may affect the amount you need to withhold from their payments.

Changes that may affect the amount you need to withhold include:

- becoming or ceasing to be an Australian resident for tax purposes
- claiming or discontinuing a claim for the tax-free threshold
- advising of a HELP, SSL, TSL or Financial Supplement debt, or changes to them.

When your employee provides you with a *Withholding declaration* it will take effect from the next payment you make. If you receive an updated declaration from an employee, it will replace the previous one.

An employee must have provided you with a valid *Tax file number declaration* before they can provide you with a *Withholding declaration*.

# When your employee is a foreign resident

If your employee has answered **no** to the question 'Are you an Australian resident for tax purposes?' on their *Tax file number declaration*, you will need to use the foreign resident tax rates.

There are two ways you can withhold from a foreign resident's earnings:

- if they have not given you a valid TFN, you need to withhold 47% for each \$1 of earnings (ignoring any cents).

- if they have given you a valid TFN, you need to withhold the amount calculated using the foreign resident tax rates, rounding any cents to the nearest dollar.

## Foreign resident tax rates

Weekly earnings \$	Weekly rate
0 to 1,672	32.5 cents for each dollar of earnings
1,673 to 3,460	\$543 plus 37 cents for each \$1 of earnings over \$1,672
3,461 and over	\$1,204 plus 47 cents for each \$1 of earnings over \$3,460

Foreign residents cannot claim tax offsets to reduce withholding. They may, in limited circumstances, be entitled to claim a zone or overseas forces offset in their income tax return. If your foreign resident employee has claimed a tax offset on the *Tax file number declaration*, you don't need to make any adjustments to the amount you withhold.

# Schedule 5 – Tax table for back payments, commissions, bonuses and similar payments

For payments made on or after 1 October 2016

## Withholding limit

There is a withholding limit of 49% on tax withheld from any additional payments calculated using an annualised method.

Applying this withholding limit may result in withholding not being sufficient to cover some employees' end of year tax liability. In these situations, an employee can ask their employer to increase their withholding for the remainder of the financial year.

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 certain withholding payments covered by Subdivisions 12-B (except sections 12-50 and 12-55), 12-C (except sections 12-85 and 12-90) and 12-D of Schedule 1 paid as a lump sum.

## Using this table

Use this table if you make a payment of salary or wages which is:

- a back payment (including lump sum payments in arrears)
- a commission
- a bonus or similar payment.

## Other payments you should use this tax table for

These payments include back payments of:

- compensation or sickness or accident payments for an incapacity for work that are not tax exempt
- Australian Government education or training payments – for example, Austudy or ABSTUDY
- assessable pensions, benefits and allowances under the *Social Security Act 1991* or the *Veterans' Entitlements Act 1986*, or similar payments made under a law of a foreign country, state or province.

## Back payments (including lump sums in arrears)

A back payment is a payment that was meant to have been made in a prior period. For example:

- your employee's wages were underpaid due to an error or oversight

- an allowance you were due to pay in July was overlooked and you made the payment in December.

A back payment is distinct from a bonus, which is a payment made for recognition of performance including past performance. A bonus (or similar payment) can only be considered a back payment if you paid the bonus later than the time that it should have been paid.

If you normally process payments in a pay period later than the work is performed, for example, overtime payments paid with a time lag of one pay period, they are not considered back payments. These payments are treated as part of the normal pay cycle when paid and withholding is calculated on total earnings for that period. An overtime payment is only considered a back payment if it was meant to have been made in a prior pay period.

## Commissions

Commissions are typically payments made as recognition of performance or service, and may be calculated as a percentage of the proceeds from a particular transaction or series of transactions.

## Bonuses and similar payments

A bonus is usually made to an employee in recognition of performance or services, and may be calculated as a percentage of the proceeds from a particular business transaction. These payments may not necessarily be related to a particular period of work.

A payment will be treated as similar to a bonus if it is an amount of a one-off nature that does not relate to work performed in a particular period. Examples include:

- a once-only payment made to a payee as compensation for a changed work location
- an amount paid as a sign-on bonus to a payee entering a workplace agreement
- any lump sum allowance.

## Leave loading

Payment of leave loading can also be regarded as a payment similar to a bonus, if it is made as a lump sum and not on a pro rata basis as leave is taken. If you pay leave loading on a pro rata basis, add it to earnings for the period to calculate withholding using the standard tax tables.

## Tax file number (TFN) declarations

The answers your employees provide on their [Tax file number declaration](#) (NAT 3092) determine the amount you need to withhold from their payments. A *Tax file number declaration* applies to any payments made after you receive the declaration. If you receive an updated declaration from an employee, it will override the previous one.

If an employee does not give you a valid *Tax file number declaration* within **14 days** of starting an employer/employee relationship, you must complete a *Tax file number declaration* with all available details of the employee and send it to us.

## When a TFN has not been provided

You must withhold 49% from any payment you make to a resident employee and 47% from a foreign resident employee (ignoring any cents) if all of the following apply:

- they have not quoted their TFN
- they have not claimed an exemption from quoting their TFN
- they have not advised you that they have applied for a TFN or have made an enquiry with us.

If an employee states at question 1 of the *Tax file number declaration* they have lodged a [Tax file number – application or enquiry for Individuals](#) (NAT 1432) with us, they have **28 days** to provide you with their TFN.

If the employee has not given you their TFN within **28 days**, you must withhold 49% from any payment you make to a resident employee and 47% from a foreign resident employee (ignoring any cents) unless we tell you not to.

Do not allow for tax offsets or Medicare levy adjustment.

Do not withhold any amount for:

- Higher Education Loan Program (HELP) debts
- Student Start-up Loan (SSL) debts
- Trade Support Loan (TSL) debts
- Financial Supplement debts.

## Terms we use

### Additional payments

Additional payments include back payments (including lump sum payments in arrears), commissions, bonuses and similar payments.

### Normal earnings

Normal earnings are gross taxable earnings and include all salary and wage income, taxable allowances, and overtime earnings for the current financial year. This includes any back payments previously made using [Method B\(i\)](#).

At the start of a financial year, an employee's normal earnings can be based on the last full pay period worked in the previous financial year.

If an employee's pay fluctuates significantly, you can use an average of gross taxable earnings for the current financial year (or, if applicable, the previous financial year).

If an employee has no current or past normal earnings (for example, the employee is newly employed), you can include expected future earnings in your calculations. This can be based on the employee's contracted or expected salary for the financial year.

For the purposes of this table, normal earnings do not include employment termination payments or unused leave payments made on termination of employment.



## Average total earnings

Average total earnings are the sum of all normal earnings paid in the current financial year, including current pay, plus any current year back payments if [Method B\(i\)](#) is used to calculate withholding. Then divide the total earnings by the number of pay periods to date (including the current pay period).

## Pay periods per financial year

Pay periods per financial year refers to a total of 52 pay periods if paid weekly, 26 pay periods if paid fortnightly or 12 pay periods if paid monthly. No adjustments are required for a 53 week / 27 fortnight year.

## Withholding limit

If your employee has a Higher Education Loan Program (HELP), Student Start-up Loan (SSL), Trade Support Loan (TSL) or Financial Supplement debt, see [HELP, SSL, TSL, SFSS and additional payments](#).

If you use [Method A](#) or [Method B\(ii\)](#), the amount of tax to be withheld from an additional payment is limited to a maximum of 49% of the additional payment. If the withholding amount calculated (including a HELP, SSL, TSL or Financial Supplement component) using [Method A](#) or [Method B\(ii\)](#) exceeds 49% of the additional payment being made, then the amount is reduced to be equal to 49% of that payment. The withholding limit applies to the additional payment only and not to normal earnings for the current pay period.

For some employees, the withholding limit may result in their withholding amounts not being sufficient to cover their end-of-year tax liability, as their total earnings for the financial year may exceed the HELP, SSL, TSL or Financial Supplement repayment threshold or attract a higher rate of tax. Under these circumstances, your employee can arrange an upwards variation by entering into an agreement with you to vary the rate or amount of withholding.

For more information about withholding variations, refer to:

- For employers: [PAYG withholding variations for payers](#)
- For employees: [PAYG withholding - varying your PAYG withholding](#).

For more information about HELP, SSL, TSL and Financial Supplement repayment thresholds, see [HELP, SSL, TSL and SFSS repayment thresholds and rates](#).

## Working out the withholding amount

To work out the amount you need to withhold from an additional payment, you must use either **Method A** or **Method B**.

Using **Method B** is more complex but produces a withholding amount that more closely approximates the actual tax payable.

Calculations made using either method are acceptable to work out the withholding amount. If your calculation using either method results in a negative amount, you treat the result as nil.

## Using Method A

Use this method for any additional payments made regardless of the financial year the additional payment applies to. This includes all back payments, commissions, bonuses or similar payments.

This method calculates withholding by apportioning additional payments made in the current pay period over the number of pay periods in a financial year, and applying that average amount to the gross earnings in the current pay period.

If you are paying a commission, bonus or similar payment for a defined period of less than 12 months, you can choose to calculate withholding by using the number of pay periods the payment relates to at step 3. For example, if a commission relates to four weeks and the employee is paid weekly, you divide the commission by four pay periods at step 3, rather than 52 pay periods.

Step	Instruction
1	Work out your employee's gross earnings excluding any additional payments for the current pay period. Ignore any cents.
2	Use the relevant tax table to find the amount to be withheld from your employee's gross earnings in step 1.
3	Add any additional payments to be made in the current pay period together and divide the total by the number of pay periods in the financial year (that is, 52 weekly pay periods, 26 fortnightly pay periods or 12 monthly pay periods). Ignore any cents.
4	Add the amount at step 3 to the gross earnings at step 1.
5	Use the relevant tax table to find the amount to be withheld from the amount at step 4.
6	Subtract the amount at step 2 from the amount at step 5.
7	Multiply the amount at step 6 by the number of pay periods used in step 3.
8	Multiply the additional payment being made in the current pay period by 49%.
9	Use the lesser amount of step 7 and step 8 for the withholding on the additional payment. Ignore any cents.
10	Work out the total PAYG withholding for the current pay period by adding the withholding on the additional payment (step 9) to the withholding on the gross earnings (step 2).

## Using Method B

Use Method B(i) for any back payments applied to specific periods in the current financial year.

Use Method B(ii) for either:

- back payments that relate to a prior financial year

- any additional payments (including commissions, bonuses or similar payments) that don't relate to a single pay period regardless of the financial year the additional payment applies to.

If you are making back payments applying to current and previous financial years, apportion the back payment between those years and then use the applicable method for each component to calculate withholding.

If you are making multiple additional payments:

- in the current pay period, you first need to calculate withholding on the total of any current financial year back payments (including lump sum in arrears) then calculate the withholding on any other additional payments
- in the current financial year, that is, you made an additional payment to the employee in a previous pay period, do not recalculate the withholding for the additional payment previously made.

## B(i) Back payments applied to specific periods in the current financial year

This method recalculates withholding for each pay period the back payment applies.

Step	Instruction
1	Work out how much of the back payment applied to each earlier pay period in the current financial year.
2	For the first affected pay period, add the back payment relevant to that period to the normal earnings <sup>1</sup> previously paid to get total earnings for that period.
3	Use the relevant tax table to find the amount to be withheld from the total earnings for that period.
4	Subtract the amount previously withheld for the period from the amount at step 3.
5	Repeat steps 2–4 for each pay period affected. Total the amounts calculated in step 4 for each pay period for the withholding on the back payment.
6	Use the relevant tax table to find the amount to be withheld from your employee's gross earnings (excluding additional payments) for the current pay period.
7	Work out the total PAYG withholding for the current pay period by adding the withholding on the back payment (step 5) to the withholding on the gross earnings (step 6).

<sup>1</sup> See [Terms we use](#) for the definition of normal earnings.

## B(ii) Additional payments applied over the whole financial year

This method calculates withholding by averaging all additional payments made in the current financial year over the number of pay periods in a financial year, and applying that to the average total earnings to date.

Step	Instruction
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1	Calculate the average total earnings <sup>2</sup> paid to your employee over the current financial year to date. Ignore any cents.
2	Use the relevant tax table to find the amount to be withheld from the average total earnings in step 1.
3	Add all additional payments made in the current financial year if Method B(ii) was used to calculate the withholding, to the additional payment in current pay. Then divide by the number of pay periods in the financial year (that is, 52 weekly pay periods, 26 fortnightly pay periods or 12 monthly pay periods). Ignore any cents.
4	Add the amount at step 3 to the average total earnings at step 1.
5	Use the relevant tax table to find the amount to be withheld from the amount at step 4.
6	Subtract the amount at step 2 from the amount at step 5.
7	Multiply the amount in step 6 by the number of pay periods used in step 3.
8	Subtract any amounts previously withheld from additional payments in the current financial year if Method B(ii) was used, from the amount at step 7.
9	Multiply the additional payment being made in the current pay period by 49%.
10	Use the lesser amount of step 8 and step 9 for the withholding on the additional payment. Ignore any cents.
11	Use the relevant tax table to find the amount to be withheld from your employee's gross earnings (excluding additional payments) for the current pay period.
12	Work out the total PAYG withholding for this pay period by adding the withholding on the additional payment (step 10) to the withholding on the gross earnings (step 11).

<sup>2</sup> See [Terms we use](#) for the definition of average total earnings.

# Commissions, bonuses or similar payments

If a commission, bonus or similar payment relates to work your employee performed for more than one pay period (or for an undefined period), you calculate withholding by applying either Method A or Method B(ii).

Do not use this tax table for payments for a single pay period.

If the commission, bonus or similar payment relates to work your employee performed in a single pay period (for example, a week, a fortnight or a month) the amount is added to all their other earnings for the current period. Withholding is then calculated using the standard PAYG withholding tax tables.

# HELP, TSL, SFSS and additional payments

If your employee has advised you they have a Higher Education Loan Program (HELP), Trade Support Loan (TSL) or Financial Supplement debt on their [Tax file number declaration](#) (NAT 3092) or [Withholding declaration](#) (NAT 3093), you must also withhold from the additional payment using the relevant HELP/TSL or SFSS tax tables.

You calculate the amounts you need to withhold from additional payments for HELP, TSL and SFSS by using the same method you used to calculate the PAYG withholding amount from the additional payment.

For example, if you calculate the amount to be withheld from the additional payment using Method A, use the same method to calculate the amounts to be withheld for HELP, TSL and SFSS purposes.

## **How do you calculate withholding on the additional payment if it is calculated separately to the HELP, TSL and SFSS components?**

If you calculate withholding separately, you need to make sure that the withholding limit in Method A and Method B(ii) applies to the combined total calculated for the additional payment and the HELP, TSL and SFSS components. For example, at step 9 in Method A you must combine the amounts from the two separate calculations used for step 7 before comparing it to the amount calculated at step 8.

## **Get it done**

You can use the following schedule that combine PAYG withholding with HELP, TSL and SFSS instead of repeating the calculation separately for each component:

- *Schedule 8 - Statement of formulas for calculating Higher Education Loan Program (HELP), Trade Support Loan (TSL) and Student Financial Supplement Scheme (SFSS) components (NAT 3539).*

The results obtained when using the coefficients in the above schedule may differ slightly from the sums of the amounts shown in the PAYG tax tables. Either calculation is acceptable.

Copies of all the tax tables are available on our website, refer to [Tax tables](#).

# Variations

If your employee has a withholding variation in place for the current financial year, you use one of the following to work out the amount of withholding from additional payments:

- the varied rate – if the relevant income is specified in the variation notice
- this tax table – if the relevant income is not specified in the variation notice.

If your employee had a withholding variation in place at the time the additional payment accrued but the withholding variation is no longer in effect when the additional payment is made, it does not apply when working out the amount to withhold.

## Find out more

If you need help to determine whether to use a withholding variation to work out the amount to withhold from an additional payment, phone us on **1300 360 221**.

# Leave without pay

For the purposes of this table, any periods where your employee has taken leave without pay do not affect the calculations outlined in each of the methods. For example, for Method A and Method B(ii), you are still required at step 3 to apportion all additional payments made by the total number of pay periods in a financial year (that is, 52 weekly pay periods, 26 fortnightly pay periods or 12 monthly pay periods).

# Superannuation income streams

To work out the amount you need to withhold from the taxable component of back payments of super income streams (pensions and annuities), including lump sum payments in arrears, use either Method A or B.

# Payment summaries

You must record back payments on your employee's payment summary. What payment summary you use depends on whether the back payments relate to a superannuation income stream or previous period of assessable foreign service. Use:

- [PAYG payment summary – individual non-business](#) (NAT 0046) for all back payments except those for super income streams or if they were related to a previous period of assessable foreign service
- [PAYG payment summary – superannuation income stream](#) (NAT 70987) for super income stream payments
- [PAYG payment summary – foreign employment](#) (NAT 73297) for payments related to a previous period of assessable foreign service.

## Find out more

For more information about payment summaries, refer to [PAYG payment summaries and guidelines](#).

## Completing the individual non-business payment summary

For payments accrued in the current financial year include the total:

- gross amount of all payments at 'Gross payments'
- amount withheld at 'Total tax withheld'.

### **Salary and wage income accrued before the current financial year**

For each payment accrued in a prior financial year, but not more than 12 months before the date of payment include the total:

- gross amount of the payment at 'Gross payments'
- amount withheld at 'Total tax withheld'.

For each payment accrued more than 12 months before the date of payment of less than \$1,200, include the total:

- gross amount of the payment at 'Gross payments'
- amount withheld at 'Total tax withheld'.

For each payment accrued more than 12 months before the date of payment of \$1,200 or more, include the total:

- gross amount of the payment at 'Lump sum E'
- amount withheld at 'Total tax withheld'.

### **Other amounts accrued before the current financial year<sup>3</sup>**

For each payment accrued in a prior financial year of less than \$1,200, include the total:

- gross amount of the payment at 'Gross payments'
- amount withheld at 'Total tax withheld'.

For each payment accrued in a prior financial year of \$1,200 or more, include the total:

- gross amount of the payment at 'Lump sum E'
- amount withheld at 'Total tax withheld'.

