

Tax

Australian residents pay no tax on the first \$18,200 they earn in income (correct as of Sep 2023). This is called the tax-free threshold and equates to earning:

- \$361 a week
- \$722 a fortnight

You should claim the tax-free threshold on your highest paying job.

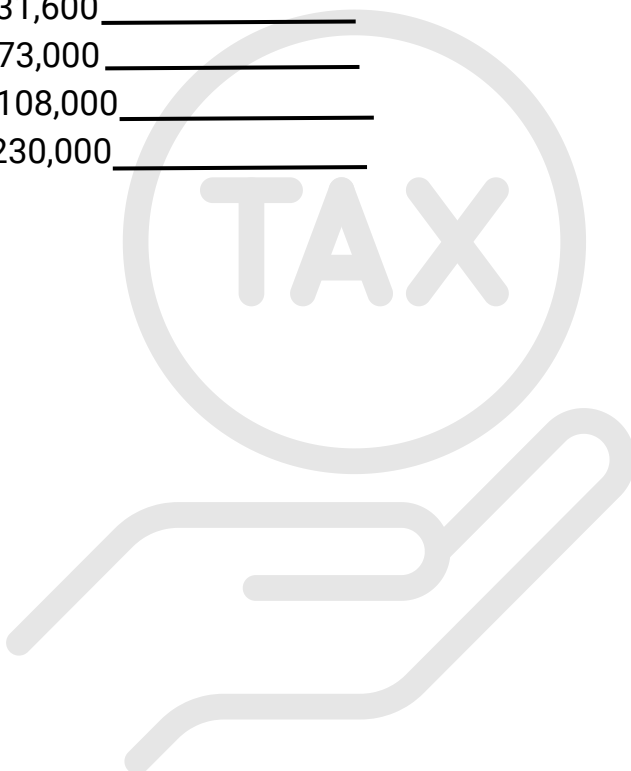
Person 1 works two three-hour shifts at business 1 and earns \$25 an hour. They also work one eight-hour shift at another business and are paid \$22 an hour. With which business should they claim the tax-free threshold?

The amount of tax you pay depends on the amount of income you earn. The tax brackets for the 2023 – 2024 financial year are:

Taxable income	Tax on this income
0 - \$18,200	Nil
\$18,201 - \$45,000	19c for each \$1 over \$18,200
\$45,001 - \$120,000	\$5,092 plus 32.5c for each \$1 over \$45,000
\$120,001 - \$180,000	\$29,467 plus 37c for each \$1 over \$120,000
\$180,001 and over	\$51,667 plus 45c for each \$1 over \$180,000

Use the table above to find the tax payable on taxable incomes of:

- a) \$12, 500 _____
- b) \$22,550 _____
- c) \$31,600 _____
- d) \$73,000 _____
- e) \$108,000 _____
- f) \$230,000 _____



You should claim the tax-free threshold on your highest paying job