FirstTech 2025–26 Pocket Guide

2025 WEALTH INSIGHTS
FirstTech Ranked #1 Technical Support

25 YEARS FirstTech

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Note: Internet access is required for the FirstTech Pocket Guide (mobile version).

Contents

The rates and thresholds in this guide are for the 2025–26 financial year unless otherwise noted.

Aged Care and Social Security rates and thresholds are updated 1 July, 20 September, 1 January and 20 March each year. Current rates may be viewed in the FirstTech Pocket Guide (mobile version).

Superannuation

Preservation age

Date of birth	Age of member on 30 June 2025	Preservation age	Financial year preservation age reached
Before 1 July 1960	65+	**55**	2014–15 or earlier
From 1 July 1960 to 30 June 1961	64	**56**	2016–17
From 1 July 1961 to 30 June 1962	63	**57**	2018–19
From 1 July 1962 to 30 June 1963	62	**58**	2020–21
From 1 July 1963 to 30 June 1964	61	**59**	2022–23
On or after 1 July 1964	60 or less	**60**	2024–25 or later

2024–25 marked the end of the gradual increase in preservation age from 55 to 60.

Any member who reaches age 60 in 2024–25 or a future financial year has a preservation age of 60.

Contributions caps summary

Contribution type	2025–26
Basic concessional contributions cap[1]	$30,000
Non-concessional contributions cap[2]	
Total super balance at 30 June 2025 is below $2 million	$120,000
Total super balance at 30 June 2025 is $2 million or more	Nil
Downsizer contributions cap[3]	$300,000
CGT lifetime cap	$1.865 million

1 Individuals may accrue unused basic concessional contributions cap amounts from the 2018–19 financial year onwards. These amounts may be used in later income years (2019–20 onwards) if the individual's total superannuation balance is less than $500,000 on 30 June of the previous financial year. Accrued unused basic concessional contributions cap amounts may be carried forward for a maximum of five years. For more information see the *FirstTech Super guide*.

2 The bring-forward rule may allow an individual to bring forward up to two future years of non-concessional contributions caps into the current year (in addition to the standard non-concessional contributions cap), depending on a person's age, past use of the bring-forward rule and total superannuation balance at 30 June 2025.

3 The amount of downsizer contributions a person can make may be limited to an amount less than the downsizer contributions cap where the sale proceeds from a qualifying property are less than $300,000. See *Downsizer contributions* in this guide and the *FirstTech Super guide* for more information.

First Home Super Saver Scheme (FHSSS) contributions may be made from 1 July 2017 and count toward either the non-concessional contributions cap or the concessional contributions cap.

For more information on contributions caps see the following sections of this guide: *CGT lifetime cap, Basic concessional contributions cap, Non-concessional contributions cap, First Home Super Saver Scheme and Downsizer contributions*.

Non-concessional contributions cap

Total superannuation balance at 30 June 2025	Non-concessional contributions cap 2025–26
Less than $2 million	$120,000
$2 million or more	Nil

Refer to the *FirstTech Super guide* for more information on the types of contributions that count against the non-concessional contributions cap.

Bring-forward rule

Total superannuation balance at 30 June 2025	2025–26 Non-concessional contributions cap including bring-forward
Less than $1.76 million	$360,000
At least $1.76 million but less than $1.88 million	$240,000
At least $1.88 million but less than $2 million	$120,000
$2 million or more	Nil

The bring-forward rule is available to members aged under 75 at any time in a financial year, who are not in a bring-forward period, subject to total superannuation balance as shown above. Personal contributions cannot be accepted by a super fund more than 28 days after the end of the month in which a member turns 75.

Please see the *FirstTech Super guide* for bring-forward thresholds prior to 1 July 2025.

Tax treatment of non-concessional contributions

Amount	Tax rate 2025–26
Within cap	Nil
Exceeding cap and not withdrawn	47% which must be paid from the fund
Exceeding cap and either: • Excess + 85% of associated earnings withdrawn, or • Insufficient funds in super to withdraw	Associated earnings assessable to individual and taxed at MTR plus Medicare levy (less a 15% tax offset)

For more information, refer to the *FirstTech Super guide*.

Basic concessional contributions cap

Financial year	Basic concessional contributions cap[1]
2025–26	**$30,000**
2024–25	$30,000
2023–24	$27,500
2022–23	$27,500
2021–22	$27,500
2020–21	$25,000
2019–20	$25,000
2018–19	$25,000

1 Subject to contribution eligibility rules being met. See *FirstTech Super guide* for more detail.

Basic concessional contributions cap is indexed to average weekly ordinary time earnings (AWOTE) in $2,500 increments.

Refer to the *FirstTech Super guide* for more information on the types of contributions that count against the basic concessional contributions cap.

Unused concessional cap carry forward

Individuals may accrue unused basic concessional contributions cap amounts from the 2018–19 financial year onwards. These amounts may be used in later income years (2019–20 onwards) if the member's total superannuation balance is less than **$500,000** on 30 June of the previous financial year. Accrued unused basic concessional contributions cap amounts may be carried forward for a maximum of five years.

For more information see the *FirstTech Super guide*.

Tax treatment of concessional contributions

Concessional contributions within cap	Concessional contributions exceeding cap
• 15% levied on fund • plus 15% Division 293 tax levied on high income earners	marginal tax rate[1]

1 Excess concessional contributions are taxed at 15% within the fund and the member is taxed at their marginal tax rate plus Medicare levy, less a 15% tax offset for the tax already paid in the fund.

Division 293 tax

Division 293 tax is an additional tax that applies to part or all of a member's concessional contributions where their Division 293 income amount for a financial year exceeds $250,000.

Division 293 tax of 15% is levied on a member's 'taxable contributions'.

A member's Division 293 income amount is their income for surcharge purposes (disregarding reportable super contributions) plus low tax contributions.

This can be calculated using the table below:

Division 293 income amount
Taxable income[1]
+ Amounts on which family trust distribution tax has been paid
+ Reportable fringe benefits
+ Total net investment loss
+ 'Low tax contributions' (generally non-excessive concessional contributions)
– Assessable First Home Super Saver released amounts

1 Taxable income is assessable income less deductions. Excess concessional contributions are included in taxable income.

Low tax contributions for Division 293 tax

Low tax contributions are generally concessional contributions that are not excessive. See *FirstTech Super guide* for further detail.