### **Employee letter**

You must also provide your employee with a letter specifying the financial years over which the amount accrued and the gross amount that accrued each financial year.

## Completing the superannuation income stream payment summary

For payments accrued in the current financial year, include:

- the component amounts at both
  - 'Taxable component' (both taxed and untaxed elements if applicable)

- ‘Tax-free component’
- the amount withheld at ‘Total tax withheld’.

For payments accrued prior to the current financial year, include:

- the component amounts at both
  - ‘Lump sum in arrears – taxable component’ (both taxed and untaxed elements if applicable)
  - ‘Lump sum in arrears – tax-free component’
- the amount withheld at ‘Total tax withheld’.

### **Payee letter**

You must also provide your payee with a letter specifying the financial years over which the amount accrued and the gross amount that accrued each financial year.

## **Completing the foreign employment payment summary**

For salary and wage payments accrued in the current financial year, include the total:

- gross amount of all payments at ‘Gross payments’
- amount withheld and paid to a foreign tax jurisdiction (if applicable) at ‘Foreign tax paid’
- amount withheld for Australian tax purposes at ‘Total Australian tax withheld’.

For each salary and wage payment accrued in a prior financial year, but not more than 12 months before the date of payment, include the total:

- gross amount of the payment at ‘Gross payments’
- amount withheld and paid to a foreign tax jurisdiction (if applicable) at ‘Foreign tax paid’
- amount withheld for Australian tax purposes at ‘Total Australian tax withheld’.

For each salary and wage payment accrued more than 12 months before the date of payment of less than \$1,200, include the total:

- gross amount of the payment at ‘Gross payments’
- amount withheld and paid to a foreign tax jurisdiction (if applicable) at ‘Foreign tax paid’
- amount withheld for Australian tax purposes at ‘Total Australian tax withheld’.

For each salary and wage payment accrued more than 12 months before the date of payment of \$1,200 or more, include the total:

- gross amount of the payment at ‘Lump sum E’
- amount withheld and paid to a foreign tax jurisdiction (if applicable) at ‘Foreign tax paid’
- amount withheld for Australian tax purposes at ‘Total Australian tax withheld’.

### **Employee letter**

You must also provide your employee with a letter specifying the financial years over which the amount accrued and the gross amount that accrued each financial year.



<sup>3</sup> Refer to [Other payments you should use this tax table for](#)

## Examples

### Example 1: Withholding from a bonus payment using Method A

Mark, who has an accumulated HELP debt, is due to receive an annual bonus of \$900. Mark earns \$1,500 per week. Using Method A, calculate the withholding amount for the current pay period as follows:

#### PAYG withholding component

Step	Instruction	Result
1	Work out Mark's gross earnings for the current pay period.	\$1,500
2	Use the relevant tax table to find the amount to be withheld from Mark's gross earnings in step 1.	\$356
3	Divide the additional payment by the number of pay periods in the financial year. $= \$900 / 52$	\$17
4	Add the amount at step 3 to the gross earnings at step 1. $= \$1,500 + \$17$	\$1,517
5	Use the relevant tax table to find the amount to be withheld from the amount at step 4.	\$362
6	Subtract the amount at step 2 from the amount at step 5. $= \$362 - \$356$	\$6
7	Multiply the amount at step 6 by the number of pay periods in the financial year for the withholding on the additional payment. $= \$6 \times 52$	\$312

As Mark has an accumulated HELP debt, his employer also needs to calculate a withholding amount from the bonus payment for HELP. They use the same method as they used to calculate withholding for the bonus payment in the first part of this example.

#### HELP component

Step	Instruction	Result
1	Work out Mark's gross earnings for the current pay period.	\$1,500
2	Use the relevant tax table to find the amount to be withheld for HELP from Mark's gross earnings in step 1.	\$90
3	Divide the additional payment by the number of pay periods in the financial year. $= \$900 / 52$	\$17
4	Add the amount at step 3 to the gross earnings at step 1. $= \$1,500 + \$17$	\$1,517
5	Use the relevant tax table to find the amount to be withheld for HELP from the amount at step 4.	\$91

6	Subtract the amount at step 2 from the amount at step 5. = \$91 – \$90	\$1
7	Multiply the amount at step 6 by the number of pay periods in the financial year for the HELP withholding on the additional payment. = \$1 × 52	\$52

**Withholding limit (including HELP component)**

Step	Instructions	Result
8	Multiply the additional payment being made in the current pay period by 49%. = \$900 × 49%	\$441
9	Use the lesser amount of step 7 (combined) and step 8 for the withholding on the additional payment. Ignore any cents.  Combine two step 7 results \$312 + \$52 = \$364. This amount is used as it's less than step 8.	\$364
10	See below	

**Calculate the total PAYG withholding amount for the current pay period (step 10)**

Add the amounts to be withheld:

- PAYG withholding on gross earnings in the current pay period = \$356
- HELP withholding on gross earnings in the current pay period = \$90
- PAYG withholding on additional payment = \$312
- HELP withholding on additional payment = \$52

The total PAYG withholding is \$810 (\$356 + \$90 + \$312 + \$52).

Example 1 uses both:

- *Higher Education Loan Program (HELP)/Trade Support Loan (TSL) weekly tax table (NAT 2173) effective from 1 July 2015*
- *Statement of formulas for calculating the amount to be withheld (NAT 1004) effective from 1 July 2015 – the calculations are made using scale 2, with tax-free threshold.*

**Example 2: Withholding from a missed payment using Method B(i)**

Robyn, who has an accumulated HELP debt, is due to receive a back payment relating to the current financial year following a pay rise. Since the first pay period of the current financial year and up until period 8, Robyn has earned \$1,000 per week. From pay period 9 (her current pay period), Robyn will earn \$1,100 per week. Robyn's back payment which covers the first eight pay periods of the current financial year will be paid to her in pay period 9. Therefore, Robyn will receive a back payment of \$800 along with her normal gross earnings of \$1,100. Using Method B(i), calculate the withholding amount for the current pay period 9 as follows:

**PAYG withholding component**

Step	Instruction	Result
1	Work out how much of Robyn's additional payment applied to each	\$100

	earlier pay period in the current financial year. In this example it is \$800 over eight pay periods. = $\$800 / 8$	
2	For the first affected pay period, add the additional payment relevant to that period to the normal earnings previously paid to get the total earnings for that period. = $\$1,000 + \$100$	\$1,100
3	Use the relevant tax table to find the amount to be withheld from Robyn's total earnings for that period.	\$217
4	Subtract the amount previously withheld for the period from the amount at step 3. = $\$217 - \$183$	\$34
5	Repeat steps 2–4 for each pay period affected. Total the amounts calculated in step 4 for each pay period for the withholding on the additional payment. As it is the same amount for each pay period in this example, it will be $8 \times \$34$ .	\$272
6	Use the relevant tax table to find the amount to be withheld from Robyn's gross earnings for the current pay period.	\$217
7	Add the withholding on the additional payment (step 5) to the withholding on Robyn's gross earnings (step 6) to work out the total withholding for the current pay period. = $\$217 + \$272$	\$489

As Robyn has an accumulated HELP debt, her employer also needs to calculate a withholding amount from the back payment for HELP. They use the same method as they used to calculate withholding for the back payment in the first part of this example.

#### **HELP component**

Step	Instruction	Result
1	Work out how much of Robyn's additional payment applied to each earlier pay period in the current financial year. In this example it is \$800 over eight pay periods. = $\$800 / 8$	\$100
2	For the first affected pay period, add the additional payment relevant to that period to the normal earnings previously paid to get total normal earnings for that period. = $\$1,000 + \$100$	\$1,100
3	Use the relevant tax table to find the amount to be withheld for HELP from Robyn's total normal earnings for that period.	\$44
4	Subtract the amount previously withheld for the period from the amount at step 3. = $\$44 - \$0$	\$44
5	Repeat steps 2–4 for each pay period affected. Total the amounts calculated in step 4 for each pay period for the HELP withholding on the additional payments. As it is the same amount for each pay period in this example, it will be $8 \times \$44$ .	\$352

6	Use the relevant tax table to find the amount to be withheld for HELP from Robyn's gross earnings for the current pay period.	\$44
7	Add the HELP withholding on the additional payment (step 5) to the withholding on Robyn's gross earnings (step 6) to work out the withholding for HELP for the current period. = \$44 + \$352	\$396

### Calculate the total PAYG withholding amount for the current pay period

Add the amounts to be withheld:

- PAYG withholding on gross earnings in the current pay period = \$217
- HELP withholding on gross earnings in the current pay period = \$44
- PAYG withholding on additional payment = \$272
- HELP withholding on additional payment = \$352

The total PAYG withholding is \$885 (\$217 + \$44 + \$272 + \$352). Example 2 uses:

- *Higher Education Loan Program (HELP)/Trade Support Loan (TSL) weekly tax table* (NAT 2173) effective from 1 July 2015
- *Statement of formulas for calculating the amount to be withheld* (NAT 1004) effective from 1 July 2015 – the calculations are made using scale 2, with tax-free threshold.

### Example 3: Withholding from a lump sum payment in arrears using Method B(ii)

Mary is employed by Minercorp Pty Ltd and receives a fortnightly salary of \$1,800. She is entitled to an allowance from her employer when working in remote areas. In 2013, Mary worked in a remote area for six months, but she was not paid this allowance. The total allowance that she should have been paid for this period was \$2,480. Her employer discovers their oversight and agrees to pay her the \$2,480 as a lump sum payment in arrears on 11 November 2015. Her gross earnings for pay period 10 is \$1,800.

Mary has received normal earnings (year to date) of \$18,000 including the current pay. The amount Mary's payer must withhold from this payment is calculated using Method B(ii) as follows:

Step	Instruction	Result
1	Calculate Mary's average total earnings over the current financial year to date (including current pay). = \$18,000 / 10	\$1,800
2	Use the relevant tax table to find the amount to be withheld from Mary's average total earnings in step 1.	\$296
3	Add all additional payments made to Mary in the current financial year if Method B(ii) was used to calculate the withholding, to the additional payment in the current pay. Mary's additional payment of \$2,480 is then divided by the number of pay periods in the financial year. = \$2,480 / 26	\$95
4	Add the amount at step 3 to the average total earnings at step 1.	\$1,895

	= \$1,800 + \$95	
5	Use the relevant tax table to find the amount to be withheld from the amount at step 4.	\$328
6	Subtract the amount at step 2 from the amount at step 5. = \$328 – \$296	\$32
7	Multiply the amount in step 6 by the number of pay periods used in step 3. = \$32 × 26	\$832
8	Subtract any amounts previously withheld from additional payments in the current financial year if Method B(ii) was used, from the amount at step 7 for the withholding on the additional payment. = \$832 – \$0	\$832
9	Use the relevant tax table to find the amount to be withheld from the payee's gross earnings (excluding additional payments) for the current pay period.	\$296
10	Work out the total PAYG withholding for this pay period by adding the withholding on the additional payment (step 8) to the withholding on the gross earnings (step 9). = \$832 + \$296	\$1,128

Example 3 uses

*Statement of formulas for calculating the amount to be withheld* (NAT 1004) effective from 1 July 2015. The calculations are made using scale 2, with tax-free threshold.

**Example 4: Withholding using Method B(i) and Method B(ii)**

Pablo, who has an accumulated Financial Supplement debt, is employed by Macropayers Pty Ltd. On 1 September 2015, he received a salary increase of \$5 an hour, taking his gross monthly salary from \$4,800 to \$5,600. His employer agreed that the increase would be backdated to 1 August 2014 and paid at the end of September 2015.

This means that the back payment of salary covers 13 pay periods. The total back payment of salary is \$10,400. To work out the total amount to be withheld from the back payment to Pablo, his employer will need to calculate the amount accrued in both:

- the current financial year (2 pay periods from 1 July to August 2015) = \$1,600
- a prior financial year (11 pay periods from 1 August 2014 to 30 June 2015) = \$8,800. You don't need to complete some steps if both Methods B(i) and (ii) are used in the calculations.

**Method B(i) – PAYG withholding component**

Step	Instruction	Result
1	Work out how much of Pablo's additional payment applied to each earlier pay period in the current financial year. In this example it is \$1,600 over two pay periods. = \$1,600 / 2	\$800
2	For the first affected pay period, add the additional payment relevant to that period to the normal earnings previously paid to get total earnings for that period. = \$4,800 + \$800	\$5,600

3	Use the relevant tax table to find the amount to be withheld from Pablo's total earnings for that period.	\$1,231
4	Subtract the amount previously withheld for the period from the amount at step 3. = \$1,231 – \$953	\$278
5	Repeat steps 2–4 for each pay period affected. Total the amounts calculated in step 4 for each pay period for the withholding on the additional payment. As it is the same amount for each pay period in this example, it will be 2 × \$278.	\$556
6	This step is not required as withholding is also calculated using Method B(ii).	
7	This step is not required as withholding is also calculated using Method B(ii).	

As Pablo has an accumulated Financial Supplement debt, his employer will need to calculate a withholding amount from the back payment for SFSS. They use the same method as they used to calculate withholding for the back payment in the first part of this example.

#### **Method B(i) – SFSS component**

Step	Instruction	Result
1	Work out how much of Pablo's additional payment applied to each earlier pay period in the current financial year. In this example it is \$1,600 over two pay periods. = \$1,600 / 2	\$800
2	For the first affected pay period, add the additional payment relevant to that period to the normal earnings previously paid to get total normal earnings for that period. = \$4,800 + \$800	\$5,600
3	Use the relevant tax table to find the amount to be withheld for SFSS from Pablo's total normal gross earnings for that period.	\$169
4	Subtract the amount previously withheld for the period from the amount at step 3. = \$169 – \$95	\$74
5	Repeat steps 2–4 for each pay period affected. Total the amounts calculated in step 4 for each pay period for the SFSS withholding on the additional payment. As it is the same amount for each pay period in this example, it will be 2 × \$74.	\$148
6	This step is not required as withholding is also calculated using Method B(ii).	
7	This step is not required as withholding is also calculated using Method B(ii).	

#### **Method B(ii) – PAYG withholding component**

Step	Instruction	Result
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1	Calculate Pablo's average total earnings, which in this example is = (salary earnings to date + current financial year additional payments to date) / number of pay periods = [(\$4,800 + \$4,800 + \$5,600) + \$1,600] / 3 = \$16,800 / 3	\$5,600
2	Use the relevant tax table to find the amount to be withheld from Pablo's average total earnings in step 1.	\$1,231
3	Add all additional payments made to Pablo in current financial year where Method B(ii) was used to calculate the withholding, to the additional payment in current pay. Then divide by the number of pay periods in the financial year. = \$8,800 / 12	\$733
4	Add the amount at step 3 to the average total earnings at step 1. = \$5,600 + \$733	\$6,333
5	Use the relevant tax table to find the amount to be withheld from the amount at step 4.	\$1,482
6	Subtract the amount at step 2 from the amount at step 5. = \$1,482 – \$1,231	\$251
7	Multiply the amount in step 6 by the number of pay periods used in step 3. = \$251 × 12	\$3,012
8	Subtract any amounts previously withheld from additional payments in the current financial year if Method B(ii) was used, from the amount at step 7 for the withholding on the additional payment. = \$3,012 – \$0	\$3,012
9	This step is not required as final calculations for withholding limit and total withholding will be made after SFSS component is calculated.	
10	This step is not required as final calculations for withholding limit and total withholding will be made after SFSS component is calculated.	
11	This step is not required as final calculations for withholding limit and total withholding will be made after SFSS component is calculated.	
12	This step is not required as final calculations for withholding limit and total withholding will be made after SFSS component is calculated.	

As Pablo has an accumulated Financial Supplement debt his employer will need to calculate the withholding amount from the back payment for SFSS. They use the same method as they used to calculate withholding for the back payment in the first part of this example.

#### **Method B(ii) – SFSS component**

Step	Instruction	Result
1	Calculate Pablo's average total earnings, which in this example is: = (salary earnings to date + current financial year additional payments to date) / number of pay periods = [(\$4,800 + \$4,800 + \$5,600) + \$1,600] / 3 = \$16,800 / 3	\$5,600

2	Use the relevant tax table to find the amount to be withheld for SFSS on Pablo's average total earnings in step 1.	\$169
3	Add all additional payments made to Pablo in current financial year where Method B(ii) was used to calculate the withholding, to the additional payment in current pay. Then divide by the number of pay periods in the financial year. = \$8,800 / 12	\$733
4	Add the amount at step 3 to the average total earnings at step 1. = \$5,600 + \$733	\$6,333
5	Use the relevant tax table to find the amount to be withheld for SFSS from the amount at step 4.	\$191
6	Subtract the amount at step 2 from the amount at step 5. = \$191 – \$169	\$22
7	Multiply the amount in step 6 by the number of pay periods used in step 3. = \$22 × 12	\$264
8	Subtract any amounts previously withheld from additional payments in the current financial year if Method B(ii) was used, from the amount at step 7 for the withholding for SFSS on the additional payment. = \$264 – \$0	\$264

#### **Withholding limit (including SFSS component)**

Step	Instruction	Result
9	Multiply the additional payment being made using Method B(ii) in the current pay period by 49%. = \$8,800 × 49%	\$4,312
10	Use the lesser amount of step 8 (combined) and step 9 for the withholding on the additional payment. Ignore any cents. Combine the two step 8 results. = \$3,012 + \$264 = \$3,276 This amount is used as it's less than step 9.	\$3,276
11	This step is not applicable as total withholding for the current pay period will need to include amounts calculated in Method B(i).	
12	This step is not applicable as total withholding for the current pay period will need to include amounts calculated in Method B(i).	

