

OVERVIEW

For the 2010–11 income year:

- 12.6 million individuals lodged income tax returns, an increase of around 258,000 from 2009–10
- individuals declared total income of \$662.0 billion, an increase of 9.3% over 2009–10. This included \$499.3 billion in salary and wages
- individuals claimed \$31.5 billion in total deductions, an increase of 6.0% from 2009–10. This included \$18.3 billion in work-related expenses
- individuals had taxable income of \$631.3 billion, an increase of 9.3% over 2009–10, and net tax payable of \$133.1 billion

INTRODUCTION

An individual is required to lodge an income tax return for many reasons – two of the more common reasons are if they paid tax during the year, or if their taxable income exceeded certain amounts.

Individuals have until 31 October each year to lodge their tax return, unless an extension is granted. Particularly in the case of tax agents, the deadline may be extended under the tax agent's lodgment program for that year of income, generally to not later than 15 May in the following calendar year.

INDIVIDUALS' TAX RETURNS

For the 2010–11 income year, 12.6 million individuals lodged returns. These individuals represented 55.7% of the total estimated Australian population of 22.7 million as at 30 June 2012.

TABLE 2.1: Individuals' returns, 2009–10 and 2010–11 income years

	2009–10 ¹			2010–11 ¹			Total
	e-tax	Agent and other	Total	e-tax	Tax agent	other self-preparer	
By tax status							
Taxable	1,721,871	7,384,096	9,105,967	1,857,560	6,993,583	564,859	9,416,002
Non-taxable	629,370	2,644,691	3,274,061	648,344	2,040,296	532,981	3,221,621
Total	2,351,241	10,028,787	12,380,028	2,505,904	9,033,879	1,097,840	12,637,623
By sex							
Male	1,156,252	5,224,483	6,380,735	1,224,534	4,779,406	509,216	6,513,156
Female	1,194,989	4,804,304	5,999,293	1,281,370	4,254,473	588,624	6,124,467
Total	2,351,241	10,028,787	12,380,028	2,505,904	9,033,879	1,097,840	12,637,623
By state							
NSW	691,514	3,241,446	3,932,960	731,400	2,923,053	351,720	4,006,173
VIC	510,257	2,569,674	3,079,931	546,367	2,340,480	257,809	3,144,656
QLD	525,406	1,961,502	2,486,908	557,267	1,769,332	204,357	2,530,956
WA	274,889	1,052,821	1,327,710	295,125	950,528	120,685	1,366,338
SA	185,492	721,404	906,896	199,503	628,808	89,817	918,128
TAS	53,283	223,020	276,303	58,008	193,964	26,368	278,340
ACT	73,275	154,580	227,855	77,817	130,781	24,543	233,141
NT	19,718	91,118	110,836	20,261	87,958	7,390	115,609
Unknown	17,407	13,222	30,629	20,156	8,975	15,151	44,282
Total	2,351,241	10,028,787	12,380,028	2,505,904	9,033,879	1,097,840	12,637,623
By age							
Under 18	56,446	151,739	208,185	53,804	111,983	38,631	204,418
18 – 24	533,893	1,069,737	1,603,630	566,354	885,673	164,369	1,616,396
25 – 29	412,881	935,919	1,348,800	433,816	855,702	109,340	1,398,858
30 – 34	302,640	942,566	1,245,206	325,456	871,396	91,238	1,288,090
35 – 39	248,018	1,085,461	1,333,479	260,053	971,498	87,565	1,319,116
40 – 44	194,483	1,081,032	1,275,515	212,632	1,020,942	85,263	1,318,837
45 – 49	179,891	1,111,293	1,291,184	187,026	1,016,237	82,318	1,285,581
50 – 54	155,516	1,023,985	1,179,501	166,548	960,136	81,206	1,207,890
55 – 59	119,014	887,204	1,006,218	129,236	823,515	76,806	1,029,557
60 – 64	80,430	720,391	800,821	91,022	668,354	76,354	835,730
65 – 69	34,848	397,760	432,608	41,174	355,536	61,409	458,119
70 – 74	15,173	238,537	253,710	18,042	192,899	51,952	262,893
75 & over	18,008	383,163	401,171	20,741	300,008	91,389	412,138
Total	2,351,241	10,028,787	12,380,028	2,505,904	9,033,879	1,097,840	12,637,623

1 Data for the 2009–10 and 2010–11 income years includes data processed up to 31 October 2011 and 31 October 2012 respectively.

INDIVIDUALS' INCOME

For the 2010–11 income year, individuals had total income of \$662.0 billion, and taxable income of \$631.3 billion, both increasing by 9.3% from 2009–10. The average taxable income for all individuals increased by 6.9% to \$51,342.

TABLE 2.2: Individuals' total and taxable income, 2009–10 and 2010–11 income years

	No.	\$m ²	2009–10 ¹ Average \$	No.	\$m ²	2010–11 ¹ Average \$
Total income						
Male	6,350,305	373,875	58,875	6,485,402	408,999	63,065
Female	5,877,974	231,687	39,416	6,002,813	253,033	42,152
Total	12,228,279	605,561	49,521	12,488,215	662,032	53,013
Taxable income						
Male	6,248,225	355,314	56,866	6,391,825	388,801	60,828
Female	5,775,885	222,165	38,464	5,903,322	242,463	41,072
Total	12,024,110	577,479	48,027	12,295,147	631,263	51,342

¹ Data for the 2009–10 and 2010–11 income years includes data processed up to 31 October 2011 and 31 October 2012 respectively.

