

BUILDING WRITE-OFF

Type	Construction commenced	Rate %
Short-term traveller accommodation	27/2/92+	4.0
	16/9/87-26/2/92	2.5
	22/8/84-15/9/87	4.0
Non-residential income producing	20/7/82-21/8/84 22/8/84-17/7/85	4.0
All income producing	18/7/85 - 15/9/87 16/9/87-26/2/92+	2.5 ¹
Industrial activities and certain buildings connected to industrial activities	27/2/92+	4.0

1. 4% rate may be available if contractual arrangements were entered into before 16 September 1987
2. May include buildings used for R&D activities

PRIVATE COMPANY LOANS - BENCHMARK INTEREST

Income year	Interest rate %
2019-20	5.37
2020-21	4.52

FRINGE BENEFITS TAX

FBT RATE AND GROSS-UP FORMULA

The rate of fringe benefits tax for the year commencing 1 April 2020 is 47%¹ (no change from 1 April 2017).

Fringe benefit type	Type 1 Gross Up Rate - input tax credit available	Type 2 Gross Up Rate - all other cases
2020 and 2021 FBT years (31 March 2020 and 2021)	2.0802	1.8868

FBT - BENCHMARK INTEREST RATE

The statutory benchmark interest rate for the 2020-21 FBT year is 4.80% per annum, decreased from 5.37% in the 2019-20 FBT year.

FBT - CAR STATUTORY PERCENTAGES

For contracts entered into after 7.30pm (AEST) on 10 May 2011, the statutory fraction for cars is 20%. Cents per kilometer rates for vehicles other than cars.

Engine Capacity	FBT Year 2017-2018 (%)	FBT Year 2018-2019 (%)	FBT Year 2019-2020 (%)	FBT Year 2020-2021 (%)
0 - 2,500 cc	53 cents	54 cents	55 cents	56 cents
Over 2,500 cc	63 cents	65 cents	66 cents	67 cents
Motorcycles	16 cents	16 cents	16 cents	17 cents

COMPANIES

TAX RATE 2020-21

Income year	Tax rate %
Companies other than Base Rate Entities	30
Companies that are Base Rate Entities	26 ¹

1. A Base Rate Entity is one which has aggregated turnover of less than \$50M for the year ended 30 June 2020 and passive income of no more than 80% of total assessable income.
2. Different time periods apply for companies with a substituted accounting period.

NEW ZEALAND TAX RATES

NZ RESIDENT INDIVIDUAL TAX RATES 2021

Taxable income \$	Tax payable \$
0 - 14,000	10.5 cents
14,001 - 48,000	1,470 plus 17.5 cents for each \$1 over 14,000
48,001 - 70,000	7,420 plus 30 cents for each \$1 over 48,000
70,000+	14,020 plus 33 cents for each \$1 over 70,000

NON-RESIDENT

Taxable income \$	Tax payable \$
0 - 14,000	10.5 cents
14,001 - 48,000	1,470 plus 17.5 cents for each \$1 over 14,000
48,001 - 70,000	7,420 plus 30 cents for each \$1 over 48,000
70,000+	14,020 plus 33 cents for each \$1 over 70,000

CORPORATE TAX

New Zealand has a flat corporate tax rate of 28%.

TRUST TAX RATES

Trustee income 33%
 Minor beneficiary (exemption may apply) 33%
 Beneficiary income (non-minor) is taxed at marginal rate
 Distribution from non-complying trusts 45%

GOODS AND SERVICES TAX

GST is levied at 15%. Entities have to register once turnover reaches NZD\$60,000.

STAMP DUTY

New Zealand does not have any stamp duty taxes.

PROPERTY TAX

New Zealand has no capital gains tax, but may tax some real property transactions.

SUPERANNUATION: KIWISAVER SCHEME

Employers are required to contribute at least the equivalent of 3% of their employee's gross salary or wages as part of KiwiSaver contributions. KiwiSaver contributions are paid to Inland Revenue department along with PAYE payments for employees.

EMPLOYER SUPERANNUATION CONTRIBUTION TAX (ESCT) RATES

ESCT Rate Threshold Amount \$	ESCT from 1 April
0 - 16,800	10.5%
16,801 - 57,600	17.5%
57,601 - 84,000	30%
84,001 +	33%

FBT

Rate of fringe benefits tax for the year commencing 1 April 2020 is up to 49.25%. FBT returns can be filed quarterly with payment due 20th of the month following or 31st March annual return payment due 31st May.