#### **Calculate the total PAYG withholding amount for the current pay period**

Add the amounts to be withheld:

*Withholding on gross earnings current pay period*

- PAYG withholding on gross earnings in the current pay period = \$1,231
- SFSS withholding on gross earnings in the current pay period = \$169

*Method B(i) withholding*



- PAYG withholding on additional payment for current financial year = \$556
- SFSS withholding on additional payment for current financial year = \$148

*Method B(ii) withholding*

- PAYG withholding on additional payment for prior financial year = \$3,012
- SFSS withholding on additional payment for prior financial year = \$264

**Total PAYG withholding** is \$5,380

(\$1,231 + \$169 + \$556 + \$148 + \$3,012 + \$264). Example 4 uses both:

- *Student Financial Supplement Scheme (SFSS) monthly tax table* (NAT 3308) effective from 1 July 2015
- *Statement of formulas for calculating the amount to be withheld* (NAT 1004) effective from 1 July 2015 – the calculations are made using scale 2, with tax-free threshold.

# Schedule 6 – Tax table for annuities

For payments made on or after 1 October 2016

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* (TAA). It applies to withholding payments covered by paragraph 12-80(b) of Schedule 1 to the TAA.

## Using this table

You should use this table if you pay an annuity that was purchased with non-superannuation money, for example, an initial capital investment of personal cash.

For annuities purchased using money rolled over from a super fund or super income stream payments, refer to [Tax table for superannuation income streams](#).

## Working out the withholding amount

To work out the withholding amount for an annuity payment purchased with non-superannuation money, you must:

1. Work out the amount of income to withhold from using the following formula:

$$\text{Annuity payment} - [\text{Deductible 27H amount} / \text{Number of instalments}]$$

In this formula:

- **deductible amount** represents the amount of the annuity payment that is exempt from tax. This amount is calculated using the formula found in section 27H of the *Income Tax Assessment Act 1936*.
  - Where the annuity is held in only one person's name, the following formula is used:
    - $(\text{Undeducted purchase price of the annuity} - \text{Residual capital value}) / \text{Term of annuity or life expectation factor}$
    - The undeducted purchase price is generally the amount of the initial capital investment.
  - Where the annuity is held or payable to 2 or more people, the deductible amount is apportioned depending on the amount each person received.
- **number of instalments** is the number of instalments of the annuity payable in the income year.

The recipient of the annuity may request the ATO to calculate the deductible amount of their annuity using [Request for determination of the deductible amount of UPP of an Australian pension or annuity](#).

2. Use the corresponding PAYG withholding tax table to find the withholding amount. The tax table you use depends on the period which the annuity is paid – for example, weekly or fortnightly.

Some payees may be eligible to claim the seniors and pensioners tax offset (SAPTO). If your payee gives you a [Withholding declaration](#) indicating that they want to claim a SAPTO

entitlement through PAYG withholding, use the [Tax table for seniors and pensioners](#) to work out the amount to withhold from the income amount calculated in step 1.

## Examples

These examples use the PAYG withholding tax tables that apply from 1 October 2016.

### Example 1

Barbara has an annuity she purchased following the sale of a property. She receives annuity payments of \$1,000 a week. The deductible amount for the 2016–17 income year is \$5,200.

1. The amount income to withhold from:  
Annuity payment - [Deductible amount / Number of instalments]  
= \$1,000 - [\$5,200 / 52]  
= \$1,000 - \$100  
= \$900
2. Barbara is not eligible for SAPTO so the payer will use the *Weekly tax table* (NAT 1005) to work out how much to withhold from \$900. Assuming Barbara is claiming the tax-free threshold, the amount to be withheld is \$148.

### Example 2

Kenneth will receive fortnightly annuity payments on the 7th and 21st day of the month from 7 February 2017. For the remainder of the income year, the annuity will be \$850 per fortnight. The annuity is indexed annually and the higher indexed amount is paid from 7 July 2017.

Kenneth's deductible amount for a whole income year is \$2,400 and for the part of the current income year that he is to receive an annuity, his deductible amount is \$1,000.

For the current income year, Kenneth will receive ten annuity instalments.

1. The amount of income to withhold from:  
Annuity payment - [Deductible amount / Number of instalments]  
= \$850 - [\$1,000 / 10]  
= \$850 - \$100  
= \$750
2. Kenneth is not eligible for SAPTO so the payer will then use the *Fortnightly tax table* (NAT 1006) to work out how much to withhold from \$750. Assuming Kenneth is claiming the tax-free threshold, the amount to be withheld is \$8.

## Rounding of withholding amounts

Withholding amounts calculated using the above formulas should be rounded to the nearest dollar. Results ending in 50 cents are rounded to the next higher dollar. Do this rounding directly – that is, do not make a preliminary rounding to the nearest cent.

## Payment summaries

You must issue a [PAYG payment summary – individual non-business](#) to the payee by 14 July following the end of the financial year in which you made payments to them. However, if your payee requests a payment summary from you during the financial year, you must provide it within 14 days of receiving their request.

# Tax file number (TFN) declarations

The answers your payees provide on their [Tax file number declaration](#) (NAT 3092) determine the amount you need to withhold from their payments. A *Tax file number declaration* applies to any payments made after you receive the declaration. If you receive an updated declaration from a payee, it will override the previous one.

If a payee does not give you a valid *Tax file number declaration* within **14 days** of starting a payer/payee relationship, you must complete a *Tax file number declaration* with all available details of the payee and send it to us.

## When a TFN has not been provided

You must withhold 49% from any payment you make to a resident payee and 47% from any payment you make to a foreign resident payee (ignoring any cents), if it is an annuity payment that is not a superannuation income stream and all of the following apply:

- they have not quoted their TFN
- they have not claimed an exemption from quoting their TFN
- they have not advised you that they have applied for a TFN or have made an enquiry with us.

If a payee states at question 1 of the *Tax file number declaration* they have lodged a [Tax file number – application or enquiry for individuals](#) (NAT 1432) with us, they have **28 days** to provide you with their TFN.

If the payee has not given you their TFN within **28 days**, you must withhold 49% for any annuity payment you make to a resident payee and 47% for any annuity payment you make to a foreign resident payee (ignoring any cents) unless we tell you not to.

When a TFN has not been provided do not allow for tax offsets or Medicare levy adjustments. Do not withhold any amount for:

- Higher Education Loan Program (HELP) debts
- Student Start-up Loan (SSL) debts
- Trade Support Loan (TSL) debts
- Financial Supplement debts.

# Schedule 7 – Tax table for unused leave payments on termination of employment

For payments made on or after 1 October 2016

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* (TAA). It applies to withholding payments covered by section 12-90 of Schedule 1 to the TAA.

## Using this table

You should use this table if you pay an amount to an employee for unused leave on the termination of their employment or office.

Unused leave payments on termination of employment or office include:

- annual leave
- holiday pay
- leave loading
- leave bonuses
- long service leave.

Before calculating the amount to be withheld, you must work out if the payments are being made as a result of a genuine redundancy, invalidity or an early retirement scheme.

For more information, refer to [Withholding from unused leave payments on termination of employment](#).

## Working out the withholding amount

### When a TFN is provided

The amount to withhold is calculated using the table below.

If the post-17 August 1993 lump sum payment from normal termination is less than \$300, you must withhold the lesser of the following:

- the amount worked out using the table below
- 32% of the payment.

Payment type	Reason	Accrual dates	Withholding rates	Payment summary label

Long service leave	Normal termination (eg voluntary resignation, employment terminated due to inefficiency, retirement)	Pre-16 August 1978	5% of total at marginal rates	B
		16 August 1978 to 17 August 1993	32%	A
		Post-17 August 1993	Marginal rates	Include in salary/wages
	Termination because of genuine redundancy, invalidity or early retirement scheme	Pre-16 August 1978	5% of total at marginal rates	B
		16 August 1978 to 17 August 1993	32%	A
		Post-17 August 1993	32%	A
Annual leave	Normal termination (eg voluntary resignation, employment terminated due to inefficiency, retirement)	Pre-18 August 1993	32%	A
		Post-17 August 1993	Marginal rates	Include in salary/wages
	Termination because of genuine redundancy, invalidity or early retirement scheme		32%	A
Annual leave loading	Normal termination (eg voluntary resignation, employment terminated due to inefficiency, retirement)	Pre-18 August 1993	32%	A
		Post-17 August 1993	Marginal rates	Include in salary/wages
	Termination because of genuine redundancy, invalidity or early retirement scheme		32%	A

## Rounding of withholding amounts

Withholding amounts calculated by applying this table are rounded to the nearest dollar. Results ending in 50 cents or higher are rounded upwards. If a TFN is not provided, ignore cents when calculating withholding amounts.

# Marginal rate calculation

To work out the marginal rate, you must:

1. Using the relevant PAYG withholding tax table, work out the amount to withhold from your employee's normal gross earnings for a regular pay period.
2. Divide the amount of the payment by the number of normal pay periods in 12 months (12 monthly payments, 26 fortnightly payments or 52 weekly payments).
3. Ignore any cents.
4. Add the amount at step 3 to the normal gross earnings for a single pay period.
5. Use the same PAYG withholding tax tables used at step 1 to work out the amount to withhold for the amount at step 4.
6. Subtract the amount at step 1 from the amount at step 5.
7. Multiply the amount obtained at step 6 by the number of normal pay periods in 12 months (12 monthly payments, 26 fortnightly payments or 52 weekly payments).

Do not withhold any amount for:

- Higher Education Loan Program (HELP) debts
- Student Start-up Loan (SSL) debts
- Trade Support Loan (TSL) debts
- Financial Supplement debts.

## Normal gross earnings

Normal gross earnings are all payments, except those relating to termination payments, received in the last full pay period of employment. This includes taxable allowances, overtime and bonuses. Therefore, your employee's normal gross earnings should be taken to be the earnings relating to the last full pay period worked.

Where your employee's pay fluctuates significantly over a number of pay periods, we will accept an average of gross taxable earnings for the financial year to date over the number of pays received.

### Example

The following example uses the *Weekly tax table* (NAT 1005) effective from 1 October 2016.

Beth retires on 31 December 2016. She qualified for long service leave after 10 years of service, with further leave accruing on each completed year of service.

She is not leaving because of genuine redundancy, invalidity or under an early retirement scheme.

This week Beth also receives her normal weekly earnings of \$800. She has quoted her TFN and has claimed the tax-free threshold. Therefore, the amount withheld is calculated using column 2 of the *Weekly tax table*.

### Details of payment for long service leave

Pre-16 August 1978 component = \$3,690.00

16 August 1978 to 17 August 1993 component = \$7,700.00

Post-17 August 1993 component = \$10,890.00

### **Amounts to be withheld**

Pre-16 August 1978 component subject to withholding

= \$3,690.00 × 5% = \$184.50

The marginal rate calculation is used to work out the amount to be withheld from the pre-16 August 1978 component.

16 August 1978 to 17 August 1993 component

= \$7,700.00 × 32% = \$2,464.00

The post-17 August 1993 component of \$10,890.00 is also to be withheld at the marginal rate. To simplify the marginal rate calculation for this employee, the pre-16 August 1978 component and the post-17 August 1993 component are added together first: \$184.50 + \$10,890.00 = \$11,074.50

Now apply the marginal rate calculation to the sum of the two components.

Step	Instruction	Result
1	Amounts to be withheld from normal gross earnings (\$800)	\$113
2	Divide the amount of the payment by the number of normal pay periods in 12 months (\$11,074.50/52)	\$212.97
3	Disregard any cents	\$212
4	Add the amount at step 3 to normal gross earnings for a single pay period (\$800 + \$212)	\$1,012
5	Work out the amount to be withheld from the amount at step 4 (\$1,012)	\$187
6	Subtract the amount at step 1 from the amount at step 5 (\$187 – \$113)	\$74
7	Multiply the amount at step 6 by the number of normal pay periods in 12 months (\$74 x 52)	\$3,848

The amount to be withheld from the three components of Beth's unused long service leave payments is \$6,312 (\$2,464 + \$3,848). See [Rounding of withholding amounts](#).

The total amount to be withheld is then \$6,425 (\$113 withholding from normal earnings plus \$6,312 withholding from long service leave).

## **When a TFN has not been provided**

If your employee who is receiving the unused leave payments has not provided you with their TFN before the payment is made, you must withhold 49% from the payment.

If your employee is a foreign resident who has not provided you with their TFN, you must withhold 47% from the payment.



If your employee believes that for their circumstances the amount you withhold will be too much, they may apply for a variation to reduce the amount of withholding.

For more information refer to [PAYG withholding – varying your PAYG withholding](#)

## Tax file number declaration

Any [Tax file number declaration](#) (NAT 3092) your employee provides while they were working for you will only be effective:

- for the period that they were working for you
- 12 months after you make the last payment.

# Schedule 8 – Statement of formulas for calculating HELP, SSL, TSL and SFSS components

The coefficients in this schedule should be used together with the [Statement of formulas for calculating amounts to be withheld](#).

For payments made from 1 October 2016 to 30 June 2017

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* (TAA). It applies to withholding payments covered by Subdivisions 12-B (except sections 12-50 and 12-55), 12-C (except sections 12-85 and 12-90) and 12-D of Schedule 1 to the TAA.

## Using this schedule

You should use this schedule if you develop your own payroll software package. Formulas and coefficients are used for calculating weekly withholding amounts for employees who have a:

- Higher Education Loan Program (HELP) debt
- Student Start-up Loan (SSL) debt
- Trade Support Loan (TSL) debt
- Financial Supplement (FS) debt.

### See also:

- Our [Tax withheld calculator](#) can help you work out the correct amount of tax to withhold from payments to most employees.
- You can download a printable version of [Statement of formulas for calculating HELP, SSL, TSL and SFSS components \(PDF, 733KB\)](#).

## Using a formula

The withholding amounts for employees who have a HELP/SSL/TSL or Financial Supplement debt can be expressed in a mathematical form.

If you have developed your own payroll software package, you can use the formulas and component rates outlined below.

The formulas comprise linear equations of the form  $y = ax$ , where:

- $y$  is the weekly HELP/SSL/TSL or SFSS component
- $x$  is the weekly earnings – or weekly equivalent of earnings – rounded down to whole dollars plus 99 cents
- $a$  is the value of the component rate as shown in the following tables.

## HELP/SSL/TSL component rates

### Tax-free threshold claimed or foreign resident

Weekly earnings – x \$	Component rate – a %
0 - 1,054.99	-
1,055.00 - 1,174.99	4.0
1,175.00 - 1,294.99	4.5
1,295.00 - 1,362.99	5.0
1,363.00 - 1,464.99	5.5
1,465.00 - 1,586.99	6.0
1,587.00 - 1,670.99	6.5
1,671.00 - 1,838.99	7.0
1,839.00 - 1,958.99	7.5
1,959.00 and over	8.0

### No tax-free threshold claimed

Weekly earnings – x \$	Component rate – a %
0 - 704.99	-
705.00 - 824.99	4.0
825.00 - 944.99	4.5
945.00 - 1,012.99	5.0
1,013.00 - 1,114.99	5.5
1,115.00 - 1,236.99	6.0
1,237.00 - 1,320.99	6.5
1,321.00 - 1,488.99	7.0
1,489.00 - 1,608.99	7.5
1,609.00 and over	8.0

## SFSS component rates

### Tax-free threshold claimed or foreign resident

Weekly earnings – x \$	Component rate – a %
---------------------------	-------------------------

0 - 1,054.99	-
1,055.00 - 1,294.99	2.0
1,295.00 - 1,838.99	3.0
1,839.00 and over	4.0

**No tax-free threshold claimed**

<b>Weekly earnings – x \$</b>	<b>Component rate – a %</b>
0 - 704.99	-
705.00 - 944.99	2.0
945.00 - 1,488.99	3.0
1,489.00 and over	4.0

## Calculating fortnightly, monthly or quarterly withholding amounts

First calculate the weekly equivalent of fortnightly, monthly or quarterly earnings. If you pay:

- **fortnightly** – divide the sum of the fortnightly earnings and the amount of any allowances subject to withholding by two. Ignore any cents in the result and then add 99 cents
- **monthly** – obtain the sum of the monthly earnings and the amount of any allowances subject to withholding (if the result is an amount ending in 33 cents, add one cent). Multiply this amount by three and then divide by 13. Ignore any cents in the result and then add 99 cents
- **quarterly** – divide the sum of the quarterly earnings and the amount of any allowances subject to withholding by 13. Ignore any cents in the result and then add 99 cents.

Then calculate fortnightly, monthly or quarterly withholding amounts as follows:

- **fortnightly** – determine the rounded weekly withholding amount applicable to the weekly equivalent of earnings before any adjustment for tax offsets. Multiply this amount by two
- **monthly** – determine the rounded weekly withholding amount applicable to the weekly equivalent of earnings before any adjustment for tax offsets. Multiply this amount by 13, divide the product by three and round the result to the nearest dollar
- **quarterly** – determine the rounded weekly withholding amount applicable to the weekly equivalent of earnings before any adjustment for tax offsets. Multiply this amount by 13.

# When to work out the HELP/SSL/TSL component

You will need to calculate the HELP/SSL/TSL component when your employee has given you a [Tax file number declaration](#) or [Withholding declaration](#) and has:

- answered **yes** to the question 'Do you have a Higher Education Loan Program (HELP), Student Start-up Loan (SSL) or Trade Support Loan (TSL) debt?'
- not completed a [Medicare levy variation declaration](#) claiming a reduction or exemption in the Medicare levy for having a spouse or dependants and low family income
- claimed the tax-free threshold or is a foreign resident with earnings of one of the following:
  - \$1,055 or more if paid weekly
  - \$2,110 or more if paid fortnightly
  - \$4,571.67 or more if paid monthly
  - \$13,715 or more if paid quarterly.

If your employee has not claimed the tax-free threshold, the HELP/SSL/TSL component is calculated on earnings of:

- \$705 or more if paid weekly
- \$1,410 or more if paid fortnightly
- \$3,055 or more if paid monthly
- \$9,165 or more if paid quarterly.

You must withhold the HELP/SSL/TSL component from all your employee's earnings, including taxable allowances, bonuses and commissions.