Salary and wages was the most common type of income reported in 2010–11 (representing 75.4% of total income), with 78.6% of individuals reporting income from this source.

TABLE 2.3: Source of individuals' income, 2009–10 and 2010–11 income years

Source of income	No.	2009–10 ¹		2010–11 ¹	
			\$m	No.	\$m
Salary and wages	9,680,306	460,699	9,932,611	499,336	
Net partnership and trust distributions – non-primary production	1,964,616	38,591	1,938,922	43,611	
Net business income – non-primary production	995,704	22,559	1,013,073	25,012	
Dividends franked	3,021,782	17,805	3,009,196	19,973	
Gross interest	6,190,726	11,167	6,784,815	15,269	
Net capital gains	541,898	10,979	557,016	11,619	
Franking credits	3,013,069	7,623	2,991,929	8,553	
Allowances, benefits, earnings and tips	2,145,875	7,266	2,243,509	7,696	
Commonwealth of Australia pensions and allowances	711,446	5,979	698,750	6,294	
Australian annuities and super income streams – taxable component: untaxed element	203,197	5,009	208,748	5,435	
Commonwealth of Australia benefits and payments	945,369	4,793	932,903	4,800	
Net personal services income	109,330	2,136	121,727	2,527	
Net partnership and trust distributions – primary production	247,653	–127	243,224	2,433	
Eligible termination payments – taxable component	175,590	2,318	181,035	2,343	
Employee share schemes election assessable amount of the discounts	43,045	1,396	73,403	2,165	
Australian super lump sum payments – taxable component: taxed element	87,953	1,821	95,954	2,080	
Other sources of income ²	n.a	10,357	n.a	10,747	
Net rent	1,751,679	–4,810	1,811,174	–7,862	
Total³	12,228,279	605,561	12,488,215	662,032	

¹ Data for the 2009–10 and 2010–11 income years includes data processed up to 31 October 2011 and 31 October 2012 respectively.

² Includes all other income labels from the Individual income tax return form not already listed in the table.

³ Components do not add to the total number of taxpayers because taxpayers may declare more than one type of income. The total income amount shown in this table is the sum of components as shown by taxpayers on their annual income tax returns. It is not necessarily the total income calculated by the ATO during assessment. Totals may differ from the sum of the components, due to rounding.

RENTAL INCOME AND DEDUCTIONS

For the 2009–10 and 2010–11 income years, rental deductions were greater than rental income, resulting in overall negative net rental income. Of individuals declaring net rental income, 80.6% claimed rental interest deductions.

TABLE 2.4: Individuals' rental income and deductions, 2009–10 and 2010–11 income years

Rental income/deductions	No.	2009–10 ¹		2010–11 ¹	
			\$m	No.	\$m
Gross rental income	1,731,126	28,028	1,788,692	30,730	
Less rental interest deductions	1,405,510	18,359	1,459,530	22,670	
capital works deductions	684,470	1,694	734,566	1,921	
other rental deductions	1,736,860	12,785	1,795,707	14,002	
Net rental income²	1,751,679	–4,810	1,811,174	–7,862	

1 Data for the 2009–10 and 2010–11 income years includes data processed up to 31 October 2011 and 31 October 2012 respectively.

2 Components do not add to the total number of taxpayers claiming rental deductions, because taxpayers may claim more than one type of deduction. Totals may differ from the sum of the components, due to rounding.

For the 2010–11 income year, 67.0% of individuals with net rental income reported a taxable loss (net rental income less than zero) from their rental property.

TABLE 2.5: Individuals' net rental income, by taxable income, 2010–11 income year¹

Taxable income	Net rental income less than \$0		Net rental income greater than or equal to \$0		No.	Total \$m
	No.	\$m	No.	\$m		
\$6,000 or less	110,322	–1,437	42,085	182	152,407	–1,255
\$6,001 – \$37,000	281,785	–2,521	222,437	1,711	504,222	–810
\$37,001 – \$80,000	485,587	–4,605	195,645	1,676	681,232	–2,929
\$80,001 – \$180,000	276,611	–3,311	109,664	1,235	386,275	–2,076
\$180,001 or more	59,292	–1,412	27,746	620	87,038	–792
Total²	1,213,597	–13,285	597,577	5,423	1,811,174	–7,862

1 Data for the 2010–11 income year includes data processed up to 31 October 2012.

2 Totals may differ from the sum of the components, due to rounding.

Most individuals with an interest in a rental property complete a rental property schedule for each property. An interest in a property means the property is either solely owned, jointly owned, or part-year owned – for example, bought or sold a property during the year. The majority of individuals (72.8%) had an interest in only one rental property.

TABLE 2.6: Individuals with an interest in a rental property, 2009–10 and 2010–11 income years

Property interests	2009–10 ¹ No.	2010–11 ¹ No.
1	1,239,959	1,284,852
2	307,514	318,295
3	92,834	96,991
4	33,501	34,967
5	14,141	14,555
6 or more	14,844	15,264
Total	1,702,793	1,764,924

¹ Data for the 2009–10 and 2010–11 income years includes data processed up to 31 October 2011 and 31 October 2012 respectively.