Taxable contributions for Division 293 Tax

Division 293 income amount[1]	Taxable contributions
Greater than $250,000	Lesser of: • low tax contributions or • (the member's Division 293 income amount[1]) - $250,000
Less than $250,000	Nil

1 See *Division 293 income amount* above.

CGT lifetime cap

Financial year	CGT lifetime cap
2025–26	$1.865 million

Contributions that count towards the CGT cap are not limited by the member's total superannuation balance. CGT cap is a lifetime limit indexed annually to AWOTE in $5,000 increments.

Government co-contribution

<table>
<tr><th colspan="4">2025–26</th></tr>
<tr><th>Total income (TI)</th><th>Reduction in co-contribution (R)</th><th>Maximum co-contribution</th><th>Payment rate</th></tr>
<tr><td>$0 – $47,488</td><td>Nil</td><td>$500</td><td rowspan="3">Lesser of:
• $0.50 per $1 of non-concessional contributions
• maximum co-contribution</td></tr>
<tr><td>More than $47,488 but less than $62,488</td><td>(TI - $47,488) × 0.03333</td><td>$500 - R</td></tr>
<tr><td>$62,488 +</td><td>$500</td><td>Nil</td></tr>
</table>

Total income (TI) = assessable income (disregarding any assessable FHSS released amount) + reportable fringe benefits + non-excessive reportable employer super contributions (e.g. salary sacrifice contributions) - business deductions (other than work-related employee expenses or personal super contributions).

To be eligible for a co-contribution, total super balance must be below $2 million on 30 June 2025.

To qualify for a co-contribution, at least 10% or more of a person's 'Total income 1' for the income year must be attributable to employment (as employee for SG purposes) and / or self-employment where the person is carrying on a business.

See *FirstTech Super guide* for further information.

Low income superannuation tax offset (LISTO) contribution

2025–26			
Amount payable	Maximum LISTO contribution	Maximum adjusted taxable income to be eligible	Income test
15% × concessional contributions up to $3,333	$500	$37,000	10% or more of total income is derived from business or employment

Despite its name, the LISTO is not technically an offset, it is payable directly into the member's superannuation account.

Adjusted taxable income = taxable income (disregarding any assessable FHSS released amounts) + adjusted fringe benefits total + target foreign income + total net investment loss + tax-free pension or benefit + reportable superannuation contributions - deductible child maintenance expenditure.

See *FirstTech Super guide* for further information.

Superannuation guarantee (SG)

SG rate

Financial year	Percentage of ordinary time earnings base for the quarter, that must be contributed
2025–26 and future financial years	12.0

OTE base

Employers are required to calculate SG based on the 'OTE base' which includes ordinary time earnings plus any amount of ordinary time earnings contributed to super under a salary sacrifice arrangement.

Please see the *FirstTech Super guide* for more information.

SG maximum contributions

2025–26		
Maximum contribution base per quarter	Maximum contribution base per year equivalent	SG payable on maximum contribution base (at 12% over 4 quarters)
$62,500	$250,000	$30,000

SG obligations are calculated and payable on a quarterly basis. For more information, please see the *FirstTech Super guide*.

SG contribution dates

2025–26 quarter	Payment of SG contribution due	Lodgement of SG statement, payment of SG charge and late contributions to offset SG charge due
1 Jul – 30 Sep	**28 October**	28 November
1 Oct – 31 Dec	**28 January**	28 February
1 Jan – 31 Mar	**28 April**	28 May
1 Apr – 30 Jun	**28 July**	28 August

An SG contribution is considered 'paid' on the date it is received by the super fund. Where one of the above due dates falls on a weekend or public holiday, the payment or lodgement can occur on the next business day.

Failure to contribute within required timeframes above will incur the SG charge, payable by the 28th day of the second month following the end of the relevant quarter.

First Home Super Saver Scheme (FHSSS)

2025–26	
What are FHSS eligible contributions?	
FHSS eligible concessional contributions	
• voluntary employer contributions (e.g. salary sacrifice) on or after 1 July 2017 • voluntary personal deductible contributions made by the member on or after 1 July 2017	Counts toward the concessional contributions cap
FHSS eligible non-concessional contributions	
• voluntary non-concessional contributions made by the member on or after 1 July 2017	Counts toward the non-concessional contributions cap
FHSS eligible contributions permitted to be released	
Eligible contributions made in a financial year	$15,000
Eligible contributions made in total	$50,000
FHSS maximum release amount	
FHSS eligible non-concessional contributions	100%
FHSS eligible concessional contributions	85%
Associated earnings (calculated daily using the Shortfall Interest Charge (SIC))	SIC
Tax on assessable released amounts	
Associated earnings and eligible concessional contributions that are released from super are taxed at the member's marginal tax rate less a 30% tax offset	

Downsizer contributions

2025–26 Downsizer contribution limit
Downsizer contributions are limited to the lesser of: • $300,000 per person, less any downsizer contributions already made to that person's superannuation fund from the sale of the same main residence, or • an amount equal to all or part of the capital proceeds received by a person (and their spouse, if relevant) from the sale of a main residence, less any downsizer contributions already made in respect of that person (and their spouse, if relevant) from the sale of the same main residence.

Downsizer contributions may be made from the age of 55.

What's included in total superannuation balance?

Total superannuation balance is measured at 30 June of the previous financial year. Total superannuation balance is the total of all the components outlined in the table below.

Total super balance component	30 June value of:
Accumulation phase value at 30 June	Any superannuation interest that is not in the 'retirement phase' is in the accumulation phase. Examples of accumulation phase value include: • accumulation account balances • accruing defined benefit interests with a withdrawal value • transition to retirement income stream account balances (where the member is under age 65 and has not notified the trustee of meeting a condition of release). If the member does not have a transfer balance account, the accumulation phase value is reduced by any structured settlement contributions.

Total super balance component	30 June value of:
Adjusted retirement phase value at 30 June	The 30 June adjusted retirement phase value is the 30 June balance of the transfer balance account adjusted to: • reflect the 30 June account balance of account based pensions (see *FirstTech Super guide* for more information), and • exclude any structured settlement contributions.
In transit rollovers at 30 June	Amount of any rollover superannuation benefit not reflected in the accumulation phase or transfer balance account (i.e. rollovers in transit at 30 June)

Certain outstanding LRBA amounts	A member's share of any outstanding loan balance under a limited recourse borrowing arrangement (LRBA), where:
	• the fund is an SMSF or SAF, and
	• the loan arose under a contract entered into on or after 1 July 2018, and either:
	  • the member has satisfied any of the following eligible conditions of release:
	    • retirement
	    • terminal medical condition
	    • permanent incapacity
	    • reaching age 65; or
	  • the LRBA lender is an associate of the fund.
	For more information please see the *FirstTech SMSF Guide*.