## Examples

1. Employee has claimed the tax-free threshold and has weekly earnings of \$1,095.84.  
HELP/SSL/TSL component =  $\$1,095.99 \times 4\% = \$44.00$  rounded to the nearest dollar.
2. Employee has claimed the tax-free threshold and has fortnightly earnings of \$2,355.78.  
Weekly equivalent of \$2,355.78 = \$1,177.99 (\$2,355.78 divided by two, ignoring cents and adding 99 cents).  
Weekly HELP/SSL/TSL component =  $\$1,177.99 \times 4.5\% = \$53.00$  rounded to the nearest dollar.  
Fortnightly HELP/SSL/TSL component =  $\$106.00$  ( $\$53.00 \times 2$ ).
3. Employee has claimed the tax-free threshold and has monthly earnings of \$5,488.45.  
Weekly equivalent of \$5,488.45 = \$1,266.99  
( $\$5,488.45 \times 3/13$ , ignoring cents and adding 99 cents).  
Weekly HELP/SSL/TSL component =  $\$1,266.99 \times 4.5\% = \$57.00$  rounded to the nearest dollar.  
Monthly HELP/SSL/TSL component =  $\$247.00$  ( $\$57.00 \times 13/3$ , rounded to the nearest dollar).

# When to work out the SFSS component

You will need to calculate the SFSS component when your employee has given you a [Tax file number declaration](#) or [Withholding declaration](#) and has:

- answered **yes** to the question 'Do you have a Financial Supplement debt?'
- not completed a [Medicare levy variation declaration](#) claiming a reduction or exemption in the Medicare levy for having a spouse or dependants and low family income
- claimed the tax-free threshold or is a foreign resident with earnings of one of the following:
  - \$1,055 or more if paid weekly
  - \$2,110 or more if paid fortnightly
  - \$4,571.67 or more if paid monthly
  - \$13,715 or more if paid quarterly.

If your employee has not claimed the tax-free threshold, the SFSS component is calculated on earnings of:

- \$705 or more if paid weekly
- \$1,410 or more if paid fortnightly
- \$3,055 or more if paid monthly
- \$9,165 or more if paid quarterly.

You must withhold the SFSS component from all your employee's earnings, including taxable allowances, bonuses and commissions.

## Examples

1. Employee has claimed the tax-free threshold and has weekly earnings of \$1,238.24.  
SFSS component =  $\$1,238.99 \times 2\% = \$25.00$  rounded to the nearest dollar.
2. Employee has claimed the tax-free threshold and has fortnightly earnings of \$2,311.59.  
Weekly equivalent of \$2,311.59 = \$1,155.99 (\$2,311.59 divided by two, ignoring cents and adding 99 cents).  
Weekly SFSS component =  $\$1,155.99 \times 2\% = \$23.00$  rounded to the nearest dollar.  
Fortnightly SFSS component =  $\$46.00$  ( $\$23.00 \times 2$ ).
3. Employee has claimed the tax-free threshold and has monthly earnings of \$5,689.21.  
Weekly equivalent of \$5,689.21 = \$1,312.99  
( $\$5,689.21 \times 3/13$ , ignoring cents and adding 99 cents).  
Weekly SFSS component =  $\$1,312.99 \times 3\% = \$39.00$  rounded to the nearest dollar.  
Monthly SFSS component =  $\$169.00$  ( $\$39.00 \times 13/3$ , rounded to the nearest dollar).

**Note:** Do not withhold any amount for HELP/SSL/TSL or Financial Supplement debts from lump sum termination payments.

# Rounding of withholding amounts to the nearest dollar

Withholding amounts calculated as a result of applying the formulas are rounded to the nearest dollar. Results ending in 50 cents are rounded to the next higher dollar.

## Accounting software

Software written in accordance with the formulas in this schedule should be tested for accuracy against the [sample data](#). The results obtained when using the coefficients in this schedule may differ slightly from the sums of the amounts shown in the PAYG tax tables. The differences result from the rounding of components.

## Coefficients to work out the weekly amounts to withhold including the HELP/SSL/TSL component

Your employee's total withholding, including the HELP/SSL/TSL component, can be calculated using the formula and coefficients stated below.

### Using a formula

The formulas comprise linear equations of the form  $y = ax - b$ , where:

- **y** is the weekly withholding amount expressed in dollars
- **x** is the number of whole dollars in the weekly earnings plus 99 cents
- **a** and **b** are the values of the coefficients for each set of formulas for each range of weekly earnings (or, in the case of fortnightly, monthly or quarterly earnings, the weekly equivalent of these amounts).

If two employees are taxed using a particular scale (for example, scale 2) but only one of them has a HELP/SSL/TSL debt, you will need to set up two separate scales in your payroll system. One scale will need to incorporate the HELP/SSL/TSL component and one will not – for example, name one 'scale 2' and the other 'scale 22'.

The HELP/SSL/TSL component **does not** apply if the employee has not provided a tax file number (TFN).

For scales without the HELP/SSL/TSL component, refer to [Statement of formulas for calculating amounts to be withheld](#).

Where tax-free threshold not claimed in *Tax file number declaration* – Scale 1

WITH HELP/SSL/TSL Debt

Weekly earnings (x) less than \$	a	b
60	0.1900	0.1900
361	0.2332	2.6045
705	0.3477	44.0006
825	0.3877	44.0006
932	0.3927	44.0006
945	0.3900	41.4841
1013	0.3950	41.4841
1115	0.4000	41.4841
1237	0.4050	41.4841
1321	0.4100	41.4841
1323	0.4150	41.4841
1489	0.4600	101.0225
1609	0.4650	101.0225
3111	0.4700	101.0225
3111 & over	0.5700	412.1764

Where employee has claimed the tax-free threshold in *Tax file number declaration* – Scale 2

WITH HELP/SSL/TSL Debt

Weekly earnings (x) less than \$	a	b
355	-	-
410	0.1900	67.4635
512	0.2900	108.4923



711	0.2100	67.4646
1055	0.3477	165.4435
1175	0.3877	165.4435
1282	0.3927	165.4435
1295	0.3900	161.9819
1363	0.3950	161.9819
1465	0.4000	161.9819
1587	0.4050	161.9819
1671	0.4100	161.9819
1673	0.4150	161.9819
1839	0.4600	237.2704
1959	0.4650	237.2704
3461	0.4700	237.2704
3461 & over	0.5700	583.4242

## Foreign residents – Scale 3

### WITH HELP/SSL/TSL Debt

Weekly earnings (x) less than \$	a	b
1055	0.3250	0.3250
1175	0.3650	0.3250
1295	0.3700	0.3250
1363	0.3750	0.3250
1465	0.3800	0.3250
1587	0.3850	0.3250
1671	0.3900	0.3250
1673	0.3950	0.3250
1839	0.4400	75.2885
1959	0.4450	75.2885
3461	0.4500	75.2885

3461 & over	0.5500	421.4423
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Where employee claimed FULL exemption from Medicare levy in *Medicare levy variation declaration* – Scale 5

**WITH HELP/SSL/TSL Debt**

Weekly earnings (x) less than \$	a	b
355	-	-
711	0.1900	67.4635
1055	0.3277	165.4423
1175	0.3677	165.4423
1282	0.3727	165.4423
1295	0.3700	161.9808
1363	0.3750	161.9808
1465	0.3800	161.9808
1587	0.3850	161.9808
1671	0.3900	161.9808
1673	0.3950	161.9808
1839	0.4400	237.2692
1959	0.4450	237.2692
3461	0.4500	237.2692
3461 & over	0.5500	583.4231

Where employee claimed HALF exemption from Medicare levy in *Medicare levy variation declaration* – Scale 6

**WITH HELP/SSL/TSL Debt**

Weekly earnings (x) less than \$	a	b

355	-	-
692	0.1900	67.4635
711	0.2400	102.0798
865	0.3777	200.0587
1055	0.3377	165.4425
1175	0.3777	165.4425
1282	0.3827	165.4425
1295	0.3800	161.9810
1363	0.3850	161.9810
1465	0.3900	161.9810
1587	0.3950	161.9810
1671	0.4000	161.9810
1673	0.4050	161.9810
1839	0.4500	237.2694
1959	0.4550	237.2694
3461	0.4600	237.2694
3461 & over	0.5600	583.4233

Withholding amounts including the HELP/SSL/TSL component worked out using the coefficients may differ slightly from the sums of the amounts shown in the PAYG and HELP/SSL/TSL tax tables. The differences result from the rounding of components.

# Sample data

With tax-free threshold

## Amounts to be withheld

Weekly earnings \$	Weekly HELP/SSL/TSL component \$	Fortnightly earnings \$	Fortnightly HELP/SSL/TSL component \$	Monthly earnings \$	Monthly HELP/SSL/TSL component \$
1055	42.00	2110	84.00	4571.67	182.00
1056	42.00	2112	84.00	4576.00	182.00
1174	47.00	2348	94.00	5087.33	204.00
1175	53.00	2350	106.00	5091.67	230.00
1176	53.00	2352	106.00	5096.00	230.00
1294	58.00	2588	116.00	5607.33	251.00
1295	65.00	2590	130.00	5611.67	282.00
1362	68.00	2724	136.00	5902.00	295.00
1363	75.00	2726	150.00	5906.33	325.00
1364	75.00	2728	150.00	5910.67	325.00
1464	81.00	2928	162.00	6344.00	351.00
1465	88.00	2930	176.00	6348.33	381.00
1466	88.00	2932	176.00	6352.67	381.00
1586	95.00	3172	190.00	6872.67	412.00
1587	103.00	3174	206.00	6877.00	446.00
1670	109.00	3340	218.00	7236.67	472.00
1671	117.00	3342	234.00	7241.00	507.00
1838	129.00	3676	258.00	7964.67	559.00
1839	138.00	3678	276.00	7969.00	598.00
1958	147.00	3916	294.00	8484.67	637.00
1959	157.00	3918	314.00	8489.00	680.00

## Weekly withholding amounts including HELP/SSL/TSL component

### Amounts to be withheld

<b>Weekly earnings \$</b>	<b>Scale 1 No tax-free threshold \$</b>	<b>Scale 2 With tax- free threshold \$</b>	<b>Scale 3 Foreign resident \$</b>	<b>Scale 5 Full Medicare exemption \$</b>	<b>Scale 6 Half Medicare exemption \$</b>
59	11.00	-	19.00	-	-
60	12.00	-	19.00	-	-
116	25.00	-	38.00	-	-
117	25.00	-	38.00	-	-
249	56.00	-	81.00	-	-
250	56.00	-	81.00	-	-
354	80.00	-	115.00	-	-
355	80.00	-	115.00	-	-
360	82.00	1.00	117.00	1.00	1.00
361	82.00	1.00	117.00	1.00	1.00
409	99.00	10.00	133.00	10.00	10.00
410	99.00	11.00	133.00	11.00	11.00
511	134.00	40.00	166.00	30.00	30.00
512	134.00	40.00	166.00	30.00	30.00
691	197.00	78.00	225.00	64.00	64.00
692	197.00	78.00	225.00	64.00	64.00
704	201.00	81.00	229.00	66.00	67.00
705	230.00	81.00	229.00	67.00	67.00
710	232.00	82.00	231.00	68.00	69.00
711	232.00	82.00	231.00	68.00	69.00
824	276.00	121.00	268.00	105.00	112.00
825	280.00	122.00	268.00	105.00	112.00
865	296.00	136.00	281.00	118.00	127.00
866	296.00	136.00	281.00	119.00	127.00

931	322.00	159.00	303.00	140.00	149.00
932	322.00	159.00	303.00	140.00	150.00
944	327.00	163.00	307.00	144.00	154.00
945	332.00	163.00	307.00	145.00	154.00
1012	359.00	187.00	329.00	167.00	177.00
1013	364.00	187.00	329.00	167.00	177.00
1054	381.00	201.00	343.00	180.00	191.00
1055	381.00	244.00	385.00	223.00	233.00
1114	405.00	267.00	407.00	245.00	256.00
1115	410.00	267.00	407.00	245.00	256.00
1174	434.00	290.00	429.00	267.00	278.00
1175	435.00	296.00	435.00	273.00	285.00
1236	459.00	320.00	457.00	296.00	308.00
1237	466.00	321.00	458.00	296.00	308.00
1281	484.00	338.00	474.00	312.00	325.00
1282	485.00	338.00	474.00	313.00	326.00
1294	489.00	343.00	479.00	317.00	330.00
1295	490.00	350.00	486.00	324.00	337.00
1321	507.00	360.00	495.00	334.00	347.00
1322	508.00	361.00	496.00	334.00	347.00
1323	508.00	361.00	496.00	335.00	348.00
1362	526.00	376.00	511.00	349.00	363.00
1363	526.00	384.00	518.00	356.00	370.00
1365	527.00	384.00	519.00	357.00	371.00
1464	573.00	424.00	556.00	395.00	409.00
1465	573.00	432.00	564.00	402.00	417.00
1489	592.00	441.00	573.00	412.00	427.00
1586	637.00	481.00	611.00	449.00	465.00
1587	637.00	489.00	619.00	457.00	473.00
1608	647.00	498.00	627.00	466.00	482.00

1609	656.00	498.00	628.00	466.00	482.00
1670	684.00	523.00	651.00	490.00	506.00
1671	685.00	532.00	660.00	498.00	515.00
1672	685.00	532.00	661.00	499.00	516.00
1673	686.00	533.00	661.00	499.00	516.00
1838	763.00	609.00	734.00	572.00	590.00
1839	764.00	618.00	744.00	582.00	600.00
1844	766.00	621.00	746.00	584.00	602.00
1845	767.00	621.00	746.00	584.00	603.00
1958	820.00	674.00	796.00	634.00	654.00
1959	820.00	684.00	807.00	645.00	664.00
2119	895.00	759.00	879.00	717.00	738.00
2120	896.00	760.00	879.00	717.00	738.00
2490	1070.00	933.00	1046.00	884.00	909.00
2491	1070.00	934.00	1046.00	884.00	909.00
2652	1146.00	1010.00	1119.00	957.00	983.00
2653	1146.00	1010.00	1119.00	957.00	984.00
2736	1185.00	1049.00	1156.00	994.00	1022.00
2737	1186.00	1050.00	1157.00	995.00	1022.00
2898	1262.00	1125.00	1229.00	1067.00	1096.00
2899	1262.00	1126.00	1230.00	1068.00	1097.00
2913	1269.00	1132.00	1236.00	1074.00	1103.00
2914	1269.00	1133.00	1236.00	1074.00	1104.00
3110	1361.00	1225.00	1325.00	1163.00	1194.00
3111	1362.00	1225.00	1325.00	1163.00	1194.00
3461	1561.00	1390.00	1483.00	1321.00	1355.00

## Fortnightly withholding amounts including HELP/SSL/TSL component

### Amounts to be withheld

Fortnightly earnings \$	Scale 1 No tax-free threshold \$	Scale 2 With tax-free threshold \$	Scale 3 Foreign resident \$	Scale 5 Full Medicare exemption \$	Scale 6 Half Medicare exemption \$
118	22.00	-	38.00	-	-
120	24.00	-	38.00	-	-
232	50.00	-	76.00	-	-
234	50.00	-	76.00	-	-
498	112.00	-	162.00	-	-
500	112.00	-	162.00	-	-
708	160.00	-	230.00	-	-
710	160.00	-	230.00	-	-
720	164.00	2.00	234.00	2.00	2.00
722	164.00	2.00	234.00	2.00	2.00
818	198.00	20.00	266.00	20.00	20.00
820	198.00	22.00	266.00	22.00	22.00
1022	268.00	80.00	332.00	60.00	60.00
1024	268.00	80.00	332.00	60.00	60.00
1382	394.00	156.00	450.00	128.00	128.00
1384	394.00	156.00	450.00	128.00	128.00
1408	402.00	162.00	458.00	132.00	134.00
1410	460.00	162.00	458.00	134.00	134.00
1420	464.00	164.00	462.00	136.00	138.00
1422	464.00	164.00	462.00	136.00	138.00
1648	552.00	242.00	536.00	210.00	224.00
1650	560.00	244.00	536.00	210.00	224.00
1730	592.00	272.00	562.00	236.00	254.00



1732	592.00	272.00	562.00	238.00	254.00
1862	644.00	318.00	606.00	280.00	298.00
1864	644.00	318.00	606.00	280.00	300.00
1888	654.00	326.00	614.00	288.00	308.00
1890	664.00	326.00	614.00	290.00	308.00
2024	718.00	374.00	658.00	334.00	354.00
2026	728.00	374.00	658.00	334.00	354.00
2108	762.00	402.00	686.00	360.00	382.00
2110	762.00	488.00	770.00	446.00	466.00
2228	810.00	534.00	814.00	490.00	512.00
2230	820.00	534.00	814.00	490.00	512.00
2348	868.00	580.00	858.00	534.00	556.00
2350	870.00	592.00	870.00	546.00	570.00
2472	918.00	640.00	914.00	592.00	616.00
2474	932.00	642.00	916.00	592.00	616.00
2562	968.00	676.00	948.00	624.00	650.00
2564	970.00	676.00	948.00	626.00	652.00
2588	978.00	686.00	958.00	634.00	660.00
2590	980.00	700.00	972.00	648.00	674.00
2642	1014.00	720.00	990.00	668.00	694.00
2644	1016.00	722.00	992.00	668.00	694.00
2646	1016.00	722.00	992.00	670.00	696.00
2724	1052.00	752.00	1022.00	698.00	726.00
2726	1052.00	768.00	1036.00	712.00	740.00
2730	1054.00	768.00	1038.00	714.00	742.00
2928	1146.00	848.00	1112.00	790.00	818.00
2930	1146.00	864.00	1128.00	804.00	834.00
2978	1184.00	882.00	1146.00	824.00	854.00
3172	1274.00	962.00	1222.00	898.00	930.00
3174	1274.00	978.00	1238.00	914.00	946.00

