



MACBITES

GOVERNMENT'S NEW TAX PACKAGE

Background

On 4 July 2019, the Government's Personal Income Tax Plan was passed by parliament.

The Plan has three stages; below are the updated rates, tax thresholds, and offset entitlements.

Tax Rate	From 1 July 2018 Income Range (\$)	From 1 July 2022 Income Range (\$)	From 1 July 2024 Income Range (\$)
Tax free	0 - 18,200	0 - 18,200	0 - 18,200
19%	18,201 - 37,000	18,201 - 41,000	18,201 - 41,000
32.5%	37,001 - 90,000	41,001 - 120,000	41,001 - 200,000
37%	90,001 - 180,000	120,001 - 180,000	-
45%	> 180,000	> 180,000	> 200,000

Taxable income range (\$)	1 July 2018 – 30 June 2022 Maximum offset (\$)
< 37,000	255
37,001 - 48,000	255 + 7.5% of amounts > 37,000
48,001 - 90,000	1080
90,001 - 126,000	1080 - 3% of amounts > 90,000
> 126,001	-

Taxable income range (\$)	From 1 July 2022 Maximum offset (\$)
< 37,500	700
37,501 - 45,000	700 - 5% of amounts > 37,500
45,001 - 66,666	325 - 1.5% of amounts > 45,000
> 66,667	-

The changes are being applied retrospectively so even if a 2019 year tax return has already been lodged, the ATO will amend the assessment with the offset amounts and issue the relevant refund.

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