INDIVIDUALS' DEDUCTIONS

Deductions are subtracted from assessable (or total) income to give taxable income, from which tax is calculated.

Deductions fall into these main categories:

- investment deductions
- work-related deductions
- other deductions – for example, gifts, self-employment deductions, and expenses such as the cost of managing tax affairs.

The most common deduction category remains work-related expenses, with 65.9% of all taxpayers claiming this deduction. The amount of work-related expenses claimed during 2010–11 increased by 6.6% to \$18.3 billion.

TABLE 2.7: Individuals' deductions by type, 2009–10 and 2010–11 income years

Type of deduction	No.	2009–10 ¹		2010–11 ¹	
		\$m	No.	\$m	
Work-related expenses	8,118,628	17,132	8,333,960	18,270	
Personal superannuation contributions	181,264	3,840	188,617	4,233	
Gifts or donations	4,400,786	1,964	4,793,774	2,212	
Cost of managing tax affairs	5,671,852	2,017	5,930,499	2,125	
Dividends deductions	289,547	1,432	301,602	1,577	
Other deductions	591,696	1,700	646,293	1,560	
Interest deductions	515,293	1,405	481,785	1,299	
Other deduction labels ²	n.a.	255	n.a.	242	
Total³	9,944,569	29,747	10,260,105	31,520	

¹ Data for the 2009–10 and 2010–11 income years includes data processed up to 31 October 2011 and 31 October 2012 respectively.

² Includes all deduction labels from the Deductions section of the Individual income tax return form not listed in the table.

³ Components do not add to the total number of taxpayers claiming deductions, because taxpayers may claim more than one type of deduction. Totals may differ from the sum of components, due to rounding.

Individuals can claim more than one type of work-related expense, with the most common types being clothing (uniform) and 'other work related-expenses'.

TABLE 2.8: Individuals' work-related expenses, 2009–10 and 2010–11 income years

Work-related expense	2009–10 ¹		2010–11 ¹	
	No.	\$m	No.	\$m
Motor vehicle (car)				
Cents per kilometre	2,465,657	4,321	2,582,212	4,587
Log book	265,787	2,358	274,632	2,502
12% of original value	33,433	160	35,054	169
1/3 of actual expenses	11,391	35	12,387	39
Not stated	33,877	53	30,304	50
Total car expenses³	2,810,145	6,927	2,934,589	7,346
Clothing (uniform)				
Compulsory	2,853,391	698	2,946,887	725
Protective	1,946,200	546	1,997,746	571
Occupation specific	463,455	137	479,760	144
Non-compulsory	415,531	84	432,684	88
Not stated	118,607	33	108,972	30
Total uniform expenses	5,797,184	1,497	5,966,049	1,557
Self-education				
Direct connection with employment	447,229	824	461,030	868
Improve skill or income of current employment	76,901	167	83,428	182
Austudy, ABSTUDY, youth allowance ²	n.a.	n.a.	51,618	59
Other direct connection	19,362	30	17,560	31
Not stated ²	129,370	83	24,517	26
Total self-education expenses³	672,862	1,103	638,153	1,166
Other travel	1,026,210	1,649	1,119,319	1,828
Other work-related expenses	6,184,115	5,956	6,388,645	6,373
TOTAL WORK-RELATED EXPENSES³	8,118,628	17,132	8,333,960	18,270

¹ Data for the 2009–10 and 2010–11 income years includes data processed up to 31 October 2011 and 31 October 2012 respectively.

² As a consequence of a High Court decision in November 2010, self education expenses incurred in doing a course where Austudy, ABSTUDY or the youth allowance was received were deductible. For 2009–10 these claims are recorded as part of the 'not stated' category. In 2010–11, they have their own category.

³ Components do not add to the total number of taxpayers claiming work-related expenses, because taxpayers may claim more than one type of work-related expense. Totals may differ from the sum of the components, due to rounding.

BUSINESS INCOME AND EXPENSES

There was a 0.2 % decrease in income from business operations in 2010–11 to \$102.4 billion, while the number of individuals reporting income from business operations increased by 1.2% from 2009–10.

TABLE 2.9: Individuals with business income, by type, 2009–10 and 2010–11 income years

Type of income	2009–10 ¹		2010–11 ¹	
	No.	\$m	No.	\$m
Gross payments where ABN not quoted	2,600	94	2,520	95
Gross payments subject to foreign resident withholding	677	41	755	37
Gross payments – voluntary agreement	6,382	261	5,591	242
Gross payments – labour hire or other specified payments	7,791	180	8,303	208
Assessable government industry payments	29,013	357	29,803	308
Other business income	1,026,573	100,830	1,038,755	100,696
Total business income ²	1,044,813	101,761	1,057,390	101,586
Other business type income ³	49,502	832	48,231	805
Total income from business operations⁴	1,044,806	102,593	1,057,382	102,392

¹ Data for the 2009–10 and 2010–11 income years includes data processed up to 31 October 2011 and 31 October 2012 respectively. Data for 2009–10 has been revised.

² 'Total business income' here refers to the total business income in item P8 of the *Business and professional items schedule for individuals*.