3216	1294.00	996.00	1254.00	932.00	964.00
3218	1312.00	996.00	1256.00	932.00	964.00
3340	1368.00	1046.00	1302.00	980.00	1012.00
3342	1370.00	1064.00	1320.00	996.00	1030.00
3344	1370.00	1064.00	1322.00	998.00	1032.00
3346	1372.00	1066.00	1322.00	998.00	1032.00
3676	1526.00	1218.00	1468.00	1144.00	1180.00
3678	1528.00	1236.00	1488.00	1164.00	1200.00
3688	1532.00	1242.00	1492.00	1168.00	1204.00
3690	1534.00	1242.00	1492.00	1168.00	1206.00
3916	1640.00	1348.00	1592.00	1268.00	1308.00
3918	1640.00	1368.00	1614.00	1290.00	1328.00
4238	1790.00	1518.00	1758.00	1434.00	1476.00
4240	1792.00	1520.00	1758.00	1434.00	1476.00
4980	2140.00	1866.00	2092.00	1768.00	1818.00
4982	2140.00	1868.00	2092.00	1768.00	1818.00
5304	2292.00	2020.00	2238.00	1914.00	1966.00
5306	2292.00	2020.00	2238.00	1914.00	1968.00
5472	2370.00	2098.00	2312.00	1988.00	2044.00
5474	2372.00	2100.00	2314.00	1990.00	2044.00
5796	2524.00	2250.00	2458.00	2134.00	2192.00
5798	2524.00	2252.00	2460.00	2136.00	2194.00
5826	2538.00	2264.00	2472.00	2148.00	2206.00
5828	2538.00	2266.00	2472.00	2148.00	2208.00
6220	2722.00	2450.00	2650.00	2326.00	2388.00
6222	2724.00	2450.00	2650.00	2326.00	2388.00
6922	3122.00	2780.00	2966.00	2642.00	2710.00

## Monthly withholding amounts including HELP/SSL/TSL component

### Amounts to be withheld

Monthly earnings \$	Scale 1 No tax-free threshold \$	Scale 2 With tax- free threshold \$	Scale 3 Foreign resident \$	Scale 5 Full Medicare exemption \$	Scale 6 Half Medicare exemption \$
255.67	48.00	-	82.00	-	-
260.00	52.00	-	82.00	-	-
502.67	108.00	-	165.00	-	-
507.00	108.00	-	165.00	-	-
1079.00	243.00	-	351.00	-	-
1083.33	243.00	-	351.00	-	-
1534.00	347.00	-	498.00	-	-
1538.33	347.00	-	498.00	-	-
1560.00	355.00	4.00	507.00	4.00	4.00
1564.33	355.00	4.00	507.00	4.00	4.00
1772.33	429.00	43.00	576.00	43.00	43.00
1776.67	429.00	48.00	576.00	48.00	48.00
2214.33	581.00	173.00	719.00	130.00	130.00
2218.67	581.00	173.00	719.00	130.00	130.00
2994.33	854.00	338.00	975.00	277.00	277.00
2998.67	854.00	338.00	975.00	277.00	277.00
3050.67	871.00	351.00	992.00	286.00	290.00
3055.00	997.00	351.00	992.00	290.00	290.00
3076.67	1005.00	355.00	1001.00	295.00	299.00
3081.00	1005.00	355.00	1001.00	295.00	299.00
3570.67	1196.00	524.00	1161.00	455.00	485.00
3575.00	1213.00	529.00	1161.00	455.00	485.00
3748.33	1283.00	589.00	1218.00	511.00	550.00
3752.67	1283.00	589.00	1218.00	516.00	550.00

4034.33	1395.00	689.00	1313.00	607.00	646.00
4038.67	1395.00	689.00	1313.00	607.00	650.00
4090.67	1417.00	706.00	1330.00	624.00	667.00
4095.00	1439.00	706.00	1330.00	628.00	667.00
4385.33	1556.00	810.00	1426.00	724.00	767.00
4389.67	1577.00	810.00	1426.00	724.00	767.00
4567.33	1651.00	871.00	1486.00	780.00	828.00
4571.67	1651.00	1057.00	1668.00	966.00	1010.00
4827.33	1755.00	1157.00	1764.00	1062.00	1109.00
4831.67	1777.00	1157.00	1764.00	1062.00	1109.00
5087.33	1881.00	1257.00	1859.00	1157.00	1205.00
5091.67	1885.00	1283.00	1885.00	1183.00	1235.00
5356.00	1989.00	1387.00	1980.00	1283.00	1335.00
5360.33	2019.00	1391.00	1985.00	1283.00	1335.00
5551.00	2097.00	1465.00	2054.00	1352.00	1408.00
5555.33	2102.00	1465.00	2054.00	1356.00	1413.00
5607.33	2119.00	1486.00	2076.00	1374.00	1430.00
5611.67	2123.00	1517.00	2106.00	1404.00	1460.00
5724.33	2197.00	1560.00	2145.00	1447.00	1504.00
5728.67	2201.00	1564.00	2149.00	1447.00	1504.00
5733.00	2201.00	1564.00	2149.00	1452.00	1508.00
5902.00	2279.00	1629.00	2214.00	1512.00	1573.00
5906.33	2279.00	1664.00	2245.00	1543.00	1603.00
5915.00	2284.00	1664.00	2249.00	1547.00	1608.00
6344.00	2483.00	1837.00	2409.00	1712.00	1772.00
6348.33	2483.00	1872.00	2444.00	1742.00	1807.00
6452.33	2565.00	1911.00	2483.00	1785.00	1850.00
6872.67	2760.00	2084.00	2648.00	1946.00	2015.00
6877.00	2760.00	2119.00	2682.00	1980.00	2050.00
6968.00	2804.00	2158.00	2717.00	2019.00	2089.00

6972.33	2843.00	2158.00	2721.00	2019.00	2089.00
7236.67	2964.00	2266.00	2821.00	2123.00	2193.00
7241.00	2968.00	2305.00	2860.00	2158.00	2232.00
7245.33	2968.00	2305.00	2864.00	2162.00	2236.00
7249.67	2973.00	2310.00	2864.00	2162.00	2236.00
7964.67	3306.00	2639.00	3181.00	2479.00	2557.00
7969.00	3311.00	2678.00	3224.00	2522.00	2600.00
7990.67	3319.00	2691.00	3233.00	2531.00	2609.00
7995.00	3324.00	2691.00	3233.00	2531.00	2613.00
8484.67	3553.00	2921.00	3449.00	2747.00	2834.00
8489.00	3553.00	2964.00	3497.00	2795.00	2877.00
9182.33	3878.00	3289.00	3809.00	3107.00	3198.00
9186.67	3883.00	3293.00	3809.00	3107.00	3198.00
10790.00	4637.00	4043.00	4533.00	3831.00	3939.00
10794.33	4637.00	4047.00	4533.00	3831.00	3939.00
11492.00	4966.00	4377.00	4849.00	4147.00	4260.00
11496.33	4966.00	4377.00	4849.00	4147.00	4264.00
11856.00	5135.00	4546.00	5009.00	4307.00	4429.00
11860.33	5139.00	4550.00	5014.00	4312.00	4429.00
12558.00	5469.00	4875.00	5326.00	4624.00	4749.00
12562.33	5469.00	4879.00	5330.00	4628.00	4754.00
12623.00	5499.00	4905.00	5356.00	4654.00	4780.00
12627.33	5499.00	4910.00	5356.00	4654.00	4784.00
13476.67	5898.00	5308.00	5742.00	5040.00	5174.00
13481.00	5902.00	5308.00	5742.00	5040.00	5174.00
14997.67	6764.00	6023.00	6426.00	5724.00	5872.00

# Coefficients to work out the weekly amounts to withhold including the SFSS component

Your employee's total withholding, including the SFSS component, can be calculated using the formula and coefficients stated below.

## Using a formula

The formulas comprise linear equations of the form  $y = ax - b$ , where:

- **y** is the weekly withholding amount expressed in dollars
- **x** is the number of whole dollars in the weekly earnings plus 99 cents
- **a** and **b** are the values of the coefficients for each set of formulas for each range of weekly earnings (or, in the case of fortnightly, monthly or quarterly earnings, the weekly equivalent of these amounts).

If two employees are taxed using a particular scale (for example, scale 2) but only one of them has a Financial Supplement debt, you will need to set up two separate scales in your payroll system. One scale will need to incorporate the SFSS component and one will not – for example, name one 'scale 2' and the other 'scale 22'.

The SFSS component **does not** apply if the employee has not provided a tax file number (TFN).

For scales without the SFSS component, refer to [Statement of formulas for calculating amounts to be withheld](#).

## Where tax-free threshold not claimed in *Tax file number declaration* – Scale 1

### WITH FS Debt

Weekly earnings (x) less than \$	a	b
60	0.1900	0.1900
361	0.2332	2.6045
705	0.3477	44.0006
932	0.3677	44.0006
945	0.3650	41.4841
1323	0.3750	41.4841

1489	0.4200	101.0225
3111	0.4300	101.0225
3111 & over	0.5300	412.1764

Where employee has claimed the tax-free threshold in  
*Tax file number declaration – Scale 2*

**WITH FS Debt**

Weekly earnings (x) less than \$	a	b
355	-	-
410	0.1900	67.4635
512	0.2900	108.4923
711	0.2100	67.4646
1055	0.3477	165.4435
1282	0.3677	165.4435
1295	0.3650	161.9819
1673	0.3750	161.9819
1839	0.4200	237.2704
3461	0.4300	237.2704
3461 & over	0.5300	583.4242

Foreign residents – Scale 3

**WITH FS Debt**

Weekly earnings (x) less than \$	a	b
1055	0.3250	0.3250
1295	0.3450	0.3250
1673	0.3550	0.3250
1839	0.4000	75.2885

3461	0.4100	75.2885
3461 & over	0.5100	421.4423

Where employee claimed FULL exemption from Medicare levy in *Medicare levy variation declaration* – Scale 5

**WITH FS Debt**

Weekly earnings (x) less than \$	a	b
355	-	-
711	0.1900	67.4635
1055	0.3277	165.4423
1282	0.3477	165.4423
1295	0.3450	161.9808
1673	0.3550	161.9808
1839	0.4000	237.2692
3461	0.4100	237.2692
3461 & over	0.5100	583.4231

Where employee claimed HALF exemption from Medicare levy in *Medicare levy variation declaration* – Scale 6

**WITH FS Debt**

Weekly earnings (x) less than \$	a	b
355	-	-
692	0.1900	67.4635
711	0.2400	102.0798
865	0.3777	200.0587



1055	0.3377	165.4425
1282	0.3577	165.4425
1295	0.3550	161.9810
1673	0.3650	161.9810
1839	0.4100	237.2694
3461	0.4200	237.2694
3461 & over	0.5200	583.4233

**Note:** Withholding amounts including the SFSS component worked out using the coefficients may differ slightly from the sums of the amounts shown in the PAYG and SFSS tax tables. The differences result from the rounding of components.

# Sample data

With tax-free threshold

## Amounts to be withheld

Weekly earnings \$	Weekly SFSS component \$	Fortnightly earnings \$	Fortnightly SFSS component \$	Monthly earnings \$	Monthly SFSS component \$
1055	21.00	2110	42.00	4571.67	91.00
1056	21.00	2112	42.00	4576.00	91.00
1135	23.00	2270	46.00	4918.33	100.00
1136	23.00	2272	46.00	4922.67	100.00
1214	24.00	2428	48.00	5260.67	104.00
1215	24.00	2430	48.00	5265.00	104.00
1294	26.00	2588	52.00	5607.33	113.00
1295	39.00	2590	78.00	5611.67	169.00
1296	39.00	2592	78.00	5616.00	169.00
1431	43.00	2862	86.00	6201.00	186.00
1432	43.00	2864	86.00	6205.33	186.00
1566	47.00	3132	94.00	6786.00	204.00
1567	47.00	3134	94.00	6790.33	204.00
1702	51.00	3404	102.00	7375.33	221.00
1703	51.00	3406	102.00	7379.67	221.00
1704	51.00	3408	102.00	7384.00	221.00
1838	55.00	3676	110.00	7964.67	238.00
1839	74.00	3678	148.00	7969.00	321.00
1840	74.00	3680	148.00	7973.33	321.00
1959	78.00	3918	156.00	8489.00	338.00
1960	78.00	3920	156.00	8493.33	338.00

## Weekly withholding amounts including SFSS component

### Amounts to be withheld

Weekly earnings \$	Scale 1 No tax-free threshold \$	Scale 2 With tax- free threshold \$	Scale 3 Foreign resident \$	Scale 5 Full Medicare exemption \$	Scale 6 Half Medicare exemption \$
59	11.00	-	19.00	-	-
60	12.00	-	19.00	-	-
116	25.00	-	38.00	-	-
117	25.00	-	38.00	-	-
249	56.00	-	81.00	-	-
250	56.00	-	81.00	-	-
354	80.00	-	115.00	-	-
355	80.00	-	115.00	-	-
360	82.00	1.00	117.00	1.00	1.00
361	82.00	1.00	117.00	1.00	1.00
409	99.00	10.00	133.00	10.00	10.00
410	99.00	11.00	133.00	11.00	11.00
511	134.00	40.00	166.00	30.00	30.00
512	134.00	40.00	166.00	30.00	30.00
691	197.00	78.00	225.00	64.00	64.00
692	197.00	78.00	225.00	64.00	64.00
704	201.00	81.00	229.00	66.00	67.00
705	216.00	81.00	229.00	67.00	67.00
710	217.00	82.00	231.00	68.00	69.00
711	218.00	82.00	231.00	68.00	69.00
864	274.00	135.00	281.00	118.00	127.00
865	274.00	136.00	281.00	118.00	127.00
931	299.00	159.00	303.00	140.00	149.00
932	299.00	159.00	303.00	140.00	150.00

944	303.00	163.00	307.00	144.00	154.00
945	313.00	163.00	307.00	145.00	154.00
1054	354.00	201.00	343.00	180.00	191.00
1055	355.00	223.00	364.00	202.00	212.00
1281	439.00	306.00	442.00	280.00	293.00
1282	440.00	306.00	442.00	281.00	293.00
1294	444.00	311.00	446.00	285.00	298.00
1295	445.00	324.00	460.00	298.00	311.00
1322	455.00	334.00	469.00	308.00	321.00
1323	455.00	335.00	470.00	308.00	321.00
1488	524.00	396.00	528.00	367.00	382.00
1489	540.00	397.00	529.00	367.00	382.00
1672	618.00	465.00	594.00	432.00	449.00
1673	619.00	466.00	594.00	432.00	449.00
1838	690.00	535.00	660.00	498.00	517.00
1839	690.00	554.00	679.00	517.00	536.00
1844	692.00	556.00	681.00	519.00	538.00
1845	693.00	557.00	682.00	520.00	538.00
2119	811.00	674.00	794.00	632.00	653.00
2120	811.00	675.00	794.00	632.00	654.00
2490	970.00	834.00	946.00	784.00	809.00
2491	971.00	834.00	946.00	784.00	809.00
2652	1040.00	904.00	1012.00	850.00	877.00
2653	1040.00	904.00	1013.00	851.00	877.00
2736	1076.00	940.00	1047.00	885.00	912.00
2737	1076.00	940.00	1047.00	885.00	913.00
2898	1146.00	1009.00	1113.00	951.00	980.00
2899	1146.00	1010.00	1114.00	952.00	981.00
2913	1152.00	1016.00	1119.00	957.00	987.00
2914	1152.00	1016.00	1120.00	958.00	987.00

3110	1237.00	1100.00	1200.00	1038.00	1069.00
3111	1237.00	1101.00	1201.00	1039.00	1070.00
3460	1422.00	1251.00	1344.00	1182.00	1216.00
3461	1423.00	1251.00	1344.00	1182.00	1217.00

## Fortnightly withholding amounts including SFSS component

### Amounts to be withheld

<b>Fortnightly earnings \$</b>	<b>Scale 1 No tax-free threshold \$</b>	<b>Scale 2 With tax-free threshold \$</b>	<b>Scale 3 Foreign resident \$</b>	<b>Scale 5 Full Medicare exemption \$</b>	<b>Scale 6 Half Medicare exemption \$</b>
118	22.00	-	38.00	-	-
120	24.00	-	38.00	-	-
232	50.00	-	76.00	-	-
234	50.00	-	76.00	-	-
498	112.00	-	162.00	-	-
500	112.00	-	162.00	-	-
708	160.00	-	230.00	-	-
710	160.00	-	230.00	-	-
720	164.00	2.00	234.00	2.00	2.00
722	164.00	2.00	234.00	2.00	2.00
818	198.00	20.00	266.00	20.00	20.00
820	198.00	22.00	266.00	22.00	22.00
1022	268.00	80.00	332.00	60.00	60.00
1024	268.00	80.00	332.00	60.00	60.00
1382	394.00	156.00	450.00	128.00	128.00
1384	394.00	156.00	450.00	128.00	128.00
1408	402.00	162.00	458.00	132.00	134.00
1410	432.00	162.00	458.00	134.00	134.00
1420	434.00	164.00	462.00	136.00	138.00
1422	436.00	164.00	462.00	136.00	138.00

1728	548.00	270.00	562.00	236.00	254.00
1730	548.00	272.00	562.00	236.00	254.00
1862	598.00	318.00	606.00	280.00	298.00
1864	598.00	318.00	606.00	280.00	300.00
1888	606.00	326.00	614.00	288.00	308.00
1890	626.00	326.00	614.00	290.00	308.00
2108	708.00	402.00	686.00	360.00	382.00
2110	710.00	446.00	728.00	404.00	424.00
2562	878.00	612.00	884.00	560.00	586.00
2564	880.00	612.00	884.00	562.00	586.00
2588	888.00	622.00	892.00	570.00	596.00
2590	890.00	648.00	920.00	596.00	622.00
2644	910.00	668.00	938.00	616.00	642.00
2646	910.00	670.00	940.00	616.00	642.00
2976	1048.00	792.00	1056.00	734.00	764.00
2978	1080.00	794.00	1058.00	734.00	764.00
3344	1236.00	930.00	1188.00	864.00	898.00
3346	1238.00	932.00	1188.00	864.00	898.00
3676	1380.00	1070.00	1320.00	996.00	1034.00
3678	1380.00	1108.00	1358.00	1034.00	1072.00
3688	1384.00	1112.00	1362.00	1038.00	1076.00
3690	1386.00	1114.00	1364.00	1040.00	1076.00
4238	1622.00	1348.00	1588.00	1264.00	1306.00
4240	1622.00	1350.00	1588.00	1264.00	1308.00
4980	1940.00	1668.00	1892.00	1568.00	1618.00
4982	1942.00	1668.00	1892.00	1568.00	1618.00
5304	2080.00	1808.00	2024.00	1700.00	1754.00
5306	2080.00	1808.00	2026.00	1702.00	1754.00
5472	2152.00	1880.00	2094.00	1770.00	1824.00
5474	2152.00	1880.00	2094.00	1770.00	1826.00