For more information see the *FirstTech Super guide*.

Please note, the calculation of total superannuation balance is proposed to change from 30 June 2025. However, at the time of writing the Bill to implement this change had not yet been introduced into parliament. Please see the FirstTech Super guide for more information.

What does the total superannuation balance impact?

Super measures impacted by total superannuation balance	
Non-concessional contributions	Total superannuation balance must be **less than $2 million** at 30 June in previous financial year, otherwise non-concessional contributions cap for following financial year will be **nil**
Bring-forward rule	Total superannuation balance must be **less than $1.76 million** at 30 June in previous financial year, otherwise amount that can be contributed under bring-forward provision is **reduced**
Concessional contributions	Total superannuation balance must be less than **$500,000** at 30 June in previous financial year to be able to use carried forward concessional contributions
Government co-contribution	Total superannuation balance must be less than **$2 million** at 30 June in the previous financial year to be eligible for Government co-contribution
Spouse contribution tax offset	Receiving spouse's total superannuation balance must be less than **$2 million** at 30 June in previous financial year for contributing spouse to be eligible for a tax offset for spouse contributions
SMSFs	SMSFs are prohibited from using the segregated method to determine exempt current pension income during a financial year where: • at least one member has a retirement phase income stream at any time during the financial year, and • at 30 June of previous financial year, a member has a total superannuation balance of more than **$1.6 million** and is receiving a retirement phase income stream (from any fund). However, this rule does not apply if all of the fund's assets would otherwise be segregated current pension assets at all times during the year.
Work test exemption	Total superannuation balance must be less than **$300,000** at 30 June in previous financial year to potentially use the work test exemption for eligibility to claim a tax deduction for personal super contributions made at age 67–74.

For more information see the *FirstTech Super guide*.

Note: A member's total superannuation balance may also be used to determine a person's liability to the proposed Division 296 tax. However, at the time of writing the Bill to impose this tax had yet to be introduced into parliament. Please see the FirstTech Super guide for more information.

General transfer balance cap

Financial year	General transfer balance cap	Indexation amount
2025–26	$2 million	$100,000
2023–24 and 2024–25	$1.9 million	$200,000
2021–22 and 2022–23	$1.7 million	$100,000
2017–18 to 2020–21	$1.6 million	Nil

Indexed annually by Consumer Price Index (CPI) in increments of $100,000

Personal transfer balance cap

In the year a member first has a transfer balance account, their personal transfer balance cap will equal the general transfer balance cap.

In years following the first year a member has a transfer balance account, a member's **personal** transfer balance cap may differ from the **general** transfer balance cap due to proportional indexation. See the *FirstTech Super guide* for more information.

Transition to retirement income streams

	TTR income stream not in retirement phase	TTR income stream in retirement phase[1]
Taxed on earnings within fund	Yes	No
Counts against transfer balance cap	No	Yes
Counts towards total superannuation balance	Yes	Yes

1 A TTR income stream is in retirement phase where the member has attained age 65 or has notified the fund trustee that they have met any of the following conditions of release: permanent incapacity, terminal medical condition or retirement. A TTR income stream will also be in retirement phase if received by a reversionary beneficiary.

Transition to retirement income streams – minimum payment standards

	Under 65	65–74	75–79	80–84	85–89	90–94	95+
Minimum annual percentage 2025–26	4%	5%	6%	7%	9%	11%	14%

Minimum annual payment for full financial years = account balance at each 1 July × minimum percentage (determined by recipient's age at each 1 July).
For part financial years see *Account based pensions – pro-rata rule and '1 June rule'* in *Retirement phase income streams* section, or see *FirstTech Super guide*.

Transition to retirement income streams – maximum payment

	Maximum annual income
At commencement	10% × TTR commencement balance
Following financial years	10% × TTR account balance at 1 July

Maximum annual income is not pro-rated if the transition to retirement pension is started or commuted part way through the financial year.

Retirement phase income streams

Retirement phase income streams	
Definition	All superannuation pensions or annuities except transition to retirement income streams and deferred superannuation income streams where no eligible condition of release has been met.
Taxed on earnings within fund from 1 July 2017	No
Counts against transfer balance cap	Yes
Counts towards total superannuation balance	Yes

Account based pensions – minimum payments

	Under 65	65–74	75–79	80–84	85–89	90–94	95+
Minimum annual percentage 2025–26	4%	5%	6%	7%	9%	11%	14%

Minimum annual payment for full financial years = account balance at each 1 July × minimum percentage (determined by recipient's age at each 1 July)

For part financial years see next section.

Account based pensions – pro-rata rule and '1 June rule'

Commencement date	Minimum payment required for financial year of commencement
1 July – 31 May	Minimum annual payment[1] × days remaining in financial year (including commencement day) ÷ 365 (or 366 in a leap year)
1 June – 30 June	No minimum payment required

1 **Minimum annual payment** for account based pensions commenced from 1 July to 31 May = account balance at commencement × minimum percentage (determined by recipient's age at commencement).

Term allocated pension (TAP) payment standards

Term of TAP remaining rounded in whole years	Payment factor	Term of TAP remaining rounded in whole years	Payment factor	Term of TAP remaining rounded in whole years	Payment factor
30	18.39	**20**	14.21	**10**	8.32
29	18.04	**19**	13.71	**9**	7.61
28	17.67	**18**	13.19	**8**	6.87
27	17.29	**17**	12.65	**7**	6.11
26	16.89	**16**	12.09	**6**	5.33
25	16.48	**15**	11.52	**5**	4.52
24	16.06	**14**	10.92	**4**	3.67
23	15.62	**13**	10.30	**3**	2.80
22	15.17	**12**	9.66	**2**	1.90
21	14.70	**11**	9.00	**1 or less**	1.00

Total annual income payments from a TAP must be equal to the account balance at 1 July (or the account balance on the day of commencement) divided by the relevant payment factor from the table above. Under SIS rules, a pensioner may select an annual pension payment of between 90% and 110% of the required annual amount. The table above is an abridged version. For the full table, please see the *FirstTech Super guide*.