³ The term 'other business type income' in this table refers to the sum of distributions from partnerships primary production, distributions from partnerships non-primary production, distributions from trusts primary production and net farm management withdrawals less deposits. Distributions from trusts non-primary production generally comprise income from investments, and thus have not been included in identifying taxpayers with net business income. Data for 2009–10 has been revised.

⁴ Components do not add to the total number of taxpayers, because taxpayers may earn more than one type of business income. Totals may differ from the sum of the components, due to rounding.

Individuals claimed business expenses worth \$75.1 billion in 2010–11, a decrease of 2.8% from 2009–10. Cost of sales remained the largest expense claimed, accounting for 45.1% of total business expenses.

TABLE 2.10: Individuals' business expenses, by type, 2009–10 and 2010–11 income years

Type of expense	2009–10 ¹		2010–11 ¹	
	No.	\$m	No.	\$m
Cost of sales	254,955	37,219	254,340	33,852
All other expenses	981,578	24,802	988,016	25,399
Motor vehicle	696,656	3,511	700,609	3,609
Contractor, subcontractor and commission expenses	120,920	3,044	122,788	3,211
Depreciation	614,233	2,720	610,734	2,702
Rent	168,113	2,471	170,537	2,591
Interest expenses	216,171	1,760		
within Australia			204,202	1,864
overseas			5,054	39
Repairs and maintenance	258,715	756	255,592	817
Superannuation	72,065	598	72,184	611
Lease expenses	30,559	310	28,634	362
Bad debts	8,721	56	9,054	53
Foreign resident withholding expenses	359	12	380	9
Total²	1,038,079	77,261	1,046,317	75,119

¹ Data for the 2009–10 and 2010–11 income years includes data processed up to 31 October 2011 and 31 October 2012 respectively.

² Components do not add to the total number of individuals claiming business expenses because individuals may claim more than one type of business expense. Totals may differ from the sum of the components, due to rounding.

INDIVIDUALS' TAX OFFSETS AND CREDITS

The purpose of individuals' tax offsets is to provide tax relief for certain individuals – for example, low-income earners or certain senior Australians. Tax offsets reduce the amount of tax payable on taxable income. Credits are for tax already paid by the individual, or by a company or trustee on behalf of the individual.

Tax offsets are either refundable or non-refundable. Non-refundable tax offsets can reduce the amount of tax owing to \$0, but cannot generate a refund. This can cause situations where the full value of non-refundable offsets cannot be fully utilised. While an individual's potential entitlement to a tax offset is referred to as the amount claimed, the *actual* amount used to offset an individual's tax owing is referred to as the amount of tax offset allowed.

TABLE 2.11: Selected tax offsets and credits claimed/calculated by the ATO, 2009–10 and 2010–11 income years

Type of tax offset and credit	2009–10 ¹		2010–11 ¹	
	No.	\$m	No.	\$m
Tax offsets claimed on return				
Refundable				
Total franking credits ²	3,362,713	10,918		
– Dividends – franking credit			2,991,929	8,553
– Partnerships and trusts – share of franking credit from franked dividends			804,184	3,822
Education tax refund	1,067,764	671	1,086,259	698
Private health insurance tax offset	269,632	190	276,838	199
Share of national rental affordability scheme ³	269	1	981	3
Non-refundable				
Superannuation contribution, annuity and pension tax offset	236,100	587	245,351	634
Spouse tax offset	372,975	633	347,440	587
Medical expenses tax offset	908,460	597	802,066	567
Zone or overseas forces tax offset	584,410	259	605,540	273
Parent/parent in-law/invalid relative tax offset	32,012	47	30,442	45
Super contributions on behalf of spouse tax offset	15,972	6	14,925	6
Other tax offsets	1,341	5	1,324	5
Landcare and water tax offset brought forward from previous year tax offset ³	231	..	209	..
Total⁴	5,560,598	13,913		15,391

TABLE 2.11: Selected tax offsets and credits claimed/calculated by the ATO, 2009–10 and 2010–11 income years (cont)

Selected tax offsets calculated by the ATO				
Low income tax offset	7,891,495	6,998	8,216,105	7,930
Senior Australians tax offset	625,452	916	634,562	949
Termination payment tax offset	141,025	767	155,894	844
Mature age worker tax offset	1,350,433	565	1,368,743	572
Pension or pensioner tax offset	252,368	378	227,433	379
Averaging tax offset	70,809	95	90,831	184
Entrepreneurs' tax offset	371,448	163	395,837	179
Commonwealth of Australia benefits and allowances tax offset	307,094	155	324,922	162
Life assurance (insurance) bonus tax offset	908	1	884	1
Total⁴	8,685,815	10,038		11,765
Selected credits claimed				
Foreign income tax offset	606,455	429	568,499	486
Share of credit for tax paid by trustee	6,545	23	5,105	23
Total⁴	610,748	452		508

1 Data for the 2009–10 and 2010–11 income years includes data processed up to 31 October 2011 and 31 October 2012 respectively.

2 The sum of primary franking credits (item 11, label U on the 2011 individual return) and the partnership and trust share of franking credits from franked dividends (item 13, label Q on the 2011 individual return).

3 '.' means rounded to zero, but not zero.

4 Components do not add to the total number of taxpayers claiming tax offsets or credits, because taxpayers may claim more than one type of tax offset or credit. Totals may differ from the sum of the components, due to rounding.