5796	2292.00	2018.00	2226.00	1902.00	1960.00
5798	2292.00	2020.00	2228.00	1904.00	1962.00
5826	2304.00	2032.00	2238.00	1914.00	1974.00
5828	2304.00	2032.00	2240.00	1916.00	1974.00
6220	2474.00	2200.00	2400.00	2076.00	2138.00
6222	2474.00	2202.00	2402.00	2078.00	2140.00
6920	2844.00	2502.00	2688.00	2364.00	2432.00
6922	2846.00	2502.00	2688.00	2364.00	2434.00

## Monthly withholding amounts including SFSS component

### Amounts to be withheld

Monthly earnings \$	Scale 1 No tax-free threshold \$	Scale 2 With tax-free threshold \$	Scale 3 Foreign resident \$	Scale 5 Full Medicare exemption \$	Scale 6 Half Medicare exemption \$
255.67	48.00	-	82.00	-	-
260.00	52.00	-	82.00	-	-
502.67	108.00	-	165.00	-	-
507.00	108.00	-	165.00	-	-
1079.00	243.00	-	351.00	-	-
1083.33	243.00	-	351.00	-	-
1534.00	347.00	-	498.00	-	-
1538.33	347.00	-	498.00	-	-
1560.00	355.00	4.00	507.00	4.00	4.00
1564.33	355.00	4.00	507.00	4.00	4.00
1772.33	429.00	43.00	576.00	43.00	43.00
1776.67	429.00	48.00	576.00	48.00	48.00
2214.33	581.00	173.00	719.00	130.00	130.00
2218.67	581.00	173.00	719.00	130.00	130.00
2994.33	854.00	338.00	975.00	277.00	277.00
2998.67	854.00	338.00	975.00	277.00	277.00

3050.67	871.00	351.00	992.00	286.00	290.00
3055.00	936.00	351.00	992.00	290.00	290.00
3076.67	940.00	355.00	1001.00	295.00	299.00
3081.00	945.00	355.00	1001.00	295.00	299.00
3744.00	1187.00	585.00	1218.00	511.00	550.00
3748.33	1187.00	589.00	1218.00	511.00	550.00
4034.33	1296.00	689.00	1313.00	607.00	646.00
4038.67	1296.00	689.00	1313.00	607.00	650.00
4090.67	1313.00	706.00	1330.00	624.00	667.00
4095.00	1356.00	706.00	1330.00	628.00	667.00
4567.33	1534.00	871.00	1486.00	780.00	828.00
4571.67	1538.00	966.00	1577.00	875.00	919.00
5551.00	1902.00	1326.00	1915.00	1213.00	1270.00
5555.33	1907.00	1326.00	1915.00	1218.00	1270.00
5607.33	1924.00	1348.00	1933.00	1235.00	1291.00
5611.67	1928.00	1404.00	1993.00	1291.00	1348.00
5728.67	1972.00	1447.00	2032.00	1335.00	1391.00
5733.00	1972.00	1452.00	2037.00	1335.00	1391.00
6448.00	2271.00	1716.00	2288.00	1590.00	1655.00
6452.33	2340.00	1720.00	2292.00	1590.00	1655.00
7245.33	2678.00	2015.00	2574.00	1872.00	1946.00
7249.67	2682.00	2019.00	2574.00	1872.00	1946.00
7964.67	2990.00	2318.00	2860.00	2158.00	2240.00
7969.00	2990.00	2401.00	2942.00	2240.00	2323.00
7990.67	2999.00	2409.00	2951.00	2249.00	2331.00
7995.00	3003.00	2414.00	2955.00	2253.00	2331.00
9182.33	3514.00	2921.00	3441.00	2739.00	2830.00
9186.67	3514.00	2925.00	3441.00	2739.00	2834.00
10790.00	4203.00	3614.00	4099.00	3397.00	3506.00
10794.33	4208.00	3614.00	4099.00	3397.00	3506.00



11492.00	4507.00	3917.00	4385.00	3683.00	3800.00
11496.33	4507.00	3917.00	4390.00	3688.00	3800.00
11856.00	4663.00	4073.00	4537.00	3835.00	3952.00
11860.33	4663.00	4073.00	4537.00	3835.00	3956.00
12558.00	4966.00	4372.00	4823.00	4121.00	4247.00
12562.33	4966.00	4377.00	4827.00	4125.00	4251.00
12623.00	4992.00	4403.00	4849.00	4147.00	4277.00
12627.33	4992.00	4403.00	4853.00	4151.00	4277.00
13476.67	5360.00	4767.00	5200.00	4498.00	4632.00
13481.00	5360.00	4771.00	5204.00	4502.00	4637.00
14993.33	6162.00	5421.00	5824.00	5122.00	5269.00
14997.67	6166.00	5421.00	5824.00	5122.00	5274.00

## Coefficients to work out the weekly amounts to withhold including HELP/SSL/TSL and SFSS components

Your employee's total withholding, including the HELP/SSL/TSL and SFSS components, can be calculated using the formula and coefficients stated below.

### Using a formula

The formulas comprise linear equations of the form  $y = ax - b$ , where:

- **y** is the weekly withholding amount expressed in dollars
- **x** is the number of whole dollars in the weekly earnings plus 99 cents
- **a** and **b** are the values of the coefficients for each set of formulas for each range of weekly earnings (or, in the case of fortnightly, monthly or quarterly earnings, the weekly equivalent of these amounts).

If two employees are taxed using a particular scale (for example, scale 2) but only one of them has a HELP/SSL/TSL and Financial Supplement debt, you will need to set up two separate scales in your payroll system. One scale will need to incorporate the HELP/SSL/TSL and SFSS components and one will not – for example, name one 'scale 2' and the other 'scale 22'.

The HELP/SSL/TSL and SFSS components **do not** apply if the employee has not provided a tax file number (TFN).

For scales without HELP/SSL/TSL and SFSS components, refer to [Statement of formulas for calculating amounts to be withheld](#).

## Where tax-free threshold not claimed in *Tax file number declaration* – Scale 1

### WITH HELP/SSL/TSL and FS Debt

Weekly earnings (x) less than \$	a	b
60	0.1900	0.1900
361	0.2332	2.6045
705	0.3477	44.0006
825	0.4077	44.0006
932	0.4127	44.0006
945	0.4100	41.4841
1013	0.4250	41.4841
1115	0.4300	41.4841
1237	0.4350	41.4841
1321	0.4400	41.4841
1323	0.4450	41.4841
1489	0.4900	101.0225
1609	0.5050	101.0225
3111	0.5100	101.0225
3111 & over	0.6100	412.1764

## Where employee has claimed the tax-free threshold in *Tax file number declaration* – Scale 2

### WITH HELP/SSL/TSL and FS Debt

Weekly earnings (x) less than \$	a	b
355	-	-
410	0.1900	67.4635

512	0.2900	108.4923
711	0.2100	67.4646
1055	0.3477	165.4435
1175	0.4077	165.4435
1282	0.4127	165.4435
1295	0.4100	161.9819
1363	0.4250	161.9819
1465	0.4300	161.9819
1587	0.4350	161.9819
1671	0.4400	161.9819
1673	0.4450	161.9819
1839	0.4900	237.2704
1959	0.5050	237.2704
3461	0.5100	237.2704
3461 & over	0.6100	583.4242

Foreign residents – Scale 3

**WITH HELP/SSL/TSL and FS Debt**

<b>Weekly earnings (x) less than \$</b>	<b>a</b>	<b>b</b>
1055	0.3250	0.3250
1175	0.3850	0.3250
1295	0.3900	0.3250
1363	0.4050	0.3250
1465	0.4100	0.3250
1587	0.4150	0.3250
1671	0.4200	0.3250
1673	0.4250	0.3250
1839	0.4700	75.2885
1959	0.4850	75.2885
3461	0.4900	75.2885

3461 & over	0.5900	421.4423
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Where employee claimed FULL exemption from Medicare levy in *Medicare levy variation declaration* – Scale 5

**WITH HELP/SSL/TSL and FS Debt**

Weekly earnings (x) less than \$	a	b
355	-	-
711	0.1900	67.4635
1055	0.3277	165.4423
1175	0.3877	165.4423
1282	0.3927	165.4423
1295	0.3900	161.9808
1363	0.4050	161.9808
1465	0.4100	161.9808
1587	0.4150	161.9808
1671	0.4200	161.9808
1673	0.4250	161.9808
1839	0.4700	237.2692
1959	0.4850	237.2692
3461	0.4900	237.2692
3461 & over	0.5900	583.4231

Where employee claimed HALF exemption from Medicare levy in *Medicare levy variation declaration* – Scale 6

**WITH HELP/SSL/TSL and FS Debt**

Weekly earnings (x) less than \$	a	b
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355	-	-
692	0.1900	67.4635
711	0.2400	102.0798
865	0.3777	200.0587
1055	0.3377	165.4425
1175	0.3977	165.4425
1282	0.4027	165.4425
1295	0.4000	161.9810
1363	0.4150	161.9810
1465	0.4200	161.9810
1587	0.4250	161.9810
1671	0.4300	161.9810
1673	0.4350	161.9810
1839	0.4800	237.2694
1959	0.4950	237.2694
3461	0.5000	237.2694
3461 & over	0.6000	583.4233

Withholding amounts including the HELP/SSL/TSL and SFSS components worked out using the coefficients may differ slightly from the sums of the amounts shown in the PAYG, HELP/SSL/TSL and SFSS tax tables. The differences result from the rounding of components.

## Sample data

Weekly withholding amounts including HELP/SSL/TSL and SFSS components

### Amounts to be withheld

Weekly earnings \$	Scale 1 No tax-free threshold \$	Scale 2 With tax-free threshold \$	Scale 3 Foreign resident \$	Scale 5 Full Medicare exemption \$	Scale 6 Half Medicare exemption \$
59	11.00	-	19.00	-	-
60	12.00	-	19.00	-	-
116	25.00	-	38.00	-	-

117	25.00	-	38.00	-	-
249	56.00	-	81.00	-	-
250	56.00	-	81.00	-	-
354	80.00	-	115.00	-	-
355	80.00	-	115.00	-	-
360	82.00	1.00	117.00	1.00	1.00
361	82.00	1.00	117.00	1.00	1.00
409	99.00	10.00	133.00	10.00	10.00
410	99.00	11.00	133.00	11.00	11.00
511	134.00	40.00	166.00	30.00	30.00
512	134.00	40.00	166.00	30.00	30.00
691	197.00	78.00	225.00	64.00	64.00
692	197.00	78.00	225.00	64.00	64.00
704	201.00	81.00	229.00	66.00	67.00
705	244.00	81.00	229.00	67.00	67.00
710	246.00	82.00	231.00	68.00	69.00
711	246.00	82.00	231.00	68.00	69.00
824	292.00	121.00	268.00	105.00	112.00
825	297.00	122.00	268.00	105.00	112.00
865	313.00	136.00	281.00	118.00	127.00
866	314.00	136.00	281.00	119.00	127.00
931	341.00	159.00	303.00	140.00	149.00
932	341.00	159.00	303.00	140.00	150.00
944	346.00	163.00	307.00	144.00	154.00
945	361.00	163.00	307.00	145.00	154.00
1012	389.00	187.00	329.00	167.00	177.00
1013	395.00	187.00	329.00	167.00	177.00
1054	412.00	201.00	343.00	180.00	191.00
1055	413.00	265.00	406.00	244.00	255.00
1114	438.00	289.00	429.00	267.00	278.00

1115	444.00	290.00	429.00	267.00	278.00
1174	470.00	314.00	452.00	290.00	302.00
1175	470.00	320.00	458.00	296.00	308.00
1236	497.00	345.00	482.00	320.00	333.00
1237	503.00	345.00	482.00	321.00	333.00
1281	523.00	364.00	500.00	338.00	351.00
1282	523.00	364.00	500.00	338.00	351.00
1294	528.00	369.00	505.00	343.00	356.00
1295	529.00	389.00	525.00	363.00	376.00
1321	547.00	400.00	535.00	373.00	387.00
1322	547.00	400.00	535.00	374.00	387.00
1323	548.00	401.00	536.00	374.00	387.00
1362	567.00	417.00	552.00	390.00	404.00
1363	567.00	425.00	559.00	397.00	411.00
1365	568.00	425.00	560.00	398.00	412.00
1464	617.00	468.00	600.00	439.00	453.00
1465	617.00	476.00	608.00	446.00	461.00
1489	651.00	486.00	618.00	456.00	471.00
1586	700.00	528.00	658.00	497.00	512.00
1587	701.00	537.00	667.00	505.00	521.00
1608	712.00	546.00	675.00	514.00	530.00
1609	720.00	546.00	676.00	514.00	530.00
1670	751.00	573.00	701.00	540.00	557.00
1671	752.00	582.00	710.00	549.00	565.00
1672	752.00	582.00	711.00	549.00	566.00
1673	753.00	583.00	711.00	550.00	566.00
1838	837.00	664.00	789.00	627.00	645.00
1839	837.00	692.00	817.00	655.00	674.00
1844	840.00	694.00	820.00	658.00	676.00
1845	840.00	695.00	820.00	658.00	676.00

1958	898.00	752.00	875.00	713.00	732.00
1959	899.00	762.00	885.00	723.00	743.00
2119	980.00	844.00	964.00	802.00	823.00
2120	981.00	844.00	964.00	802.00	823.00
2490	1169.00	1033.00	1145.00	983.00	1008.00
2491	1170.00	1034.00	1146.00	984.00	1009.00
2652	1252.00	1116.00	1225.00	1063.00	1089.00
2653	1253.00	1116.00	1225.00	1063.00	1090.00
2736	1295.00	1159.00	1266.00	1104.00	1131.00
2737	1295.00	1159.00	1266.00	1104.00	1132.00
2898	1377.00	1241.00	1345.00	1183.00	1212.00
2899	1378.00	1242.00	1346.00	1184.00	1213.00
2913	1385.00	1249.00	1353.00	1191.00	1220.00
2914	1386.00	1249.00	1353.00	1191.00	1220.00
3110	1486.00	1349.00	1449.00	1287.00	1318.00
3111	1486.00	1350.00	1450.00	1288.00	1319.00
3461	1700.00	1528.00	1621.00	1459.00	1494.00

Fortnightly withholding amounts including HELP/SSL/TSL and SFSS components

**Amounts to be withheld**

<b>Fortnightly earnings \$</b>	<b>Scale 1 No tax-free threshold \$</b>	<b>Scale 2 With tax-free threshold \$</b>	<b>Scale 3 Foreign resident \$</b>	<b>Scale 5 Full Medicare exemption \$</b>	<b>Scale 6 Half Medicare exemption \$</b>
118	22.00	-	38.00	-	-
120	24.00	-	38.00	-	-
232	50.00	-	76.00	-	-
234	50.00	-	76.00	-	-
498	112.00	-	162.00	-	-
500	112.00	-	162.00	-	-



708	160.00	-	230.00	-	-
710	160.00	-	230.00	-	-
720	164.00	2.00	234.00	2.00	2.00
722	164.00	2.00	234.00	2.00	2.00
818	198.00	20.00	266.00	20.00	20.00
820	198.00	22.00	266.00	22.00	22.00
1022	268.00	80.00	332.00	60.00	60.00
1024	268.00	80.00	332.00	60.00	60.00
1382	394.00	156.00	450.00	128.00	128.00
1384	394.00	156.00	450.00	128.00	128.00
1408	402.00	162.00	458.00	132.00	134.00
1410	488.00	162.00	458.00	134.00	134.00
1420	492.00	164.00	462.00	136.00	138.00
1422	492.00	164.00	462.00	136.00	138.00
1648	584.00	242.00	536.00	210.00	224.00
1650	594.00	244.00	536.00	210.00	224.00
1730	626.00	272.00	562.00	236.00	254.00
1732	628.00	272.00	562.00	238.00	254.00
1862	682.00	318.00	606.00	280.00	298.00
1864	682.00	318.00	606.00	280.00	300.00
1888	692.00	326.00	614.00	288.00	308.00
1890	722.00	326.00	614.00	290.00	308.00
2024	778.00	374.00	658.00	334.00	354.00
2026	790.00	374.00	658.00	334.00	354.00
2108	824.00	402.00	686.00	360.00	382.00
2110	826.00	530.00	812.00	488.00	510.00
2228	876.00	578.00	858.00	534.00	556.00
2230	888.00	580.00	858.00	534.00	556.00
2348	940.00	628.00	904.00	580.00	604.00
2350	940.00	640.00	916.00	592.00	616.00