Life expectancy tables

Life expectancy table 2020–22

Age	Male	Female
0	81.31	85.34
1	80.59	84.59
2	79.61	83.61
3	78.62	82.62
4	77.63	81.62
5	76.64	80.63
6	75.64	79.64
7	74.65	78.64
8	73.65	77.65
9	72.66	76.65
10	71.66	75.66
11	70.67	74.66
12	69.67	73.67
13	68.68	72.67
14	67.69	71.68
15	66.70	70.68
16	65.71	69.69
17	64.74	68.71
18	63.76	67.72
19	62.80	66.74
20	61.83	65.75
21	60.86	64.77

Age	Male	Female
22	59.90	63.78
23	58.93	62.80
24	57.97	61.81
25	57.01	60.83
26	56.04	59.84
27	55.08	58.86
28	54.12	57.87
29	53.16	56.89
30	52.19	55.91
31	51.23	54.92
32	50.27	53.94
33	49.31	52.96
34	48.35	51.98
35	47.40	51.00
36	46.44	50.03
37	45.49	49.05
38	44.53	48.08
39	43.58	47.11
40	42.63	46.14
41	41.68	45.17
42	40.74	44.21
43	39.80	43.24

Age	Male	Female
44	38.86	42.28
45	37.92	41.33
46	36.99	40.37
47	36.07	39.42
48	35.14	38.47
49	34.22	37.53
50	33.31	36.58
51	32.40	35.64
52	31.50	34.71
53	30.60	33.78
54	29.70	32.85
55	28.82	31.92
56	27.93	31.00
57	27.06	30.08
58	26.19	29.17
59	25.32	28.26
60	24.47	27.35
61	23.62	26.45
62	22.78	25.56
63	21.94	24.67
64	21.12	23.78
65	20.30	22.90

Age	Male	Female	Age	Male	Female	Age	Male	Female
66	19.48	22.02	**81**	8.72	10.08	**96**	2.99	3.20
67	18.68	21.15	**82**	8.14	9.42	**97**	2.81	2.99
68	17.89	20.29	**83**	7.59	8.78	**98**	2.65	2.80
69	17.10	19.43	**84**	7.06	8.16	**99**	2.50	2.63
70	16.32	18.59	**85**	6.55	7.57	**100**	2.37	2.49
71	15.56	17.75	**86**	6.08	7.01	**101**	2.25	2.36
72	14.80	16.92	**87**	5.63	6.48	**102**	2.15	2.24
73	14.06	16.10	**88**	5.21	5.98	**103**	2.06	2.14
74	13.33	15.30	**89**	4.83	5.51	**104**	1.98	2.04
75	12.62	14.50	**90**	4.48	5.09	**105**	1.90	1.96
76	11.92	13.72	**91**	4.16	4.69	**106**	1.83	1.88
77	11.24	12.96	**92**	3.88	4.33	**107**	1.77	1.81
78	10.58	12.21	**93**	3.62	4.00	**108**	1.72	1.74
79	9.94	11.48	**94**	3.39	3.71	**109**	1.67	1.68
80	9.32	10.77	**95**	3.18	3.44			

Applies to relevant pensions and annuities that commence from 1 January 2025. For previous life tables, please refer to the *FirstTech Super guide*.

Taxation of super benefits

Taxation of member benefits

Member benefits – taxation of tax-free component

	Super lump sum	Super income stream
Any age	Non-assessable non-exempt income: Tax free	Non-assessable non-exempt income: Tax free[1]

1 For capped defined benefit income streams – see *Additional taxation of defined benefit income > $125,000* section for more information.

For taxation of death benefits see *Taxation of death benefits* section.

Member benefits – taxation of taxable component (taxed element)

	Super lump sum	Super income stream
Aged 60 and above	Non-assessable non-exempt income: Tax free	Non-assessable non-exempt income: Tax free[1]
Below age 60	Assessable income: Maximum tax rate 20%[2]	Assessable income: Taxed at MTR[3]

1 For capped defined benefit income streams – see *Additional taxation of defined benefit income > $125,000* section below for more information.

2 A tax offset applies, so the taxpayer pays no more than the lower of their marginal rate and the maximum tax rate shown.

3 Disability superannuation income streams receive a 15% tax offset (see *Superannuation pension and annuity tax offset*).

For taxation of death benefits please see *Taxation of death benefits* section.

For all non-zero tax rates, Medicare levy may also apply.

Member benefits – taxation of taxable component (untaxed element)

	Super lump sum	Super income stream
Aged 60 and above	First $1.865m[1] assessable income: Maximum tax rate 15%[2]	Assessable income: Taxed at MTR less 10% tax offset[3]
	Balance over $1.865m[1] assessable income: Taxed at 45%[4]	Assessable income: Taxed at MTR less 10% tax offset[3]
Below age 60	First $1.865m[1] assessable income: Maximum tax rate 30%[2]	Assessable income: Taxed at MTR (no tax offset)
	Balance over $1.865m[1] assessable income: Taxed at 45%[4]	Assessable income: Taxed at MTR (no tax offset)

1 $1.865 million is the 2025–26 untaxed plan cap amount, per superannuation plan, indexed annually.

2 A tax offset applies, so the taxpayer pays no more than the lower of their marginal rate and the maximum tax rate shown, to the extent that the taxable component is within the relevant cap.

3 For capped defined benefit income streams – see *Additional taxation of defined benefit income > $125,000* section for more information.

4 Rates of 45% shown above are specified flat rates rather than maximum rates.

For taxation of death benefits please see *Taxation of death benefits* section.

For all non-zero tax rates, Medicare levy may also apply.

Additional taxation of defined benefit income > $125,000

Defined benefit income is income paid from a **capped defined benefit income stream**. See *FirstTech Capped Defined Benefit Income Streams Guide* for more information on capped defined benefit income streams.

The additional taxation in the table below only applies to defined benefit income in excess of $125,000 p.a. where:

- the beneficiary is age 60 or over, or
- the income stream is also a death benefit income stream, where the deceased member was age 60 or over at the time of death, and it is paid to a member under age 60.