MEDICARE

The Medicare levy is associated with Medicare, the scheme that gives Australian residents subsidised access to health care. Most individuals who are residents of Australia at any time during an income year are liable to pay a Medicare levy based on their taxable income for the year. The Medicare levy is calculated at 1.5% of an individual's taxable income, but this may be reduced in certain circumstances, with some individuals being exempt altogether.

Individuals and families who have adjusted taxable incomes above certain thresholds, and who do not have adequate private hospital cover, pay an extra 1% of their taxable income for the Medicare levy surcharge, in addition to the normal 1.5% Medicare levy.

For the 2010–11 year, the total Medicare levy and Medicare levy surcharge increased by 10.0% to \$8.7 billion.

TABLE 2.12: Medicare levy and Medicare levy surcharge, 2009–10 and 2010–11 income years

	2009–10 ¹		2010–11 ¹	
	No.	\$m	No.	\$m
Medicare levy	8,286,888	7,702	8,660,717	8,474
Medicare levy surcharge	201,761	175	209,769	188

1 Data for the 2009–10 and 2010–11 income years includes data processed up to 31 October 2011 and 31 October 2012 respectively.

INDIVIDUALS' NET TAX

BOX 2.1: Calculating net tax for individuals

Net tax in this chapter refers to the net tax individuals are liable to pay before applying any refundable items.

Individual net tax for 2010–11 is calculated as:

	Income
less	Allowable deductions
<i>gives</i>	<i>Taxable income or loss</i>
apply	Marginal tax rates
add	Extra income tax ¹
<i>gives</i>	<i>Gross tax</i>
subtract	Total tax offsets ²
add	Medicare levy
add	Medicare levy surcharge
<i>gives</i>	<i>Net tax</i> ³

1 For example, the amount of tax added to ordinary tax when generally a primary producer's average income exceeds taxable income.

2 Total tax offsets do not include refundable items, for example franking credits and the education tax refund.

3 This part of the calculation cannot result in an amount that is less than \$0.

NOTE

Net tax does not equate to tax payable. After the net tax is calculated, refundable items such as PAYG withholding amounts and refundable tax offsets are then credited to give the tax payable or refundable.

In the 2010–11 income year, a total of 9.4 million taxpayers (both Australian residents and non-residents for tax purposes) were liable for \$133.1 billion in net tax. Residents were liable for \$132.7 billion (99.7%) of the net tax payable, while non-residents were liable for \$366 million.

BOX 2.2: Individual income tax rates for residents, 2010–11 income year

Taxable income	Tax payable
\$0 – \$6,000	0% or \$0
\$6,001 – \$37,000	Nil plus 15 cents for each \$1 over \$6,000
\$37,001 – \$80,000	\$4,650 plus 30 cents for each \$1 over \$37,000
\$80,001 – \$180,000	\$17,550 plus 37 cents for each \$1 over \$80,000
\$180,001 or more	\$54,550 plus 45 cents for each \$1 over \$180,000

TABLE 2.13: Resident individuals' net tax payable, by taxable income, 2010–11 income year

Taxable income	Taxpayers ¹		Net tax payable	
	No.	%	\$m	%
\$6,000 or less ²	2,227	0.0%	..	0.0%
\$6,001 – \$37,000	2,908,555	31.0%	5,363	4.0%
\$37,001 – \$80,000	4,598,771	49.1%	45,637	34.4%
\$80,001 – \$180,000	1,613,234	17.2%	46,940	35.4%
\$180,001 or more	251,397	2.7%	34,773	26.2%
Total³	9,374,184	100.0%	132,713	100.0%

1 The taxpayer population includes only taxable resident individuals – that is, those with net tax payable of more than \$0.

2 '..' means rounded to zero, but not zero.

3 The totals may differ from the sum of the components, due to rounding.

BOX 2.3: Individual income tax rates for non-residents, 2010–11 income year

Taxable income	Tax payable
\$0 – \$37,000	29 cents for each \$1
\$37,001 – \$80,000	\$10,730 plus 30 cents for each \$1 over \$37,000
\$80,001 – \$180,000	\$23,630 plus 37 cents for each \$1 over \$80,000
\$180,001 or more	\$60,630 plus 45 cents for each \$1 over \$180,000

TABLE 2.14: Non-resident individuals' net tax payable, by taxable income, 2010–11 income year

Taxable income	Taxpayers ¹		Net tax payable	
	No.	%	\$m	%
\$37,000 or less	35,315	84.4%	93	25.4%
\$37,001 – \$80,000	3,679	8.8%	56	15.3%
\$80,001 – \$180,000	2,023	4.8%	75	20.5%
\$180,001 or more	801	1.9%	142	38.8%
Total²	41,818	100.0%	366	100.0%

1 The taxpayer population includes only taxable non-resident individuals – that is, those with net tax payable of more than \$0.

2 The totals may differ from the sum of the components, due to rounding.

HIGHER EDUCATION LOAN PROGRAM AND STUDENT FINANCIAL SUPPLEMENT SCHEME

Australian students have a choice of payment methods for each semester's university fees:

- full payment up front to the institution, or
- a deferred repayment to the Australian Government through the tax system.