2472	994.00	690.00	964.00	640.00	666.00
2474	1006.00	690.00	964.00	642.00	666.00
2562	1046.00	728.00	1000.00	676.00	702.00
2564	1046.00	728.00	1000.00	676.00	702.00
2588	1056.00	738.00	1010.00	686.00	712.00
2590	1058.00	778.00	1050.00	726.00	752.00
2642	1094.00	800.00	1070.00	746.00	774.00
2644	1094.00	800.00	1070.00	748.00	774.00
2646	1096.00	802.00	1072.00	748.00	774.00
2724	1134.00	834.00	1104.00	780.00	808.00
2726	1134.00	850.00	1118.00	794.00	822.00
2730	1136.00	850.00	1120.00	796.00	824.00
2928	1234.00	936.00	1200.00	878.00	906.00
2930	1234.00	952.00	1216.00	892.00	922.00
2978	1302.00	972.00	1236.00	912.00	942.00
3172	1400.00	1056.00	1316.00	994.00	1024.00
3174	1402.00	1074.00	1334.00	1010.00	1042.00
3216	1424.00	1092.00	1350.00	1028.00	1060.00
3218	1440.00	1092.00	1352.00	1028.00	1060.00
3340	1502.00	1146.00	1402.00	1080.00	1114.00
3342	1504.00	1164.00	1420.00	1098.00	1130.00
3344	1504.00	1164.00	1422.00	1098.00	1132.00
3346	1506.00	1166.00	1422.00	1100.00	1132.00
3676	1674.00	1328.00	1578.00	1254.00	1290.00
3678	1674.00	1384.00	1634.00	1310.00	1348.00
3688	1680.00	1388.00	1640.00	1316.00	1352.00
3690	1680.00	1390.00	1640.00	1316.00	1352.00
3916	1796.00	1504.00	1750.00	1426.00	1464.00
3918	1798.00	1524.00	1770.00	1446.00	1486.00
4238	1960.00	1688.00	1928.00	1604.00	1646.00

4240	1962.00	1688.00	1928.00	1604.00	1646.00
4980	2338.00	2066.00	2290.00	1966.00	2016.00
4982	2340.00	2068.00	2292.00	1968.00	2018.00
5304	2504.00	2232.00	2450.00	2126.00	2178.00
5306	2506.00	2232.00	2450.00	2126.00	2180.00
5472	2590.00	2318.00	2532.00	2208.00	2262.00
5474	2590.00	2318.00	2532.00	2208.00	2264.00
5796	2754.00	2482.00	2690.00	2366.00	2424.00
5798	2756.00	2484.00	2692.00	2368.00	2426.00
5826	2770.00	2498.00	2706.00	2382.00	2440.00
5828	2772.00	2498.00	2706.00	2382.00	2440.00
6220	2972.00	2698.00	2898.00	2574.00	2636.00
6222	2972.00	2700.00	2900.00	2576.00	2638.00
6922	3400.00	3056.00	3242.00	2918.00	2988.00

## Monthly withholding amounts including HELP/SSL/TSL and SFSS components

### Amounts to be withheld

Monthly earnings \$	Scale 1 No tax-free threshold \$	Scale 2 With tax-free threshold \$	Scale 3 Foreign resident \$	Scale 5 Full Medicare exemption \$	Scale 6 Half Medicare exemption \$
255.67	48.00	-	82.00	-	-
260.00	52.00	-	82.00	-	-
502.67	108.00	-	165.00	-	-
507.00	108.00	-	165.00	-	-
1079.00	243.00	-	351.00	-	-
1083.33	243.00	-	351.00	-	-
1534.00	347.00	-	498.00	-	-
1538.33	347.00	-	498.00	-	-
1560.00	355.00	4.00	507.00	4.00	4.00

1564.33	355.00	4.00	507.00	4.00	4.00
1772.33	429.00	43.00	576.00	43.00	43.00
1776.67	429.00	48.00	576.00	48.00	48.00
2214.33	581.00	173.00	719.00	130.00	130.00
2218.67	581.00	173.00	719.00	130.00	130.00
2994.33	854.00	338.00	975.00	277.00	277.00
2998.67	854.00	338.00	975.00	277.00	277.00
3050.67	871.00	351.00	992.00	286.00	290.00
3055.00	1057.00	351.00	992.00	290.00	290.00
3076.67	1066.00	355.00	1001.00	295.00	299.00
3081.00	1066.00	355.00	1001.00	295.00	299.00
3570.67	1265.00	524.00	1161.00	455.00	485.00
3575.00	1287.00	529.00	1161.00	455.00	485.00
3748.33	1356.00	589.00	1218.00	511.00	550.00
3752.67	1361.00	589.00	1218.00	516.00	550.00
4034.33	1478.00	689.00	1313.00	607.00	646.00
4038.67	1478.00	689.00	1313.00	607.00	650.00
4090.67	1499.00	706.00	1330.00	624.00	667.00
4095.00	1564.00	706.00	1330.00	628.00	667.00
4385.33	1686.00	810.00	1426.00	724.00	767.00
4389.67	1712.00	810.00	1426.00	724.00	767.00
4567.33	1785.00	871.00	1486.00	780.00	828.00
4571.67	1790.00	1148.00	1759.00	1057.00	1105.00
4827.33	1898.00	1252.00	1859.00	1157.00	1205.00
4831.67	1924.00	1257.00	1859.00	1157.00	1205.00
5087.33	2037.00	1361.00	1959.00	1257.00	1309.00
5091.67	2037.00	1387.00	1985.00	1283.00	1335.00
5356.00	2154.00	1495.00	2089.00	1387.00	1443.00
5360.33	2180.00	1495.00	2089.00	1391.00	1443.00
5551.00	2266.00	1577.00	2167.00	1465.00	1521.00

5555.33	2266.00	1577.00	2167.00	1465.00	1521.00
5607.33	2288.00	1599.00	2188.00	1486.00	1543.00
5611.67	2292.00	1686.00	2275.00	1573.00	1629.00
5724.33	2370.00	1733.00	2318.00	1616.00	1677.00
5728.67	2370.00	1733.00	2318.00	1621.00	1677.00
5733.00	2375.00	1738.00	2323.00	1621.00	1677.00
5902.00	2457.00	1807.00	2392.00	1690.00	1751.00
5906.33	2457.00	1842.00	2422.00	1720.00	1781.00
5915.00	2461.00	1842.00	2427.00	1725.00	1785.00
6344.00	2674.00	2028.00	2600.00	1902.00	1963.00
6348.33	2674.00	2063.00	2635.00	1933.00	1998.00
6452.33	2821.00	2106.00	2678.00	1976.00	2041.00
6872.67	3033.00	2288.00	2851.00	2154.00	2219.00
6877.00	3038.00	2327.00	2890.00	2188.00	2258.00
6968.00	3085.00	2366.00	2925.00	2227.00	2297.00
6972.33	3120.00	2366.00	2929.00	2227.00	2297.00
7236.67	3254.00	2483.00	3038.00	2340.00	2414.00
7241.00	3259.00	2522.00	3077.00	2379.00	2448.00
7245.33	3259.00	2522.00	3081.00	2379.00	2453.00
7249.67	3263.00	2526.00	3081.00	2383.00	2453.00
7964.67	3627.00	2877.00	3419.00	2717.00	2795.00
7969.00	3627.00	2999.00	3540.00	2838.00	2921.00
7990.67	3640.00	3007.00	3553.00	2851.00	2929.00
7995.00	3640.00	3012.00	3553.00	2851.00	2929.00
8484.67	3891.00	3259.00	3792.00	3090.00	3172.00
8489.00	3896.00	3302.00	3835.00	3133.00	3220.00
9182.33	4247.00	3657.00	4177.00	3475.00	3566.00
9186.67	4251.00	3657.00	4177.00	3475.00	3566.00
10790.00	5066.00	4476.00	4962.00	4260.00	4368.00
10794.33	5070.00	4481.00	4966.00	4264.00	4372.00

11492.00	5425.00	4836.00	5308.00	4606.00	4719.00
11496.33	5430.00	4836.00	5308.00	4606.00	4723.00
11856.00	5612.00	5022.00	5486.00	4784.00	4901.00
11860.33	5612.00	5022.00	5486.00	4784.00	4905.00
12558.00	5967.00	5378.00	5828.00	5126.00	5252.00
12562.33	5971.00	5382.00	5833.00	5131.00	5256.00
12623.00	6002.00	5412.00	5863.00	5161.00	5287.00
12627.33	6006.00	5412.00	5863.00	5161.00	5287.00
13476.67	6439.00	5846.00	6279.00	5577.00	5711.00
13481.00	6439.00	5850.00	6283.00	5581.00	5716.00
14997.67	7367.00	6621.00	7024.00	6322.00	6474.00

# Schedule 9 – Tax table for seniors and pensioners

Use for payments to low income aged persons and pensioners

For payments made on or after 1 October 2016

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* (TAA). It applies to withholding payments covered by Subdivisions 12-B (except sections 12-50 and 12-55), and 12-D of Schedule 1 to the TAA.

Use the Withholding look-up tool to quickly [work out the amount to withhold](#).

## Using this table

You should use this table if you make payments to:

- seniors and pensioners who, at the end of the relevant financial year, are 65 years of age or older (for example, to be eligible for the year ending 30 June 2017, an employee must be born on or before 30 June 1952).
- veterans receiving a service pension and/or war widows/widowers receiving an income support supplement from the Department of Veterans' Affairs who are at least 60 years of age.

This table applies to weekly payments including:

- salary, wages, allowances and leave loading paid to employees
- director's fees
- payments to labour-hire workers
- compensation, sickness or accident payments that are calculated at a periodical rate and made because a person is unable to work (unless the payment is made under an insurance policy to the policy owner)
- a non-super income stream
- a super income stream.

This tax table can only apply if the employee has provided you with either:

- a [Withholding declaration](#) (NAT 3093) answering **yes** to questions 4, 5 and 8
- a [Withholding declaration – short version for seniors and pensioners](#) (NAT 5072) answering **yes** to questions 4, 5 and 6.

### Get it done

You can download a printable version of [Tax table for seniors and pensioners](#) (NAT 4466, 791KB) in Portable Document Format (PDF).

# Working out the withholding amount

1. Calculate your employee's total weekly earnings, add any allowances and irregular payments that will be included in this week's pay to the normal weekly earnings, ignoring any cents.
2. Input the amount from step 1 into the [Withholding look-up tool](#), as per instructions in the tool.
3. Use the appropriate column to find the correct amount to withhold. If your employee is:
  - single, use column 2
  - a member of an illness-separated couple, use column 3
  - a member of a couple, use column 4.
4. If your employee is entitled to a tax offset or a Medicare levy adjustment, subtract its weekly value from the withholding amount found in step 3.

## Example

An employee has weekly earnings of \$619.75. To work out the correct amount to withhold, ignore cents and input \$619 into the *Withholding look-up tool*.

If the employee is:

- single, use column 2 to find the correct amount to withhold (\$7.00)
- a member of an illness-separated couple, use column 3 to find the correct amount to withhold (\$13.00)
- a member of a couple, use column 4 to find the correct amount to withhold (\$27.00).

# Calculating fortnightly or monthly withholding amounts

First calculate the weekly equivalent of fortnightly or monthly earnings. If you pay:

- fortnightly – divide the sum of the fortnightly earnings and the amount of any allowances subject to withholding by two. Ignore any cents in the result and then add 99 cents.
- monthly – obtain the sum of the monthly earnings and the amount of any allowances subject to withholding (if the result is an amount ending in 33 cents, add one cent). Multiply this amount by three and then divide by 13. Ignore any cents in the result and then add 99 cents.

Then calculate fortnightly or monthly withholding amounts as follows:

- fortnightly – work out the rounded weekly withholding amount applicable to the weekly equivalent of earnings, before any adjustment for tax offsets. Multiply this amount by two.
- monthly – work out the rounded weekly withholding amount applicable to the weekly equivalent of earnings, before any adjustment for tax offsets. Multiply this amount by 13, divide the product by three and round the result to the nearest dollar.



## Using a formula

The withholding amounts shown in this table can be expressed in a mathematical form.

You should read this section with [Statement of formulas for calculating amounts to be withheld](#) (NAT 1004).

If you have developed your own payroll software package, you can use the following formulas and the coefficients outlined below.

The formulas comprise linear equations of the form  $y = ax - b$ , where:

- **y** is the withholding amount expressed in dollars
- **x** is the weekly earnings rounded down to whole dollars plus 99 cents
- **a** and **b** are the values of the coefficients for the formulas shown in the relevant [Values of the coefficients a and b for each set of formulas](#) tables.

## Rounding of withholding amounts

Withholding amounts calculated as a result of applying the formulas are rounded to the nearest dollar. Results ending in 50 cents are rounded to the next higher dollar.

If no TFN is provided, ignore cents when you calculate withholding amounts.

## Accounting software

Software written in accordance with the formulas should be tested for accuracy against the withholding amounts obtained using the [Withholding look-up tool](#). You should only use such software if it produces the exact amounts.

## Values of the coefficients a and b for each set of formulas

### Single

Weekly earnings(x) less than	a	b
\$580	0.0000	0.0000
\$620	0.1900	110.3481
\$648	0.3150	187.9418
\$711	0.4150	252.8226
\$811	0.5527	350.8014
\$963	0.4727	285.9214
\$1,282	0.3477	165.4431
\$1,673	0.3450	161.9819
\$3,461	0.3900	237.2704

\$3,461 & over	0.4900	583.4242
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#### **Illness-separated**

<b>Weekly earnings(x) less than</b>	<b>a</b>	<b>b</b>
\$561	0.0000	0.0000
\$601	0.1900	106.6942
\$648	0.3150	181.8841
\$711	0.4150	246.7649
\$811	0.5527	344.7438
\$915	0.4727	279.8638
\$1,282	0.3477	165.4431
\$1,673	0.3450	161.9819
\$3,461	0.3900	237.2704
\$3,461 & over	0.4900	583.4242

#### **Member of a couple**

<b>Weekly earnings(x) less than</b>	<b>a</b>	<b>b</b>
\$517	0.0000	0.0000
\$557	0.1900	98.2712
\$648	0.3150	167.9202
\$711	0.4150	232.8010
\$803	0.5527	330.7798
\$811	0.4277	230.3231
\$1,282	0.3477	165.4431
\$1,673	0.3450	161.9819
\$3,461	0.3900	237.2704
\$3,461 & over	0.4900	583.4242

## Medicare levy parameters

Weekly earnings threshold	648
Weekly earnings shade-in threshold	811
Medicare levy family threshold	46,966
Weekly family threshold divisor	52
Additional child	3,306
Shading out point multiplier	0.1000
Shading out point divisor	0.0800
Weekly levy adjustment factor	648.8100
Medicare levy	0.0200

## Tax file number (TFN) declarations

The answers your employees provide on their [Tax file number declaration](#) (NAT 3092) determine the amount you need to withhold from their payments. A *Tax file number declaration* applies to any payments made after you receive the declaration. If you receive an updated declaration from an employee, it will override the previous one.

If an employee does not give you a valid *Tax file number declaration* within **14 days** of starting an employer/employee relationship, you must complete a *Tax file number declaration* with all available details of the employee and send it to us.

### When a TFN has not been provided

You must withhold 49% from any payment you make to a resident employee and 47% from a foreign resident employee (ignoring any cents), if all of the following apply:

- they have not quoted their TFN
- they have not claimed an exemption from quoting their TFN
- they have not advised you that they have applied for a TFN or have made an enquiry with us.

If an employee states at question 1 of the *Tax file number declaration* they have lodged a [Tax file number – application or enquiry for individuals](#) (NAT 1432) with us, they have **28 days** to provide you with their TFN.

If the employee has not given you their TFN within **28 days**, you must withhold 49% from any payment you make to a resident employee and 47% from a foreign resident employee (ignoring any cents) unless we tell you not to.

Do not allow for any tax offsets or Medicare levy adjustment.

Do not withhold any amount for:

- Higher Education Loan Program (HELP) debts

- Student Start-up Loan (SSL) debts
- Trade Support Loan (TSL) debts
- Financial Supplement debts.

## When your employee has a HELP, SSL, TSL or Financial Supplement debt

If your employee has a HELP, SSL, TSL or Financial Supplement debt, you may need to withhold additional amounts from their payments. Your employee will need to notify you of this on their *Tax file number declaration* or *Withholding declaration*.

### Work it out

To calculate additional withholding amounts for:

- HELP, SSL or TSL debts – refer to [HELP/SSL/TSL weekly tax table](#)
- Financial Supplement debts – refer to [SFSS weekly tax table](#).

## Allowances

Generally, allowances are added to normal earnings and the amount to withhold is calculated on the total amount of earnings and allowances.

For more information, refer to [Withholding from allowances](#).

## Leave loading

If you pay leave loading as a lump sum, you need to use [Tax table for back payments, commissions, bonuses and similar payments](#) (NAT 3348) to calculate withholding.

If you pay leave loading on a pro-rata basis, add the leave loading payment to the earnings for that period to calculate withholding.

## Claiming tax offsets

If your employee chooses to claim their entitlement to a tax offset through reduced withholding, they must give you a *Withholding declaration*.

To work out your employee's annual tax offset entitlement into a weekly value, use the [Ready reckoner for tax offsets](#). Deduct this amount from the amount shown in column 2, 3 or 4 of the [Withholding look-up tool](#).

## Ready reckoner for tax offsets

Amount Claimed \$	Weekly value \$
1	-
2	-

<b>3</b>	-
<b>4</b>	-
<b>5</b>	-
<b>6</b>	-
<b>7</b>	-
<b>8</b>	-
<b>9</b>	-
<b>10</b>	-
<b>20</b>	-
<b>30</b>	1.00
<b>40</b>	1.00
<b>50</b>	1.00
<b>57</b>	1.00
<b>60</b>	1.00
<b>70</b>	1.00
<b>80</b>	2.00
<b>90</b>	2.00
<b>100</b>	2.00
<b>200</b>	4.00
<b>300</b>	6.00
<b>338</b>	6.00
<b>400</b>	8.00
<b>500</b>	10.00
<b>600</b>	11.00
<b>700</b>	13.00
<b>800</b>	15.00
<b>850</b>	16.00
<b>900</b>	17.00
<b>1000</b>	19.00
<b>1100</b>	21.00

<b>1173</b>	22.00
<b>1200</b>	23.00
<b>1300</b>	25.00
<b>1400</b>	27.00
<b>1500</b>	29.00
<b>1600</b>	30.00
<b>1700</b>	32.00
<b>1750</b>	33.00
<b>1800</b>	34.00
<b>1900</b>	36.00
<b>2000</b>	38.00
<b>2500</b>	48.00
<b>2535</b>	48.00
<b>3000</b>	57.00

If the exact tax offset amount claimed is not shown in the ready reckoner, you add the values for an appropriate combination.