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HALL CHADWICK

2020-21 DESKTOP TAX RATES AND TABLES

Updated as at January 2021

AUSTRALIAN INDIVIDUAL RATES/MEDICARE LEVY

RESIDENT TAX RATES - 2020-21

Taxable income \$	Tax payable \$ (excludes medicare)
0 - 18,200	Nil
18,201 - 45,000	Nil + 19% of excess over 18,200
45,001 - 120,000	5,092 + 32.5% of excess over 45,000
120,001 - 180,000	29,467 + 37% of excess over 120,000
180,001 +	51,667 + 45% of excess over 180,000

RESIDENT TAX RATES - 2019-20

Taxable income \$	Tax payable \$ (excludes medicare)
0 - 18,200	Nil
18,201 - 37,000	Nil + 19% of excess over 18,200
37,001 - 90,000	3,572 + 32.5% of excess over 37,000
90,001 - 180,000	20,797 + 37% of excess over 90,000
180,001 +	54,097 + 45% of excess over 180,000

NON-RESIDENT TAX RATES - 2020-21

Taxable income \$	Tax Payable \$
0 - 120,000	32.5%
120,001 - 180,000	39,000 plus 37% of excess over 120,000
180,001 +	61,200 plus 45% excess over 180,000

NON-RESIDENT TAX RATES - 2019-20

Taxable income \$	Tax Payable \$
0 - 90,000	32.5%
90,001 - 180,000	29,250 plus 37% of excess over 90,000
180,001 +	62,550 plus 45% excess over 180,000

MEDICARE LEVY SURCHARGE

2018-19 And 2019-20	\$	Tier 1 \$	Tier 2 \$	Tier 3 \$
Singles	0 - 90,000	90,001 - 105,000	105,001 - 140,000	140,001 +
Families ¹	0 - 180,000	180,001 - 210,000	210,001 - 280,000	280,001 +

MEDICARE LEVY SURCHARGE

Rates	0.0%	1.0%	1.25%	1.5%

1. For families with 2 or more dependants who are children, the surcharge thresholds to tiers 1, 2 and 3 are increased by \$1,500 for each dependent child after the first child.

Surcharge amount depends on the taxable income, reportable fringe benefits of the taxpayer, reportable superannuation contributions, and net investment losses (i.e. "income for surcharge purposes").

MEDICARE LEVY - 2019-20 THRESHOLDS

The general rate of the Medicare levy is 2% of taxable income, subject to exclusions and reduced levy as per table below.

Taxpayer	No levy if income does not exceed \$
Individual	22,801
Members of a family with:	(family income)
0 dependents	38,474
1 dependent	42,007
Each additional dependent	+3,533
Senior and pensioner Australians¹	36,056
Senior Australian w/spouse and 0 dependents	50,191
Each additional dependent	+3,533

1. Entitled to Senior and Pensioner Tax Offset (SAPTO). Eligible seniors will not pay Medicare levy until they begin to incur an income tax liability.

Note: the thresholds for 2020-21 are unlikely to be known until May 2021 (usually announced in the Budget).

TAX OFFSETS/REBATES

LOW MIDDLE INCOME TAX OFFSET 2020-21

Taxable income (TI) \$	Rebate \$
0 - 37,500	700
37,501 - 45,000	700 - [(TI - \$37,500) x 5%]
45,001 - 66,667	325 - [(TI - \$45,000) x 1.5%]
66,668+	Nil

LOW INCOME TAXPAYERS OFFSET 2019-20

Taxable income (TI) \$	Rebate \$
0 - 37,000	445
37,001 - 66,667	445 - [(TI - \$37,000) x 1.5%]
66,668+	Nil

LOW MIDDLE INCOME TAX OFFSET 2020-21

Taxable income (TI) \$	Rebate \$
0 - 37,000	255
37,001 - 48,000	255 + [(TI - \$37,000) x 7.5%]
48,001 - 90,000	1,080
90,000 - 126,000	1,080 less 3c for each \$1 over 90,000

HEALTH INSURANCE TAX OFFSET

2019-20 ³	\$	Tier 1 \$	Tier 2 \$	Tier 3 \$
Singles	0 - 90,000	90,001 - 105,000	105,001 - 140,000	140,001 +
Families ¹	0 - 180,000	180,001 - 210,000	210,001 - 280,000	280,001 +

Health insurance tax rebate				
Aged under 65 ²	25.059%	16.706%	8.352%	0%
Aged 65 - 69 ²	29.236%	20.883%	12.529%	0%
Aged 70 or over ²	33.413%	25.059%	16.706%	0%

- Family income threshold increases by \$1500 for each Medicare Levy Surcharge dependent child after their first child.
- The rebate percentage figures apply from 1 April 2019 to 31 March 2021.
- The thresholds apply for the 2019-20 income year, but the rebate percentages may change.

SUPERANNUATION/TERMINATION

SUPERANNUATION GUARANTEE - SUPPORT LEVELS

Year	Prescribed
2014-15 to 2020-21	9.5%
2021-22	10%

Maximum contribution base for an individual employee for each quarterly contribution period is \$57,090 for 2020-21 (\$55,270 for 2019-20).