The Higher Education Loan Program (HELP) system started in 2005, and replaced the older Higher Education Contribution Scheme (HECS). If repaying through the tax system, students are not liable to repay amounts until their HELP repayment income reaches a minimum level. For the 2010–11 income year, the minimum level was \$44,912, up from \$43,151 in 2009–10.

The HELP repayment income is calculated as the sum of the following amounts:

- taxable income
- total reportable fringe benefits amounts
- total net investment loss (which includes net rental loss)
- any exempt foreign employment income amounts
- reportable super contributions.

An additional scheme that operated between 1993 and 2003, called the Student Financial Supplement Scheme (SFSS), allowed certain students access to loans with similar terms and conditions to those available via HELP. While new loans were not made available after 2003, individuals with these loans are still required to make compulsory repayments if their repayment income is above a specified amount – \$44,912 for the 2010–11 income year. Repayments are withheld from refunds as necessary.

For the 2010–11 income year, there was a 8.5% increase in the number of individuals required to make HELP repayments upon assessment, and the amount required to be repaid increased by 13.4%.

TABLE 2.15: HELP and SFSS debt required to be repaid, 2009–10 and 2010–11 income years

Debt	2009–10 ¹		2010–11 ¹	
	No.	\$m	No.	\$m
HELP assessment debt	352,553	1,181	382,631	1,339
SFSS debt	43,593	76	41,272	75

1 Data for the 2009–10 and 2010–11 income years includes data processed up to 31 October 2011 and 31 October 2012 respectively.

The total HELP debt payable is the amount of debt raised since 1989 that had not been repaid by the end of 2009–10 and 2010–11. Total HELP debt payable grew by 13.4% from 2009–10 to 2010–11, with the number of people who have a total HELP debt growing by 7.2%.

TABLE 2.16: Total HELP debt payable, by state/territory of residence¹, 2009–10 and 2010–11 financial years

State/territory of residence	2009–10 ²		2010–11 ²	
	No.	\$m	No.	\$m
NSW	433,270	5,996	469,729	6,962
VIC	391,571	5,552	423,533	6,285
QLD	289,409	3,910	309,197	4,415
WA	136,613	1,778	143,894	1,975
SA	102,738	1,364	109,636	1,534
ACT	33,468	465	34,312	498
TAS	30,623	369	32,601	410
NT	11,784	130	11,833	135
Overseas/unknown	10,204	343	32,365	359
Total³	1,461,957	19,908	1,567,100	22,573

1 The address used to derive the state/territory is the most current address we have on file at the time the data is extracted – this may be different from the address during these financial years.

2 Data for the 2009–10 and 2010–11 financial years includes data processed up to 31 October 2011 and 31 October 2012 respectively.

3 Totals may differ from the sum of the components, due to rounding.

Of the individuals with an outstanding HELP debt at the end of the 2010–11 income year, 44.5% of people had a HELP debt of \$10,000 or less.

TABLE 2.17: Outstanding HELP debt balances, by size of outstanding balance, 2009–10 and 2010–11 financial years

Outstanding HELP debt	2009–10 ¹ No.	2010–11 ¹ No.
More than \$0 to \$1,000	52,851	51,514
\$1,000.01 – \$2,000	73,115	75,758
\$2,000.01 – \$4,000	148,720	155,387
\$4,000.01 – \$6,000	152,531	165,961
\$6,000.01 – \$8,000	123,780	131,120
\$8,000.01 – \$10,000	106,964	116,837
\$10,000.01 – \$12,000	103,747	108,154
\$12,000.01 – \$14,000	99,481	98,392
\$14,000.01 – \$16,000	103,454	95,257
\$16,000.01 – \$18,000	90,337	91,046
\$18,000.01 – \$20,000	74,080	78,345
\$20,000.01 – \$30,000	224,096	252,253
\$30,000.01 – \$40,000	71,680	91,733
\$40,000.01 – \$50,000	21,978	31,679
Over \$50,000	15,143	23,664
Total	1,461,957	1,567,100

¹ Only includes individuals with an outstanding balance greater than zero as at 30 June 2010 and 30 June 2011 respectively.

Of the 2.7 million individuals who have or previously had a HELP debt as at 30 June 2011, 42.6% have paid off their debt, while 35.2% are yet to make their first repayment.

TABLE 2.18: Number of individuals, by status of HELP debt, between 1989 and 30 June 2011

Status of HELP debt	No.	%
Paid off	1,160,362	42.6%
Paying off	592,844	21.8%
Written off due to death	9,581	0.4%
No repayments	958,585	35.2%
Total¹	2,721,372	100.0%

¹ Totals may differ from the sum of the components, due to rounding.

Individuals who finished repaying their HELP debt by 30 June 2011 took 8.1 years on average to repay their debt.

TABLE 2.19: Average time taken to make a repayment, by repayment type, for individuals who made a repayment between 1989 and 30 June 2011

Average time by repayment type	Days	Years
Average time to make first compulsory repayment ¹	1,860	5.1
Average time to make first voluntary repayment ²	2,577	7.1
Average time to repay debt (for those that repay) ³	2,953	8.1

¹ Calculated by averaging across all individuals who have made a compulsory repayment the amount of time in days between the first date a compulsory repayment posting was effective and the date a debt posting was first effective for them.

² Calculated by averaging across all individuals who have made a voluntary repayment the amount of time in days between the first date a voluntary repayment posting was effective and the date a debt posting was first effective for them.