Component	Standard tax concession applies if below $125,000	Additional tax treatment[1]
Tax-free	Non-assessable non-exempt (NANE)	If (tax-free + taxed element) exceeds $125,000 in an income year, then 50% × (tax-free + taxed element) in excess of cap is included in assessable income
Taxable (taxed element)	Non-assessable non-exempt (NANE)	
Taxable (untaxed element)	MTR less tax offset equal to 10% of the element untaxed	If the total of all components exceeds $125,000 in an income year, then the 10% offset on the untaxed element is reduced (but not below zero). Reduction = 10% × (all components - $125,000)

1 For a full explanation of the taxation of capped defined benefit income streams, please see the *FirstTech Super guide*.

Taxation of rollovers to a taxed fund

Rollover of super benefit	Tax treatment
Taxable component (untaxed element)	First $1.865m taxed at 15%[1] (paid by receiving fund) Excess taxed at 47% (withheld by paying untaxed fund)
Taxable component (taxed element)	Not subject to tax when rolled over
Tax-free component	Not subject to tax when rolled over

1 Medicare levy does not apply.

See *Death benefit rollovers* in the *FirstTech Super guide* for the special treatment of rollovers of super death benefit income streams.

Taxation of death benefits

Taxation of super lump sum death benefits

Recipient	Tax free component	Taxable component
Tax dependant	Non-assessable non-exempt income: Tax free	Non-assessable non-exempt income: Tax free
Non-tax dependant	Non-assessable non-exempt income: Tax free	Assessable income: Maximum tax rate 15% (taxed element) and 30% (untaxed element)

A dependant for tax purposes is a spouse, including a de facto or a former spouse, a child under the age of 18, a financial dependant or a person in an interdependency relationship.

Where a super lump sum death benefit is paid to a deceased member's estate, the tax treatment (to the estate) depends on the extent to which tax or non-tax dependants will (or could be expected to) benefit from the death benefit. See the *FirstTech Super guide* for further information.

For all non-zero tax rates, Medicare levy may also apply.

Taxation of income stream benefits paid from death benefit income streams

Age of deceased (at time of death)	Age of recipient	Tax free component	Taxable component
60 and above	Any age	Non-assessable non-exempt income: Tax free	Taxed element: Non-assessable non-exempt income: Tax free Untaxed element: Assessable income less 10% tax offset
Below 60	60 and above	Non-assessable non-exempt income: Tax free	Taxed element: Non-assessable non-exempt income: Tax free Untaxed element: Assessable income less 10% tax offset
	Below 60	Non-assessable non-exempt income: Tax free	Taxed element: Assessable income less 15% tax offset Untaxed element: Assessable income (no tax offset)

For all assessable amounts, Medicare levy may also apply.

Modified tax treatment may apply for capped defined benefit income streams – see *Additional Taxation of defined benefit income > $125,000* section for further information.

Self-managed superannuation funds (SMSFs)

LRBA real property – safe harbour terms

Loan terms & conditions	Safe harbour requirements
Interest rate – fixed or variable	2025–26: 8.95% 2024–25: 9.35%
Loan term	Variable interest rate loan (original) – 15-year maximum loan term (for both residential and commercial) Variable interest rate loan (re-financing) – maximum loan term is 15 years less the duration(s) of any previous loan(s) relating to the asset (for both residential and commercial)
Maximum loan to value ratio	Maximum 70% LVR for both commercial and residential property

LRBA equities – safe harbour terms

Loan terms & conditions	Safe harbour requirements
Interest rate – fixed or variable	2025–26: 10.95% 2024–25: 11.35%
Loan term	Variable interest rate loan (original) – 7-year maximum loan term Variable interest rate loan (re-financing) – maximum loan term is 7 years less the duration(s) of any previous loan(s) relating to the collection of assets.
Maximum loan to value ratio	Maximum 50% LVR

For further information on the safe harbour guidelines refer to PCG 2016/5.

Tax rates

Resident individuals – income tax rates

Taxable income	Tax rates 2025–26
$0 – $18,200	0%
$18,201 – $45,000	16% over $18,200
$45,001 – $135,000	$4,288 + 30% over $45,000
$135,001 – $190,000	$31,288 + 37% over $135,000
$190,001+	$51,638 + 45% over $190,000

Rates shown do not include the Medicare levy or the Medicare levy surcharge.

Effective tax-free income thresholds 2025–26

Marital status	Eligible for	Taxable income
Single or member of a couple	LITO	$22,575
Single	LITO & SAPTO	$35,813
Member of a couple (each)	LITO & SAPTO	$31,888

For full details of assumptions and calculations, please see the *FirstTech Quick Reference Guide – Effective tax-free income thresholds*.

Non-resident individuals – income tax rates

Taxable income	Tax rates 2025–26
$0 – $135,000	30%
$135,001 – $190,000	$40,500 + 37% over $135,000
$190,001+	$60,850 + 45% over $190,000

A non-resident is generally only taxable on Australian sourced income.
Non-residents do not pay the Medicare levy or the Medicare levy surcharge.

Working holiday makers – income tax rates

Taxable income	Tax rates 2025–26
$0 – $45,000	15%
$45,001 – $135,000	$6,750 + 30% over $45,000
$135,001 – $190,000	$33,750 + 37% over $135,000
$190,001+	$54,100 + 45% over $190,000

Rates shown do not include the Medicare levy or the Medicare levy surcharge.

Note: As a result of the 2021 Federal and High Court decision in *Addy v Commissioner of Taxation*, eligible working holiday makers may be taxed on the same basis as a resident Australian national if they are both:

- from a non-discrimination article (NDA) country
- an Australian resident for tax purposes.

For further information please see *Taxation of Australian resident WHMs from NDA countries* at ato.gov.au

Working holiday maker

A working holiday maker is an individual who holds:

- a Subclass 417 (Working Holiday) visa
- a Subclass 462 (Work and Holiday) visa or
- certain related bridging visas.

Minors (resident individuals) – income tax rates

Eligible taxable income	Tax payable 2025–26
$0 – $416	Nil
$417 – $1,307	Greater of: • 66% of the excess over $416, and • the difference between tax on the whole of taxable income and tax on non-eligible taxable income
$1,308+	45% on the whole of the eligible taxable income

Rates shown above do not include the Medicare levy or the Medicare levy surcharge.

Eligible taxable income

- generally income derived by a minor that is not from their personal exertion
- generally taxed at the top marginal tax rate and is not eligible for the low income tax offset (LITO)
- may include dividends, interest, rent, royalties, and managed fund and family trust distributions.

