



# 2023-24 Rates and Thresholds



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## 2023-24 Individual tax rates

Resident individuals		
Taxable income	Rate (%)	Tax on this income (not including Medicare levy)
\$0 to \$18,200	0	Nil
\$18,201 to \$45,000	19	19c for each \$1 over \$18,200
\$45,001 to \$120,000	32.5	\$5,092 plus 32.5c for each \$1 over \$45,000
\$120,001 to \$180,000	37	\$29,467 plus 37c for each \$1 over \$120,000
\$180,001 and above	45	\$51,667 plus 45c for each \$1 over \$180,000

Foreign resident individuals		
Taxable income	Rate (%)	Tax on this income
\$0 to \$120,000	32.5	32.5c for each \$1
\$120,001 to \$180,000	37	\$39,000 plus 37c for each \$1 over \$120,000
\$180,001 and above	45	\$61,200 plus 45c for each \$1 over \$180,000

Resident minor's tax rates on eligible taxable income	
Taxable income	Tax on this income
Up to \$416	Nil
\$417 to \$1,307	66% for the part over \$416
\$1,308 and above	45% on the entire amount that is not excepted income

Foreign resident minor's tax rates on eligible taxable income	
Taxable income	Tax on this income
Up to \$416	32.5% on the entire amount
\$417 to \$663	\$135.20 + 66% for the part over \$416
\$664 and above	45% on the entire amount

## Tax offsets for individuals

2023-24 Low Income Tax Offset	
Taxable income	Tax offset
Up to \$37,500	\$700
\$37,501 to \$45,000	\$700 – (5% of excess over \$37,500)
\$45,001 to \$66,667	\$325 – (1.5% of excess over \$45,000)
\$66,668 and above	Nil

## ETPs and Redundancies

### Employment Termination Payments (ETPs)

	2023-24	2022-23
Life benefit ETP cap (indexed)	\$235,000	\$230,000
Death benefit ETP cap (indexed)	\$235,000	\$230,000

### Taxation of Life Benefit ETPs

	Age	Amount subject to tax	Tax rate <sup>1</sup>
ETP cap <sup>2</sup>	Under preservation age	First \$235,000 Above \$235,000	32% 47%
	Over preservation age	First \$235,000 Above \$235,000	17% 47%

1. Includes Medicare levy
2. Applies to excluded payments.

### Taxation of Death Benefit ETPs

Beneficiary	Amount subject to tax	Tax rate <sup>1</sup>
Tax dependant	First \$235,000 Above \$235,000	0% 45%
Non-tax dependant	First \$235,000 Above \$235,000	30% 45%

1. Medicare may also apply except where paid to the deceased employee's estate.

### Genuine Redundancy Payments

Tax-free part of a genuine redundancy payment or early retirement scheme payment (indexed)	\$11,985
For each completed year of service add	\$5,994

### Unused Annual Leave Payments

On resignation or retirement	Amount taxed
Accrued before 18/8/1993	100% taxed at 30% <sup>1</sup>
Accrued after 18/8/1993	100% taxed at MTR <sup>1</sup>
On genuine redundancy, invalidity or approved early retirement	
All service	100% taxed at 30% <sup>1</sup>

1. Plus Medicare levy

### Unused Long Service Leave Payments

Accrued before 16/8/1978	5% taxed at MTR <sup>1</sup>
Accrued between 16/8/1978 and 17/8/1993	100% taxed at 30% <sup>1</sup>
Accrued from 18/8/1993	100% taxed at MTR <sup>1</sup>
On genuine redundancy, invalidity or approved early retirement	
Accrued before 16/8/1978	5% taxed at MTR <sup>1</sup>
Accrued after 16/8/1978	100% taxed at 30% <sup>1</sup>

1. Plus Medicare levy

## Medicare

### 2023-24 Medicare levy

Levy is 2% of an individual's taxable income.

### 2023-24 Medicare levy surcharge<sup>1</sup> (MLS)

#### Income for MLS purposes

Single	Family <sup>2</sup>	Rate
\$0 to \$93,000	\$0 to \$186,000	0%
\$93,001 to \$108,000	\$186,001 to \$216,000	1%
\$108,001 to \$144,000	\$216,001 to \$288,000	1.25%
\$144,001 and above	\$288,001 and above	1.5%

- Includes taxable income, reportable fringe benefits, reportable super contributions, net investment losses, exempt foreign income and any net amount subject to family trust distribution tax.
- Threshold increases by \$1,500 for each additional dependent child after the first.

### 2022-23<sup>1</sup> Medicare levy threshold: Individuals who qualify for the SAPTO

Taxable income	Medicare levy payable
\$0 to \$38,365	Nil
\$38,366 to \$47,956	10% of excess over \$38,365
\$47,957 and above	2% of taxable income

- The taxable income ranges and rates for 2023-24 are expected to be released in June 2024.

### 2022-23<sup>1</sup> Medicare levy reduction threshold: Individuals

Taxable income	Medicare levy payable
\$24,276	Nil
\$24,277 to \$30,345	10% of excess over \$24,276
\$30,346 and above	2% of taxable income

- The taxable income ranges and rates for 2023-24 are expected to be released in June 2024.