GENUINE REDUNDANCY/EARLY RETIREMENT

	2019-20 income year	2020-21 income year
Tax - Free	\$10,638 + (\$5,320 x years of service)	\$10,989 + (\$5,496 x years of service)
Excess	Taxed as Employment Termination Payment	Taxed as Employment Termination Payment

SUPER CONTRIBUTIONS - 2020-21

Contributions above the annual contributions caps will be subject to excess contributions tax levied on the individual.

2019-20 and 2020-21 income year		
Type of contribution	Annual contributions cap - per person (\$)	Excess contributions tax
Concessional	25,000 ¹	N/A ²
Non-concessional	100,000 ⁵	47% ^{3,6}
TFN not quoted ⁴	N/A	47% ³

- From the 2017-18 Financial Year, a concessional contribution cap of \$25,000 applies regardless of age.
- Excess concessional contributions tax no longer applies to excess super contributions made on or after 1 July 2013. From that date, excess concessional contributions are taxed at the taxpayer's marginal tax rates.
- Includes the 2% Medicare levy.
- Where a member's TFN has not been quoted to a super fund by 30 June each year, this "no-TFN contributions income" is taxed at the outlined rate in the hands of receiving fund. A super fund must return non-concessional contributions within 30 days where the member has not quoted a TFN.
- Individuals under 65 may bring forward the non-concessional cap for the next 2 years (up to \$300,000), if their super balance is less than \$1.3M.
- From 1 July 2013, taxpayers have a release option in relation to non-concessional super contributions.

TAX OF SUPERANNUATION BENEFITS 2020-21

Age of recipient	Payments from taxed fund ¹		Payments from untaxed fund ¹	
	Lump Sum	Income Stream	Lump Sum	Income Stream
60+	Tax-free ^{2,3}	Tax-free ^{2,3}	15% - \$0 - \$1.565m ³ 45% - \$1.565m+	Tax at marginal rate but eligible for a 10% tax offset
55 ⁵ - 59	0% - \$0 - \$215,000 15% - \$215,000+	Taxed at marginal rates but eligible for 15% tax offset	15% - \$0 - \$215,000 30% - \$215,000 - \$1.565 m 45% - \$1.565m+	Taxed at marginal rates with no tax offset
0 - 54 ⁵	20%	Taxed at marginal rates with no 15% tax offset ⁶	30% - \$0 - \$1.565m 45% - \$1.565m+	Taxed at marginal rates with no tax offset

- Separate tax treatment applies for lump sums paid from an untaxed source (i.e. an element untaxed in fund) depending on the lump sum amount and recipient's age.
- Non-assessable, non-exempt income (i.e. not counted in working out tax payable on taxpayer's other assessable income).
- Untaxed plan cap amount (2020-21 - \$1.565m)
- Table excludes Medicare levy.
- Preservation age of 55 phasing to age 60 for those born after 1 July 1960.
- Tax offset 15% available if a disability super benefit

EMPLOYMENT TERMINATION PAYMENTS 2020-21

Component	Tax payable (including Medicare)
Tax free ¹	Nil
Taxable ²	First \$215,000 taxed at 32% ³ and excess taxed at 47% ^{4,5} . Lifetime cap.
• If under preservation age ³	
• If preservation age and over	First \$215,000 taxed at 17% ³ and excess taxed at 47% ^{4,5} . Lifetime cap.

- Includes the pre-July 1983 segment and invalidity segment
- Payment must be received within 12 months of taxpayer's termination of employment. Cannot be rolled over to a superannuation fund.
- Preservation age of 55 phasing to age 60 for those born after 1 July 1960.
- Table includes Medicare levy.
- A whole of income cap of \$180,000 can also be applied to certain ETPs and reduce thresholds.

SUPER CONTRIBUTIONS - SPOUSE REBATES 2020-21

Spouse assessable income and reportable fringe benefits (SAI) ³ \$	Maximum rebatable contributions (MRC) \$	Maximum rebate ¹ \$
0 - 37,000	3,000	540 ²
37,000 - 39,999	3,000 - [SAI - 37,000]	MRC x 18% ²
40,000 +	Nil	Nil

- The rebate is not available if an employer deduction is allowed, or you claimed a tax deduction for the contributions made for your spouse.
- The actual amount of the contribution x 18% will be the maximum rebate where it is less than these figures.
- Assessable income, reportable fringe benefits and reportable employer super contributions.