³ Calculated by averaging across all individuals who have repaid their debt, the amount of time in days between the last effective date on an individual's account which causes the debt to be paid and the date a debt posting was first effective for them. Excludes debts that were written off.

WITHHOLDING TAX

Withholding tax is an amount withheld by a payer that is paid to the ATO in the name of the payee. For many payments it is compulsory for an amount or tax to be withheld by the payer, but in some circumstances individuals can choose whether to have tax withheld from a payment for them or to vary the amount withheld.

Of all individuals who lodged a tax return in the 2010–11 income year, 85.1% had withholding tax and PAYG instalments to a total value of \$133.0 billion, an increase of 8.4% from 2009–10.

TABLE 2.20: Tax withholding claimed by individuals on their income tax return, 2010–11 income year

Type of withholding	Non-taxable		Taxable ¹			Total \$m
	No.	\$m	No.	\$m	No.	
Income tax withholding ²	1,670,757	1,922	8,317,856	116,798	9,988,613	118,720
Personal services income withholding ³	8,010	7	43,664	297	51,674	305
Other withholding ⁴	123,989	21	461,177	109	585,166	130
Net income or loss from business withholding ⁵	2,077	3	11,297	97	13,374	100
Partnerships and trusts withholding ⁶	13,265	4	53,060	50	66,325	54
Credit for PAYG income tax instalments ⁷	87,548	301	1,118,243	13,403	1,205,791	13,704
Total⁸	1,814,421	2,259	8,946,318	130,754	10,760,739	133,013

1 Taxable individuals are individuals whose net tax was greater than zero.

2 Refers to the 'Total tax withheld' label in the Income section of the Individual return form.

3 Includes all personal services income withholding labels from the Personal services income section of the Individual return form.

4 Includes all other withholding labels from the Income and Other income sections of the Individual return form.

5 Includes all net income or loss from business withholding labels from the Net income or loss from business section of the Individual return form.

6 Includes all partnerships and trusts withholding labels from the Partnerships and trusts section of the Individual return form.

7 In addition to withholding amounts, individuals also received credit for PAYG Instalment previously paid as part of their assessment.

8 Components do not add to the total number of taxpayers, because taxpayers may have claimed more than one type of withholding. Totals may differ from the sum of the components, due to rounding.

TAX RETURN ASSESSMENTS

The lodgment of an individual's tax return will generally result in a refund to the individual, due to excess withholding credits, applications of deductions or offsets. For the 2010–11 income year, 82.2% of individuals received a refund, with the majority of these being refunds of less than \$2,000.

TABLE 2.21: Tax refund or debit assessment for individuals, 2009–10 and 2010–11 income years

Refund/debit	2009–10 ¹		2010–11 ¹	
	No.	\$m	No.	\$m
Refund of \$10,000 or more	234,802	–4,538	259,106	–4,837
Refund between \$8,000 and \$9,999	144,251	–1,280	158,617	–1,408
Refund between \$6,000 and \$7,999	327,221	–2,242	353,234	–2,420
Refund between \$4,000 and \$5,999	798,775	–3,887	832,180	–4,055
Refund between \$2,000 and \$3,999	2,156,777	–6,044	2,224,973	–6,238
Refund between \$1 and \$1,999	6,682,463	–5,927	6,565,648	–5,946
Total refunds²	10,344,289	–23,918	10,393,758	–24,905
No refund or debit	609,967	0	603,756	0
Debit between \$1 and \$1,999	750,004	547	845,429	632
Debit between \$2,000 and \$3,999	228,584	655	273,492	787
Debit between \$4,000 and \$5,999	110,222	542	132,051	648
Debit between \$6,000 and \$7,999	68,617	476	81,473	565
Debit between \$8,000 and \$9,999	47,811	428	56,781	508
Debit of \$10,000 or more	220,534	8,327	250,883	9,965
Total debits²	1,425,772	10,975	1,640,109	13,105
TOTAL²	12,380,028	–12,943	12,637,623	–11,800

¹ Data for the 2009–10 and 2010–11 income years includes data processed up to 31 October 2011 and 31 October 2012 respectively.

² Totals may differ from the sum of the components, due to rounding.

SOURCE OF INDIVIDUALS' TAX STATISTICS

The statistics in this chapter are sourced from 2010 and 2011 individual income tax returns processed by 31 October 2011 and 31 October 2012 respectively, and their associated schedules. The statistics are not necessarily complete as not all returns are processed by 31 October each year. The statistics relating to HELP debt in this chapter are sourced from HELP debt transactions from 1989 to 30 June 2011.

The statistics in the detailed tables have all been updated for the 2006–07 to 2010–11 income years to include returns processed by 31 October 2012. We recommend you exercise caution when comparing the statistics for the current year and previous years.

A copy of the individual return form is in the appendix – you can view or download it in PDF file format from the attached CD-ROM, or from the online version of *Taxation statistics* on our website at ato.gov.au.

INDIVIDUALS' TAX CHAPTER TABLES

The individuals' tax chapter tables are on the attached CD-ROM and included in the online version of this publication on our website – you can view or download all the chapter tables in Excel.