Non-eligible taxable income

- excepted income or income where a minor is an excepted person, e.g. a disabled minor
- taxed at general resident tax rates or at non-resident rates where the minor is a prescribed non-resident
- eligible for LITO
- may include income from work, compensation payments and inheritances.

Company tax rates

Company type	Tax rate 2025–26
Base rate entity	25%
Company other than base rate entity	30%

Base rate entities

To qualify as a base rate entity, the entity must have aggregated turnover of less than $50 million. From 1 July 2017, an entity will only be a base rate entity if no more than 80% of its assessable income for the year of income is 'base rate entity passive income'. Base rate entity passive income includes: distributions, franking credits, non-share dividends, interest, royalties, rent, gains on qualifying securities and net capital gains.

Taxation of entities

Entity or benefit	Tax payable 2025–26
Complying superannuation fund	15%
Non complying superannuation fund	45%
Insurance bonds (issued by life insurance company)	30%[1]
Friendly society bonds	30%[1]
Fringe benefits	47%

1 Investor tax offset is 30% on assessable withdrawals.

Note: The Government has announced it intends to introduce a Bill that would apply an additional 15% tax on the amount of a member's superannuation earnings that are attributable to the amount of their total superannuation balance that exceeds $3m. However, at the time of writing the Bill to impose this tax had not been introduced into parliament. For more information, please contact FirstTech.

Withholding tax for non-resident individuals

Income type	Comments	General rate
Franked dividends	Generally exempt from withholding tax	0%
Unfranked dividends	If recipient's country of residence has tax treaty with Australia[1]	15%
	If no tax treaty with Australia	30%
Interest	Unless a tax treaty provides a lower rate[1]	10%
Royalties	If recipient's country of residence has tax treaty with Australia[1]	15%
	If no tax treaty with Australia	30%
Capital gains on taxable Australian real property	For contracts entered into on or after 1 January 2025, where a non-resident disposes of taxable Australian real property, the purchaser must withhold 15% of the market value of the property and pay that amount to the ATO. The withheld amount is then used to offset the non-resident's CGT liability. For more information please see ATO page *Foreign resident capital gains withholding overview*	15%
Other income (e.g. capital gains on taxable Australian property other than real property, rent)	No withholding tax, but subject to non-resident income tax rates	N/A

Income type	Comments	General rate

Distributions from managed funds (excluding franked dividends, unfranked dividends, interest and royalties)	• **From non-taxable Australian property**, e.g. realised capital gains on listed shares – no withholding tax
	• **Other income**, e.g. rent and realised capital gains on taxable Australian real property
	  • Resident in information exchange country[2] and:
	    • not attributable to a clean building MIT or non-concessional MIT income
	    • attributable to payments from a clean building MIT
	    • attributable to non-concessional MIT income
	  • Not a resident of an information exchange country
		N/A
		
		15%
		10%
		30%
		30%

Departing Australia Superannuation Payment (DASP) not WHM[3]	Tax-free component Taxable component (taxed) Taxable component (untaxed)	0% 35% 45%
Departing Australia Superannuation Payment (DASP) WHM[3]	Tax-free component Taxable component (taxed) Taxable component (untaxed)	0% 65% 65%
Superannuation lump sums (taxed funds)	If age 60 or over If under age 60, see *Taxation of super benefits* section. Also subject to tax treaty. Medicare levy is not applicable to super lump sums paid to non-residents.	0%
Superannuation pension payments	If age 60 or over If under age 60	0% Depends on tax treaty

1 If Australia has a tax treaty with the recipient's country of residence and a lower rate is specified in the treaty, the lower rate will apply. Always refer to the specific treaty for any variations in the general rates shown.

2 A fund payment made to a resident of an 'information exchange country' will be subject to a withholding tax of 10%, 15% or 30%. See Reg 34 *Taxation Administration Regulations 2017* for a list of information exchange countries, and see section 4 *Income Tax (Managed Investment Trust Withholding Tax) Act 2008* for applicable tax rates.

3 A working holiday maker at a particular time is someone who holds, at that time – a Subclass 417 (Working Holiday) Visa or a Subclass 462 (Work and Holiday) Visa or a bridging visa in relation to an application for a 417 or 462 visa. If the payment includes superannuation contributions made while a person held either a subclass 417 (Working Holiday) visa, or 462 (Work and Holiday) visa – and/or an associated bridging visa the 65% rate applies to the entire taxable component of the withdrawal.

Medicare levy thresholds

The full Medicare levy is **2.0% of taxable income**. A reduced Medicare levy applies where taxable income is below the thresholds in the table below.

2024–25

Income category	No levy payable if taxable income is below:	Reduced levy payable if taxable income does not exceed:
Taxpayers entitled to seniors and pensioners tax offset (SAPTO)		
Individual	$43,020[1]	$53,775[2]
Family (combined income)[3]	$59,886	$74,857
For each dependent child or student, add:	$4,216	$5,270
All other taxpayers		
Individual	$27,222[1]	$34,027[2]
Family (combined income)[3]	$45,907	$57,383
For each dependent child or student, add:	$4,216	$5,270

1 Medicare levy is not payable if an individual's taxable income is below this threshold. Where an individual's taxable income is more than the threshold, they may not be liable to pay Medicare levy if they are a member of a couple or a sole parent and their family income is below the family threshold.

2 Where an individual's taxable income exceeds this threshold, the individual may still qualify for a Medicare levy reduction based on their family taxable income if they are a member of a couple or a sole parent.

3 Family (combined income) thresholds apply to a couple or a sole parent.

Reduced Medicare levy

Individual reduced levy = 0.10 × (taxable income - relevant taxable income threshold).

Family reduced levy is more complex and is based on family income (combined taxable income of taxpayer and spouse).

Medicare levy surcharge (MLS)

For 2025–26, individuals and families on incomes above the MLS thresholds are liable to pay the MLS for any period during the income year that they, or their dependants, did not have private patient hospital cover.

	Base tier	Tier 1	Tier 2	Tier 3
Singles	$101,000 or less	$101,001–$118,000	$118,001–$158,000	$158,001 or more
Families	$202,000 or less	$202,001–$236,000	$236,001–$316,000	$316,001 or more
Rates	0.0%	1.0%	1.25%	1.5%

If there is more than one dependent child, these thresholds are increased by $1,500 for each child after the first.