## FBT rates and thresholds

### FBT and gross-up rates

FBT years	Rate	Type 1	Type 2
2022-23 and 2023-24	47%	2.0802	1.8868

### Record keeping exemption

2023-24: \$9,786	2022-23: \$9,181
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### FBT – Benchmark interest rate

2023-24: 7.7%	2022-23: 4.52%
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## Car fringe benefits

### Statutory formula method

The statutory fraction is 20%

### Taxable value of a fringe benefit of a motor vehicle other than a car (c/km basis)

FBT year ending	0 to 2500cc	Over 2500cc	Motor cycles
31 March 2023	58c	69c	17c
31 March 2024	62c	73c	18c

### Car parking threshold

**2023-24:** \$10.40      **2022-23:** \$9.72

### Cents per km car rates

**2023-24:** 85c per km      **2022-23:** 78c per km

### Division 7A – Benchmark interest rate

**2023-24:** 8.27%      **2022-23:** 4.77%

### Capital improvement threshold

**2023-24:** \$174,465      **2022-23:** \$162,899

## Other

Motor vehicles	2023-24	2022-23
Luxury car tax limit	\$76,950	\$71,849
Fuel efficient luxury car tax limit	\$89,332	\$84,916
Car depreciation limit	\$68,108	\$64,741
Maximum GST credit claim for cars	\$6,191	\$5,885

## Corporate entity tax rates

Corporate entity tax rates 2023-24	
Private and public companies (base rate entities)	25%
Private and public companies (other)	30%
Public trading trusts (base rate entities)	25%
Public trading trusts (other)	30%
<b>Life Insurance companies</b>	
Ordinary class	30%
Complying superannuation class	15%
<b>Non-profit companies (base rate entities)</b>	
First \$416 of taxable income	Nil
Taxable income \$417 to \$762	55% of excess over \$416
Taxable income \$763 and above	25% on all taxable income
<b>Non-profit companies (other)</b>	
First \$416 taxable income	Nil
Taxable income \$417 to \$915	55% of excess over \$416
Taxable income \$916 & above	30% on all taxable income

## Foreign currency exchange rates

Foreign currency exchange rates for financial year ended 30 June 2023			
Country	Average rate for the year	Nearest actual rate at year end	Currency
China	4.6826	4.8079	CNY
Europe	0.6439	0.6099	EUR
Japan	92.4880	95.9200	JPY
New Zealand	1.0928	1.0883	NZD
Singapore	0.9187	0.8986	SGD
UK	0.5597	0.5250	GBP
USA	0.6734	0.6630	USD

**Note:** For a complete list of countries, see the 2023-24 Tax Summary at 22.340.

**Note:** All information is current as at 30 June 2023.

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## Superannuation

### Contribution Caps

#### Concessional contributions (CC)

CC cap	\$27,500
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Carry forward CCs: Total superannuation balance (TSB) at previous 30 June	TSB must be less than \$500,000
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#### Non-concessional contributions (NCC)

NCC cap	\$110,000
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#### NCCs under bring forward rules

TSB at 30 June 2023	NCC cap under bring forward period
Less than \$1.68m	\$330,000 – 3 years
\$1.68m but less than \$1.79m	\$220,000 – 2 years
\$1.79m but less than \$1.9m	\$110,000 – 1 year
\$1.9m or more	Nil

#### Small business lifetime CGT cap

Includes amounts contributed under 15-year exemption and retirement exemption	\$1,705,000
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#### Downsizer contributions cap

Can contribute up to	\$300,000 per person
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### Superannuation Guarantee (SG)

SG rate	11%
Maximum contribution base	\$62,270 per quarter

### Due dates for SG payments

SG quarter	Due date for SG payments
1 July to 30 September	28 October
1 October to 31 December	28 January
1 January to 31 March	28 April
1 April to 30 June	28 July

### Government Co-contributions

Total income	Max co-contribution (50c for every \$1)
Less than or equal to \$43,445	50% of NCCs made during the financial year (capped at a maximum co-contribution amount of \$500)
\$43,445 to \$58,445	\$500 – [(Total income <sup>1</sup> – \$43,445) × 0.03333]
Greater than \$58,445	Nil

1. Total income = assessable income + reportable fringe benefits + reportable employer super contributions – allowable business deductions.

### Spouse Contribution Tax Offset

Spouse income (SI) <sup>1</sup>	Max spouse contributions (MC) <sup>2</sup>	Max tax offset
\$0 to \$37,000	\$3,000	\$540
\$37,001 to \$39,999	\$3,000 – (SI – \$37,000)	MC × 18%
\$40,000 +	Nil	Nil

1. SI = spouse's assessable income + reportable fringe benefits + reportable employer super contributions.  
2. Maximum amount of contributions for which the offset can be claimed.



