

Income Tax Adjustment 2011/12 - PAYG

In June 2011, through its newsletters, AMIC sent out the new wage rates sheets to all members for the increases operative from 1st July 2011. Around this time the Australian Taxation Office (ATO) released the latest 'Pay as you go (PAYG) withholding' tax tables.

The ATO Weekly Tax Tables show a different rate to the tax rate in the AMIC wage sheets.

Whilst it was already known that the Flood Levy of 0.5% came in at taxable income of \$50,000 pa., the wage rates amounts in the wage sheets were well below this threshold.

The ATO has now advised that the new tax tables they published for 2011/12 incorporate an increase in the amount of Low Income Tax Offset (LITO) through regular pays during the year from 50% to 70%.

In addition, the Medicare Levy threshold has increased.

Unless you have already done so, it is recommended that you obtain a current copy of the 2011/12 PAYG tax tables from the ATO, either online at their website – www.ato.gov.au or from any post office or tax office.