The single threshold is indexed to average weekly ordinary time earnings and increased in $1,000 increments (rounded down).

The family thresholds are double the relevant singles threshold.

Income for Medicare levy surcharge and private health insurance rebate (income for surcharge purposes)

Taxable income
+ The amount on which family trust distribution tax has been paid
+ Reportable fringe benefits
+ Reportable superannuation contributions
+ Total net investment losses (financial investments and rental properties)
– Assessable First Home Super Saver released amounts

Capital gains tax treatment of assets disposed of on or after 21 September 1999

Owner	Acquisition date	Asset held for	Assessable capital gain
Individual, company, trust	Before 20 Sep 1985	Any length of time	Generally no CGT payable
Superannuation fund	Before 30 Jun 1988	More than 12 months	Choice of: **1 disposal proceeds - frozen cost base,[1,2] or** **2 (1 - $\frac{1}{3}$) × (disposal proceeds - cost base[1])**
Any	From either of the above dates (as applicable) to 20 Sep 1999	More than 12 months	Choice of: **1 disposal proceeds - frozen cost base[2] or** **2 (1 - discount %) × (disposal proceeds - cost base[3])**
Any	On or after 21 Sep 1999	12 months or less	Disposal proceeds - cost base[3]
		More than 12 months	(1 - discount %) × (disposal proceeds - cost base[3])

1 Cost base is the greater of the asset's market value on 30 June 1988 and the original purchase price.

2 Cost base indexed by an indexation factor = CPI for quarter ended 30 Sept 1999 / CPI for quarter in which asset acquired. Refer to *CPI numbers for CGT calculations*.

3 Cost base not indexed.

Discount % varies with owner – 50% for individuals and trusts, 33$\frac{1}{3}$% for superannuation funds. Companies are not eligible for CGT discount.

50% discount not available to non-residents in respect of capital gains that accrue from 8 May 2012.

Special rules apply for assets acquired through a deceased estate and some other special categories of assets (e.g. main residence).

Net capital gain is included in assessable income and taxed at marginal tax rates for individuals and trusts, 15% for superannuation funds and 30% for companies (25% for companies that are base rate entities).

CPI numbers for CGT calculations

The ABS changed the index reference base in September 2012 from 1989–90 to 2011–12. As a result all CPI rates have been reset and the previous rates no longer apply.

Year	March quarter	June quarter	September quarter	December quarter
1985	–	–	39.7	40.5
1986	41.4	42.1	43.2	44.4
1987	45.3	46.0	46.8	47.6
1988	48.4	49.3	50.2	51.2
1989	51.7	53.0	54.2	55.2
1990	56.2	57.1	57.5	59.0
1991	58.9	59.0	59.3	59.9
1992	59.9	59.7	59.8	60.1
1993	60.6	60.8	61.1	61.2
1994	61.5	61.9	62.3	62.8
1995	63.8	64.7	65.5	66.0
1996	66.2	66.7	66.9	67.0
1997	67.1	66.9	66.6	66.8
1998	67.0	67.4	67.5	67.8
1999	67.8	68.1	68.7	–

CGT indexation frozen at September quarter 1999.

Tax offsets

Low income tax offset (LITO)

2025–26 Taxable income (TI)	Maximum offset
$0 – $37,500	$700
$37,501 – $45,000	$700 - [(TI - $37,500) × 0.05]
$45,001 – $66,666	$325 - [(TI - $45,000) × 0.015]
$66,667+	Nil

The low income tax offset is only available to Australian residents.

Seniors and pensioners tax offset (SAPTO)

2025–26 Family situation	Maximum tax offset	Income shade-out threshold	Income cut-out threshold
Single	$2,230	$34,919	$52,759
Couple (each)	$1,602	$30,994	$43,810
Couple separated because of illness (each)	$2,040	$33,732	$50,052

The maximum amount of SAPTO is not subject to indexation. It is reduced by 12.5 cents for each $1 of income exceeding the income shade-out threshold.

Income for SAPTO is 'rebate income' which is the sum of the individual's taxable income, reportable superannuation contributions, total net investment loss and adjusted fringe benefits total.

Partnered senior Australians can transfer any unused portion of their tax offset to their partner.

Medicare levy does not apply for taxable income below the shade-out threshold.

Eligibility criteria for SAPTO

- Either:
    - the individual is Age Pension age or Service Pension age or older (for at least one day of income year) and eligible to receive Age Pension or DVA pension, allowance or benefit (even if none paid because of income or assets test), or
    - the assessable income of the individual includes an amount of Social Security pension, Education Entry Payment, Service Pension, Carer Service Pension, or Income Support Supplement, and
- the individual is not in prison on at least one day during the income year, and
- the individual's rebate income is below the income cut-out threshold
    - for a whole-of-year couple, offset eligibility of each partner is determined by their combined rebate income level (i.e. less than $87,620 or less than $100,104 if illness-separated), whereas offset entitlement is calculated on the basis of the individual's rebate income.

Private health insurance tax rebate

From 1 July 2025 a person's eligibility for the rebate will be determined based on the following income tiers:

	Base tier	Tier 1	Tier 2	Tier 3
Singles	$101,000 or less	$101,001–$118,000	$118,001–$158,000	$158,001 or more
Families	$202,000 or less	$202,001–$236,000	$236,001–$316,000	$316,001 or more
Rebate[1] from 1 April 2025				
Aged under 65	24.288%	16.192%	8.095%	0%
Aged 65 to 69	28.337%	20.240%	12.143%	0%
Aged 70 or over	32.385%	24.288%	16.192%	0%

1 Rebate percentages are adjusted annually on 1 April each year.

Income is income for Medicare levy surcharge purposes.

Spouse contributions tax offset

2025–26		
Receiving spouse's relevant income (RI)	Maximum rebatable contributions (MRC)	Maximum offset is 18% of the lesser of:
$0 – $37,000	$3,000	MRC or total spouse contributions
$37,001 – $40,000	$3,000 - (RI - $37,000)	MRC or total spouse contributions
$40,000 +	Nil	Nil

Additional eligibility criteria

- tax offset of 18% on up to $3,000 in spouse contributions
- maximum offset available to contributor is $540
- relevant income (RI) is assessable income (disregarding any FHSS released amounts) + reportable fringe benefits total + reportable employer super contributions
- spouse receiving the contribution has not exceeded their non-concessional contributions cap for the financial year in which the spouse contribution is made
- spouse receiving the contribution must have a total superannuation balance of less than $2 million on 30 June prior to the financial year of the spouse contribution
- spouse receiving the contribution must be under age 75 (including 28 days after the end of the month the spouse turns 75).