## Superannuation cont'

### Excess Contributions Tax

<b>CC</b>	Excess CCs are taxed at individual's marginal tax rate (MTR) less a 15% non-refundable tax offset for contributions tax already paid in fund. Excess tax can be paid personally or from super. Note – excess CCs not released count towards NCC cap.
<b>NCC</b>	If excess NCC not withdrawn: pay 47% tax on entire excess NCC which must be paid from super.
	If excess NCC plus 85% of associated earnings released from super: 100% of earnings taxed at individual's MTR less a 15% non-refundable tax offset. Same tax treatment applies if individual has insufficient funds in superannuation to withdraw excess NCC.

### Division 293 Contributions Tax

An extra 15% tax applies to an individual's CCs where their income and 'low tax contributions' > \$250,000.

### Preservation age table

Date of birth	Pres. age
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
1 July 1964 or later	60

### Taxation of Super Lump Sum Benefit Payments

	2023-24	2022-23
Low rate cap amount (indexed)	\$235,000	\$230,000
Untaxed plan cap amount (indexed)	\$1,705,000	\$1,650,000
Age at payment date	Taxed element <sup>1</sup>	Untaxed element <sup>1</sup>
Under pres. age	22%	32% up to \$1,705,000 47% over \$1,705,000
Pres. age to age 59	0% up to \$235,000 17% over \$235,000	17% up to \$235,000 32% on \$235,000 to \$1,705,000 47% over \$1,705,000
Age 60 and over	Tax-free	17% up to \$1,705,000 47% over \$1,705,000

1. Tax rates include Medicare levy.

## Superannuation cont'

Minimum account based pension withdrawal		
	2023-24	2022-23
Under 65 years	4%	2%
65 to 74 years	5%	2.5%
75 to 79 years	6%	3%
80 to 84 years	7%	3.5%
85 to 89 years	9%	4.5%
90 to 94 years	11%	5.5%
95 and over	14%	7%
Transition to retirement max. withdrawal	10%	10%

Taxation of Superannuation Income Streams		
Age	Taxed element	Untaxed element
Under preservation age	Taxed at MTR with no tax offset <sup>1</sup>	Taxed at MTR with no tax offset
Preservation age to age 59	Taxed at MTR with 15% tax offset	Taxed at MTR with no tax offset
Age 60 and over	Tax-free	Taxed at MTR with 10% tax offset

1. Tax offset of 15% is available if considered a disability superannuation benefit.

Taxation of Superannuation Death Benefit Lump Sum Benefit Payments				
	Paid directly to beneficiary		Paid via estate	
	Taxable: taxed element	Taxable: untaxed element	Taxable: taxed element	Taxable: untaxed element
Tax dependant	Nil	Nil	Nil	Nil
Non-tax dependant	MTR or 17% <sup>1</sup> , whichever is lower	MTR or 32% <sup>1</sup> , whichever is lower	15% <sup>2</sup>	30% <sup>2</sup>

1. Includes Medicare levy.

2. No Medicare levy where paid to deceased's estate.

Taxation of Super Death Benefit Income Streams			
Age of deceased	Age of b'ficiary	Taxable: taxed element	Taxable: untaxed element
Under age 60	Under age 60	MTR with 15% tax offset	MTR
	Age 60 and over	Tax-free	MTR with 10% tax offset
Age 60 and over	Any age	Tax-free	MTR with 10% tax offset

## Superannuation cont'

Transfer Balance Cap (TBC)	
Date retirement phase income stream commenced	TBC
On or after 1 July 2023	\$1.9m
Before 1 July 2023	Personal TBC varies between \$1.6m - \$1.9m, based on highest ever balance in individual's transfer balance account

Capped Defined Benefit Income Streams (CDBIS)	
Defined benefit income cap (DBIC)	\$118,750

Modified tax treatment of CDBIS	
Income from CDBIS exceeding the DBIC is subject to additional taxation:	
Tax-free component	Amount below DBIC is tax-free 50% of amount above DBIC is taxed at MTR
Taxable – taxed element	Amount below DBIC is tax-free 50% of amount above DBIC is taxed at MTR
Taxable – untaxed element	Amount below DBIC is taxed at MTR less 10% tax offset 100% of amount above DBIC is taxed at MTR

Impact of TSB on superannuation measures	
Superannuation measure	TSB threshold
NCCs, including under the bring forward rule	NCC bring forward amount decreases if TSB is >1.68m and reduces to nil once TSB is >\$1.9m at previous 30 June
The carry forward CC rules	Cannot be used if TSB is >\$500k at previous 30 June
Work test exemption	Cannot be used if TSB is >\$300k at previous 30 June
Government co-contribution	Not available if TSB is >\$1.9m at previous 30 June
Spouse contribution tax offset	Not available if receiving spouse's TSB is >\$1.9m at previous 30 June
Segregated asset method for calculating exempt current pension income	Not available if TSB is >\$1.6m at previous 30 June

SMSF Limited Recourse Borrowing Arrangement (LRBA) Safe Harbour Interest Rate		
Financial year	Real property	Listed shares or units
2023-24	8.85%	10.85%