LIST OF INDIVIDUALS' TAX DETAILED TABLES

The following individuals' tax detailed tables are on the attached CD-ROM and included in the online version of this publication on our website – you can view or download the tables as Excel files.

To find out whether a particular item is included in a detailed table, refer to the individual tax detailed tables index included on the attached CD-ROM and in the online version of this publication. The table index lists the different items shown in the detailed tables and specifies the tables they appear in.

Table 1: Selected items, for income years 1978–79 to 2010–11

This table shows the number of records and amounts for items from the individual tax return (including items calculated by the ATO) for all income years between 1978–79 and 2010–11.

Table 2: Selected items, by state/territory, age, sex, taxable status and lodgment method, 2010–11 income year

This table shows the number of records and amounts for items from the individual tax return (including items calculated by the ATO) for the 2010–11 income year, split by state/territory, age brackets (from 'under 18' to '75 years and over'), sex, taxable status and lodgment method.

Table 3: Selected items, by taxable income, age, sex and taxable status, 2010–11 income year

This table shows the number of records and amounts for items from the individual tax return (including items calculated by the ATO) for the 2010–11 income year, split by taxable income ranges, age brackets (from 'under 18' to '75 years and over'), sex and taxable status.

Table 4: Selected items, by taxable income, state/territory, sex and taxable status, 2010–11 income year

This table shows the number of records and amounts for items from the individual tax return (including items calculated by the ATO) for the 2010–11 income year, split by taxable income ranges, state/territory, sex and taxable status.

Table 5: Selected items, by broad industry, state/territory and sex, 2010–11 income year

This table shows the number of records and amounts for items from the individual tax return (including items calculated by the ATO) for the 2010–11 income year, split by broad industry groupings based on the ANZSIC 2006 industry groups, state/territory and sex.

Table 6: Selected items, by state/territory and postcode, 2010–11 income year

This table shows the number of records and amounts for items from the individual tax return (including items calculated by the ATO) for the 2010–11 income year, split by state/territory and postcode.

Table 7: Selected items, by fine and broad industry, 2010–11 income year

This table shows the number of records and amounts for items from the individual tax return (including items calculated by the ATO) for the 2010–11 income year, split by fine industry groupings based on the ANZSIC 2006 industry groups.

Table 8: Selected items, by total income and taxable income, 2010–11 income year

This table shows the number of records and amounts for items from the individual tax return (including items calculated by the ATO) for the 2010–11 income year, split by total income ranges and taxable income ranges.

Table 9: Selected items, by residency status and lodgment method, 2010–11 income year

This table shows the number of records and amounts for items from the individual tax return (including items calculated by the ATO) for the 2010–11 income year, split by residency status and lodgment method.

Table 10: Selected items, by residency status, taxable status and taxable income, 2010–11 income year

This table shows the number of records and amounts for items from the individual tax return (including items calculated by the ATO) for the 2010–11 income year, split by residency status, taxable status and taxable income ranges.

Table 11: Selected items for those in business, by broad industry, 2010–11 income year

This table shows the number of records and amounts for items from the individual tax return (including items calculated by the ATO) for individuals with a business income, for the 2010–11 income year, split by broad industry groupings based on the ANZSIC 2006 industry groups.

Table 12: Selected items, by age, residency status, sex and tax assessment ranges, 2010–11 income year

This table shows the number of records and amounts for items from the individual tax return (including items calculated by the ATO) for the 2010–11 income year, split by age brackets (from 'under 18' to '75 years and over'), residency status, sex and tax assessment ranges.

Table 13: Selected items, by occupation, sex and taxable income, 2010–11 income year

This table shows the number of records and amounts for items from the individual tax return (including items calculated by the ATO) for the 2010–11 income year, split by occupation code, sex and taxable income ranges.

Table 14: Percentile distribution, by taxable income, 2010–11 income year

This table is distributed across percentiles based on the total number of taxpayers by their taxable income. The table shows the number of male and female taxpayers, and the amount and proportion of total income, taxable income and net tax for each percentile.

Table 15: Rental property schedules, by state/territory of property, 2010–11 income year

This table shows all income and expense items from rental property schedules, by the state/territory location of the property.

! The number of schedules does not correlate to the number of rental properties because of double counting. Properties can be jointly owned, or can be bought and sold during the same income year, resulting in more than one schedule being completed by different individuals for the same property.

Table 16: Fund contributions of individuals who lodged an income tax return, by taxable income, 2010–11 income year

This table shows the number of records and amounts for employer contributions and individual contributed amounts declared on member contribution statements, and individual super contributions declared on individual tax returns. The data is broken down by ranges of individual taxable income.

Table 17: HELP debt, by HELP repayment income and state/territory, as at 30 June 2011

This table shows the number of individuals who have a HELP debt by the end of the 2010–11 income year, broken down by range of taxable income for the 2009–10 income year and state/territory of residence.

Table 18: Taxable individuals, by average taxable income and location, 2010–11 income year

This is a series of maps showing the distribution of the average taxable income for taxable individuals across Australia, by their residential postcode.

- Part A: New South Wales
- Part B: Victoria
- Part C: Queensland
- Part D: South Australia
- Part E: Western Australia
- Part F: Tasmania
- Part G: Northern Territory
- Part H: Australian Capital Territory
- Part I: Australia

! In order to comply with privacy regulations, statistics for some items may not be included in these tables.