### **Example**

Tax offsets of \$422 claimed. Add values of \$400, \$20 and \$2

= \$8 + \$0 + \$0

= \$8.

Therefore, reduce the amount to be withheld by \$8.

# Withholding declarations

An employee can use the [Withholding declaration](#) (NAT 3093) to advise you of a tax offset they choose to claim through reduced withholding. For more information on tax offsets, refer to [Claiming tax offsets](#).

Employees can also use a *Withholding declaration* to advise you of changes to their situation that may vary the amount you need to withhold.

Changes that may affect the amount you need to withhold include:

- becoming or ceasing to be an Australian resident for tax purposes
- claiming or discontinuing a claim for the tax-free threshold
- advising of a HELP, SSL, TSL or Financial Supplement debt (or changes to them)
- entitlement to a seniors and pensioners tax offset.

When your employee provides you with a *Withholding declaration* it will take effect from the next payment you make. If you receive an updated declaration from an employee, it will replace the previous one.

An employee must have provided you with a valid *Tax file number declaration* before they can provide you with a *Withholding declaration*.

# Medicare levy adjustments

To claim the Medicare levy adjustment (available to some low income earners with dependants), an employee must lodge a [Medicare levy variation declaration](#) (NAT 0929) with their *Tax file number declaration*.

For instructions on how to work out the Medicare levy adjustment, refer to [Medicare levy adjustment weekly tax table](#) (NAT 1010).

# Schedule 13 – Tax table for superannuation income streams

For payments made on or after 1 October 2016

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* (TAA). It applies to withholding payments covered by paragraph 12-80(a) of Schedule 1 to the TAA.

## Using this table

You should use this table if you make a payment of a super income stream, including a:

- transition to retirement income stream
- temporary or permanent disability income stream
- super death benefit income stream to a dependant.

## Super income streams

A super income stream is a series of regular payments from a super fund when the member has satisfied a condition of release. These regular payments can be paid weekly, fortnightly, monthly, quarterly or annually.

The following payments are **not** super income stream payments:

- commutation of an income stream; this is a super lump sum
- an amount paid which the member elected to be treated as a super lump sum prior to the payment being made from the income stream.

### See also:

- [Conditions of release](#)
- [Taxation Ruling TR 2013/5: When a super income stream commences and ceases](#) for further information on starting and stopping an income stream
- [Tax table for superannuation lump sums](#) to work out the amount to withhold from super lump sums.

## Components of a super income stream

Before you can work out the withholding amount, you must [calculate the components](#) of the super income stream.

A super income stream may have two components:

- the tax-free component



- taxable component which can include either or both of an
  - element taxed in the fund (taxed element)
  - element untaxed in the fund (untaxed element).

You **do not** withhold from the tax-free component.

## Tax file number (TFN) declarations

The answers your payees provide on their [Tax file number declaration](#) determine the amount you need to withhold from their payments. A *Tax file number declaration* applies to any payments made after you receive the declaration. If you receive an updated declaration from a payee, it will override the previous one.

If a payee does not give you a valid *Tax file number declaration* within **14 days** of starting a payer/payee relationship, you must complete a *Tax file number declaration* with all available details of the payee and send it to us.

### When a TFN has not been provided

You must withhold 49% for residents and 47% for foreign residents from the taxable component (ignoring any cents), if a super income stream payment is made to your payee and all of the following apply:

- they have not quoted their TFN
- they have not claimed an exemption from quoting their TFN
- they have not advised you that they have applied for a TFN or have made an enquiry with us.

However, if your payee is 60 years old or above, you can only withhold from the untaxed element of the taxable component.

If a payee states at question 1 of the *Tax file number declaration* they have lodged a [Tax file number – application or enquiry for individuals](#) with us, they have **28 days** to provide you with their TFN.

If the payee has not given you their TFN within **28 days**, you must withhold 49% from any payment you make to a resident payee and 47% from a foreign resident payee from the relevant element(s) of the taxable component of the super income stream payment (ignoring any cents) unless we tell you not to.

Do not allow for any tax offsets or Medicare levy adjustments. Do not withhold any amount for:

- Higher Education Loan Program (HELP) debts
- Student Start-up Loan (SSL) debts
- Trade Support Loan (TSL) debts
- Financial Supplement debts.

# Working out the withholding amount

Factors to consider when working out the withholding amount include:

- whether the payee is an Australian resident or foreign resident for tax purposes
- the age of the payee
- the frequency of the income stream payments – for example, fortnightly, monthly
- whether the payee is claiming the tax-free threshold
- whether the payee is claiming the seniors and pensioners tax offset
- whether the income stream includes an untaxed element (generally payments from state and Commonwealth public sector super schemes)
- whether the income stream is a death benefit income stream

## Payments to Australian residents

This table is divided into three parts. The amount required to be withheld from the taxable component of a super income stream can be calculated using the following:

- the taxable component is comprised wholly of a taxed element – use [part A](#)
- the taxable component contains an untaxed element – use [part B](#)
- the payment is a super death benefit income stream – use [part C](#).

## Payments to foreign residents

If the income stream is to be made to a foreign resident, you will need to check if there is a tax treaty with their country of residence. If the super income stream is assessable in the other country because of the treaty, no withholding is required.

If a foreign resident's income stream is assessable in Australia, you are required to withhold from the payment.

### See also:

- The full list of [Australian Tax Treaties](#), as maintained by Treasury
- [What are tax treaties?](#)

## Rounding of withholding amounts

Withholding amounts calculated using formulas should be rounded to the nearest dollar. Results ending in exactly 50 cents are rounded to the next higher dollar. Do this rounding directly, that is, do not make a preliminary rounding to the nearest cent. Where no TFN has been provided, cents are ignored when withholding amounts are calculated.

Withholding amounts calculated using formulas should be rounded to the nearest dollar. Results ending in exactly 50 cents are rounded to the next highest dollar. Do this rounding directly; do not make a preliminary rounding to the nearest cent. Where no TFN has been provided, cents are ignored when withholding amounts are calculated.

# Part A: Taxable component is comprised wholly of a taxed element

**Step 1** Use the following table to work out whether the taxed element of the taxable component is subject to withholding. If the taxable component contains an untaxed element, go to [part B](#).

Age	Withholding applies to:
Below 60 years	Taxed element
60 years and over	No withholding

If your payee is 60 years of age or over, no withholding is required from the taxed element.

If your payee is less than 60 years of age, go to step 2.

**Step 2** Use the appropriate [PAYG withholding tax table](#) to calculate the withholding amount relevant to the amount worked out at step 1. The tax table you use depends on the period the income stream covers – that is, weekly, fortnightly or monthly payments.

**Step 3** Some payees may be eligible for a tax offset. Use the following table to calculate the tax offset amount.

## Super income stream – taxed element

Age	Tax offset
Below preservation age	Nil
Preservation age to below 60 years	Taxed element × 15%

## Disability super income stream – taxed element

Age	Tax offset
Below preservation age	Taxed element × 15%
Preservation age to below 60 years	Taxed element × 15%

**See also:**

[Preservation age](#)

**Step 4** For some payees, the application of the offset from step 3 leads to under withholding for their Medicare levy. An offset adjustment is required. Use the applicable formulas below to calculate the offset adjustment amount (you will need to [calculate the weekly equivalent](#) of the taxable component if making fortnightly, monthly or quarterly payments).

## Adjustment amounts per taxable component amount

Taxable component amount (on a weekly basis)	Offset adjustment amount
Less than the Medicare levy threshold for singles	Nil

Greater than the Medicare levy threshold for singles, but less than the Medicare levy shade out point (SOP) for singles	(Taxable component - Medicare levy threshold for singles) x 0.10
Greater than or equal to the Medicare levy SOP for singles, but less than \$934	Taxable component x 0.02
Greater than \$933	Nil

Medicare levy parameters are contained in [Statement of formulas for calculating amounts to be withheld](#).

**Step 5** Calculate the notional amount to withhold by first subtracting the tax offset per payment (step 3) from the withholding amount (step 2).

Notional amount to withhold = withholding amount – tax offset

Then compare the notional amount to withhold with the offset adjustment amount calculated at step 4.

If the notional amount to withhold is:

- **less** than the amount calculated at step 4, withhold the amount calculated at step 4
- **more** than the amount calculated at step 4, withhold the notional amount to be withheld.

## Examples

These examples use the PAYG withholding tax tables that apply from 1 October 2016.

### Case A: Taxable component comprised wholly of a taxed element

#### Example 1

Courtney is 61 and is receiving a fortnightly super income stream of \$1,000.

The tax-free component of Courtney's fortnightly super income stream is \$200.

The taxable component of the super income stream is \$800.

As Courtney is over 60 years old and her taxable component is comprised wholly of a taxed element, no withholding is required.

#### Example 2

Maree is 56 and is receiving a fortnightly super income stream of \$1,200. Maree's preservation age is 55.

The tax-free component of Maree's fortnightly super income stream is \$300. The taxable component of Maree's super income stream is \$900.

Step 1: As Maree is 56, withholding applies to the taxable component.

Step 2: As Maree is paid fortnightly, use the [Fortnightly tax table](#) to work out the withholding required from the \$900 taxed element. This amount is \$44, assuming that Maree is claiming the tax-free threshold.

Step 3: Maree is entitled to a tax offset.

Tax offset = taxed element x 15%

= \$900 x 15%

= \$135

Step 4: Calculate Maree's fortnightly offset adjustment amount. As Maree's fortnightly payment is more than \$820 (the Medicare levy threshold for singles, on a fortnightly basis) but less than \$1024 (the Medicare levy SOP for singles, on a fortnightly basis), her offset adjustment amount is calculated as:

Offset adjustment amount = (Taxable component - Medicare levy threshold for singles) x 0.10

= (\$900 – \$820) x 0.10

= \$8.00

= \$8 per fortnight (rounded to the nearest dollar)

Maree's offset adjustment amount is \$8 per fortnight.

Step 5: To calculate the notional withholding amount, reduce the withholding amount (\$44 as worked out in step 2) by the value of the tax offset (\$135 as worked out in step 3). That is:

Notional withholding amount = \$44 – \$135

= -\$91

Since the notional withholding amount is negative and less than the offset adjustment amount, the amount to be withheld from Maree's fortnightly super income stream is \$8. This is the offset adjustment amount which will cover the Medicare levy payable.

## Part B: Taxable component contains an untaxed element

**Step 1** Use the following table to work out which elements of the taxable component are subject to withholding.

### How to apply withholding when taxable component contains untaxed element

Age	Taxable component of super income stream contains		Withholding applies to the following amount(s)
	Untaxed element	Taxed element	
Below preservation age	Yes	Yes	Sum of untaxed and taxed elements
	No	Yes	Taxed element
	Yes	No	Untaxed element
Preservation age to below 60 years	Yes	Yes	Sum of untaxed and taxed elements

	No	Yes	Taxed element
	Yes	No	Untaxed element
60 years and over	Yes	Yes	Untaxed element
	No	Yes	No withholding
	Yes	No	Untaxed element

**Step 2** Use the appropriate [PAYG withholding tax table](#) to calculate the withholding amount relevant to the amount worked out in step 1. The tax table you use depends on the period the income stream covers – that is, weekly, fortnightly or monthly.

**Note:** Some payees may be eligible to claim the seniors and pensioners tax offset (SAPTO). If the payee gives you a *Withholding declaration* indicating they want to claim a SAPTO entitlement through PAYG withholding, you should use the [Tax table for seniors and pensioners](#) to work out the amount to withhold from the amount calculated in step 1.

**Step 3** Some payees may be eligible for a tax offset. Use the following table to work out the tax offset amount for the payee.

#### Super income stream – taxable component

Age	Tax offset
Below preservation age	Nil
Preservation age to below 60 years	Taxed element × 15% Untaxed element - Nil
60 years and over	Untaxed element x 10%

#### Disability super income stream – taxable component

Age	Tax offset
Below preservation age	Taxed element × 15% Untaxed element - Nil
Preservation age to below 60 years	Taxed element × 15% Untaxed element - Nil
60 years and over	Untaxed element x 10%

**Step 4** Work out the amount to withhold by subtracting the tax offset per payment (step 3) from the withholding amount (step 2).

Amount to withhold = withholding amount – tax offset

If the tax offset amount is greater than the withholding amount, the amount to withhold is nil.

## Example

This example uses the PAYG withholding tax tables that apply from 1 October 2016.

## Case B: Taxable component comprises a taxed element and an untaxed element

Ralph is 63 and receives a fortnightly super income stream of \$3,000.

The tax-free component of Ralph's fortnightly super income stream is \$900. The taxable component of his super income stream is \$2,100.

Step 1: Ralph's \$2,100 taxable component is comprised of a \$600 taxed element and a \$1,500 untaxed element. As Ralph is over 60 years old, no withholding will apply to the taxed element. Withholding will apply to the \$1,500 untaxed element.

Step 2: Using the [Fortnightly tax table](#), work out the withholding required from the \$1,500 untaxed element. This is \$192, assuming that Ralph is claiming the tax-free threshold.

Step 3: Ralph is entitled to a tax offset.

Tax offset = untaxed element x 10%

= \$1,500 x 10%

= \$150

Step 4: Reduce the withholding amount (\$192 as worked out in step 2) by the value of the tax offset (\$150).

Final withholding amount = withholding amount less tax offset

= \$192 – \$150

= \$42

## Part C: Payment is a super death benefit income stream

**Step 1** Use the following table to work out which elements of the taxable component are subject to withholding.

### Super death benefit paid to a dependant<sup>1</sup>

Age of deceased	Age of recipient	Taxable component of super death benefit income stream contains		Withholding applies to the following amount(s)
		Untaxed element	Taxed element	
Below 60 years	Below 60 years	Yes	Yes	Sum of untaxed and taxed elements
		Yes	No	Untaxed element
		No	Yes	Taxed element
	60 years and over	Yes	Yes	Untaxed element
		Yes	No	Untaxed element
		No	Yes	No withholding
60 years		Yes	Yes	Untaxed element

and over		Yes	No	Untaxed element
		No	Yes	No withholding

1 Dependants include all children of the deceased under the age of 18, any spouse of the deceased (including a former spouse and a current or former de facto spouse) and any person with whom the deceased had an interdependency relationship. An interdependency relationship includes a close personal relationship between two people who live together, where one or both provides for the financial and domestic support and personal care of the other. A dependant can also be a person who was financially dependent on the deceased. Before accepting that a person is financially dependent, phone us on **13 10 20**.

**Step 2** Use the appropriate [PAYG withholding tax table](#) to calculate the withholding amount relevant to the amount worked out in step 1. The tax table you use depends on the period the income stream covers – that is, weekly, fortnightly or monthly.

**Note:** Some payees may be eligible to claim the SAPTO. If the payee gives you a *Withholding declaration* indicating they want to claim a SAPTO entitlement through PAYG withholding, you should use the [Tax table for seniors and pensioners](#) to work out the amount to withhold from the amount calculated in step 1.

**Step 3** Some super income streams may be eligible for a tax offset. Use the following table to work out the tax offset amount for the payee.

#### Super death benefits paid to a dependant

Age of deceased	Age of recipient	Tax offset
Below 60 years	Below 60 years	Taxed element x 15% Untaxed element - Nil
	60 years and over	Untaxed element x 10%
60 years and over	Any age	Untaxed element x 10%

**Step 4** Work out the amount to withhold by subtracting the tax offset per payment (step 3) from the withholding amount (step 2).

Amount to withhold = withholding amount – tax offset

If the tax offset amount is greater than the withholding amount, the amount to withhold is nil.

## Super death benefits paid to a non-dependant

A person who is not a dependant of the deceased is not able to receive a super income stream. A super death benefit income stream that was being paid to a non-dependant prior to 1 July 2007 is taxed in the same manner as a super death benefit income stream paid to a dependant.

## Example

This example uses the PAYG withholding tax tables that apply from 1 July 2015.

### Case C: Super death benefit income stream where the taxable component comprises a taxed element and an untaxed element

Harriet is 58 and her husband, also 58, dies in July 2015. As a result of her husband's death, Harriet receives a fortnightly super death benefit income stream of \$2,000.



The tax-free component of Harriet's super death benefit income stream is \$400. The taxable component of Harriet's super death benefit income stream is \$1,600.

Step 1: Harriet's \$1,600 taxable component is comprised of a \$600 taxed element and a \$1,000 untaxed element. As Harriet is 58 and her husband was also under 60, withholding will apply to the full taxable component.

Step 2: Using the [Fortnightly tax table](#), work out the withholding required from the \$1,600 taxable component. This is \$226, assuming that Harriet is claiming the tax-free threshold.

Step 3: Harriet is entitled to a tax offset.

Tax offset = taxed element x 15%

= \$600 x 15%

= \$90

Step 4: Reduce the withholding amount (\$226 as worked out in step 2) by the value of the tax offset (\$90).

Final withholding amount = withholding amount less tax offset

= \$226 – \$90

= \$136

## Preservation age

The withholding amount varies depending on whether the payee has reached their preservation age when the payment is made.

Preservation age is determined using your payee's date of birth. For example, if a member was born on 1 October 1960, they will reach their preservation age of 56 on 1 October 2016. The table below will help with this:

**Preservation age by date of birth range**

Date of birth	Preservation age
Before 1/7/1960	55
1/7/1960–30/6/1961	56
1/7/1961–30/6/1962	57
1/7/1962–30/6/1963	58
1/7/1963–30/6/1964	59
After 30/6/1964	60

## Payment summaries

You must issue a [PAYG payment summary – superannuation income stream](#) to the member for the total of the payments made in the income year. This must be provided by 14 July. This date may be earlier if the member requests it.

Payment summaries can also be printed using software that conforms with ATO reporting specifications.

**See also:**

- Payment summary information and reporting specifications on our [Software developers](#) website