PENSIONS & ANNUITIES - % FACTORS 2019-20 and 2020-21

Age of beneficiary	0-64	65-74	75-79	80-84	85-89	90-94	95+
Standard percentage factor ^{1,2}	2%	2.5%	3%	3.5%	4.5%	5.5%	7%

- Pensions commenced under a transition to retirement income stream (age 55+) cannot withdraw more than 10% of the account balance in any one year. The tax-free segment is tax-free regardless of age of pensioner. Taxable component is tax-free from age 60, if paid from a taxed source (a 15% rebate applies for those aged 55-59).
- Pension factors have been reduced by 50% in FY 2020 and FY 2021 as part of Government's Covid-19 response.

SUPER - GOVERNMENT CO-CONTRIBUTIONS

2019-20 Income year		2020-21 Income year	
Adjusted taxable income (AI) ¹	Maximum Govt co-contribution ² \$	Adjusted taxable income (AI) ¹	Maximum Govt co-contribution ² \$
0 - 38,564	500	0 - 39,837	500
38,564 - 53,564	500 - [(AI - 38,564) x 0.03333]	39,837 - 54,837	500 - [(AI - 39,837) x 0.03333]
53,564+	Nil	54,837+	Nil

- Assessable income, reportable fringe benefits and reportable employer super contributions.
- If amount payable <\$20, minimum payment = \$20.

Government co-contribution (up to max \$500) is 50% of eligible personal superannuation contribution made to a complying super fund or RSA during income year. Must be under age 71 and lodge a tax return with super balance <\$1.6M and not contributed more than non-concessional contributions cap.

DEPRECIATION/CARS

SMALL BUSINESS ENTITIES - 2020-21

- Immediate write-off the full value of an eligible depreciable asset acquired from 7:30pm AEDT on 6 October 2020 and first used or installed by 30 June 2022 for businesses with aggregated turnover < \$5 billion, but can opt out by choice and claim depreciation under other rules (see below).¹
- Immediate deduction for depreciating assets costing less than \$150,000²
- Immediate deduction for depreciating assets costing less than \$30,000³
- Other depreciating assets allocated to general small business pool⁴
- Deduction of 50% of cost or opening adjustable value of an eligible asset more than \$150,000⁵
- Deduction (on diminishing value basis) is generally opening pool balance x 30% for general pool. Half pool rate (i.e. 15%) for new acquisitions (in the first year).
- Certain depreciating assets are excluded, e.g. buildings.

- Full expensing in the year of first use will apply to new depreciating assets and the cost of improvements to existing eligible assets. Eligible businesses with aggregated turnover less than \$50 million can immediately deduct new or second-hand assets.
- Eligible businesses with aggregated turnover less than \$500 million, for assets installed and ready for use between 12 March 2020 to 30 June 2021 (extended from the original date of 31 December 2020).
- Eligible businesses with aggregated turnover less than \$50 million, for assets installed and ready for use between 2 April 2019 to 11 March 2020.
- Eligible businesses with aggregated turnover less than \$10 million can deduct the entire balance of the pool at the end of the income year while full expensing applies.
- Eligible business with aggregated turnover less than \$500 million, for assets acquired after 12 March 2020 but before 6 October 2020.

UNIFORM CAPITAL ALLOWANCE SYSTEM - 2019-20 and 2020-21

Decline in value of assets worked out using Prime Cost (PC) method or Diminishing Value (DV) method:

PC method	DV method
Assets cost ¹ x (days held/365 ²) x (100%/Assets effective life)	Base value ¹ x (days held/365 ²) x (200%/Assets effective life)

- Base value is either the cost of the asset (in the first income year) or the opening adjustable value for that year (in later income years).
- "365" does not become "366" for a leap year.

- Apportionment is required in the year of acquisition or disposal and where the asset is also used for non-taxable purposes.
- Pooling for low cost/low value depreciating assets (i.e. cost/value <\$1,000) is 18.75% in the year of allocation and 37.5% pa thereafter.
- Pooling is also allowed for "in-house software" expenditure but it is depreciated at a different rate to the low cost/low value pool.
- Immediate deduction for non-business taxpayer for assets costing \$300 or less.
- Certain assets are excluded from uniform capital allowance system, e.g. buildings, certain primary production assets, and some vehicles.
- Changes applicable with assets eligible for backing business investment incentive

CAR DEPRECIATION COST LIMIT

The 2020-21 motor vehicle depreciation cost limit is \$59,136 (2019-20 \$57,581)

CAR EXPENSES - PER KILOMETRE RATES

Business km travelled ¹	Cents per km/Business usage	Maximum deductions \$
< 5,000	72 ³	3,600
Any	Business usage ²	N/A

- From 1 July 2015, a single rate of 66 cents per kilometre method will be used for calculating car tax deductions (regardless of engine size).
- The Commissioner will also allow taxpayers to claim their car expenses for their business related usage. A logbook must be kept for a minimum 12 week period.
- Rate increased to 72 cents per KM from 1 July 2020 (2019-20 68 cents).