Spouse contributions are classified as non-concessional contributions.

Superannuation pension and annuity tax offset

2025–26 Age and income stream type	Tax offset available for taxable component Taxed element	 Untaxed element
Beneficiary under age 60		
All income streams except disability or death	Nil offset	Nil offset
Disability income stream	15%	Nil offset
Death benefit income stream		
• where deceased died age 60 or over	N/A[1]	10%[2]
• where deceased died under age 60	15%	Nil offset
Beneficiary is age 60 or above		
All income streams	N/A[1]	10%[2]

1 Income payments are non-assessable non-exempt income, so offset is not applicable (N/A).

2 The 10% tax offset is effectively limited to a maximum of $12,500, for capped defined benefit income streams. See the *FirstTech Capped Defined Benefit Income Streams Guide* for more information on capped defined benefit income streams.

Employment termination payments

A payment is an employment termination payment (ETP) if it is received by a taxpayer in consequence of the termination of their employment or after another person's death, in consequence of the termination of the other person's employment.
It must generally be received no later than 12 months after the termination.

Tax-free amount of genuine redundancy and early retirement scheme payments

Tax-free amount of genuine redundancy and early retirement scheme payments in 2025–26
$13,100 + ($6,552 × each complete year of service)

This amount is not subject to tax, and is not classified as an ETP.

The balance of the payment is an ETP and may be split into a tax-free and a taxable component. See *ETPs – taxation of taxable component*.

Age limit for genuine redundancy and early retirement

The age limit to receive concessional tax treatment on genuine redundancy and early retirement scheme payments has been extended from 65 to Age Pension age. Concessional tax treatment applies up to Age Pension age as long as the dismissal or retirement occurs on or after 1 July 2019 and an earlier age of compulsory retirement for the particular position does not apply.

Payments that are, and are not, ETPs

ETPs include:	ETPs do not include:
Unused rostered days off	Superannuation benefits
Payments in lieu of notice	Pensions or annuities
Unused sick leave	Unused annual leave payments
Gratuities or 'golden handshakes'	Unused long service leave payments
Payments because of the employee's invalidity (permanent disability, other than compensation for personal injury)	An amount included in assessable income under an employee share scheme
Genuine redundancy payment or an early retirement scheme payment in excess of the tax-free amount	The tax-free part of a genuine redundancy payment or an early retirement scheme payment
Compensation for loss of job	Foreign termination payments
Compensation for wrongful dismissal	A payment made by a company or trust of a CGT exempt amount under the retirement exemption
Payments for loss of future super payments	A payment that is an advance or a loan on arm's length terms
Certain payments made on the death of an employee	A payment that is deemed to be a dividend
	A capital payment for personal injury
Note: the part of any amount above that is included in the tax-free amount of a genuine redundancy payment or approved early retirement scheme payment, is not an ETP.	A capital payment in respect of restraint of trade
	A commutation of a pension to pay superannuation contributions surcharge

ETPs – tax-free component

In all cases, the tax-free component of an ETP is non-assessable, non-exempt income and is not subject to tax.

Life benefit ETPs – taxation of taxable component

	Age	Max rate of tax 2025–26	
ETPs that are 'excluded payments'[1]	Over preservation age	First $260,000:[2]	15%[3]
		Above $260,000:[2]	45%[4]
	Under preservation age	First $260,000:[2]	30%[3]
		Above $260,000:[2]	45%[4]
Whole-of-income cap[5]	Over preservation age	First $180,000:[6]	15%[3]
		Above $180,000:[6]	45%[4]
	Under preservation age	First $180,000:[6]	30%[3]
		Above $180,000:[6]	45%[4]

1 Apply the ETP cap to 'excluded payments' (see ETPs that are excluded payments).

2 ETP cap amount for 2025–26 is $260,000 and is reduced by any earlier ETPs paid to the taxpayer in the same income year, and by any earlier ETPs for the same termination regardless of when they are paid to the taxpayer. The ETP cap is indexed to AWOTE in $5,000 increments.

3 A tax offset applies, so the taxpayer pays no more than the lower of their marginal rate and the maximum tax rate shown, to the extent that the taxable component is within the relevant cap.

4 Rates of 45% shown above are specified flat rates rather than maximum rates.

5 For ETPs that are not excluded payments, apply the lesser of the ETP cap and the whole-of-income cap. Unless there are multiple payments to the employee for the same termination, the whole-of-income-cap will generally be the lesser amount.

6 The whole-of-income cap is reduced by any other taxable payments other than the ETP (such as salary and the taxable components of earlier ETPs) received by the employee in the same income year. The $180,000 whole-of-income cap is not indexed.

For all non-zero tax rates, Medicare levy may also apply.

Preservation age is assessed on the last day of the financial year.

Life benefit ETPs that are excluded payments

- genuine redundancy payments that **exceed the tax-free amount**
- early retirement scheme payments that **exceed the tax-free amount**
- payments that would have been genuine redundancy or early retirement scheme payments had the employee not reached their Age Pension age or earlier mandated retirement age
- invalidity payments (only the amount not included in the tax-free component is subject to the ETP cap)
- compensation payments principally for personal injury, unfair dismissal, harassment or discrimination.

Only the ETP cap is applied to excluded payments.

Life benefit ETPs that are not excluded payments

Examples of life benefit ETPs that are not excluded payments:

- golden handshakes and gratuities
- non-genuine redundancy payments
- payments in lieu of notice that would also be payable on voluntary termination
- payments for unused sick leave or unused rostered days off that would also be payable on voluntary termination.

For ETPs that are not excluded payments, the lesser of the ETP cap and the whole-of-income cap is applied.

Death benefit ETPs – taxation of taxable component

Death benefit ETP paid to	Max rate of tax 2025–26	
Dependant (any age)	First $260,000:[1] Above $260,000:[1]	Not subject to tax 45%[2]
Non-dependant (any age)	First $260,000:[1] Above $260,000:[1]	30%[3] 45%[2]

1 ETP cap amount for 2025–26 is $260,000 and is indexed to AWOTE in $5,000 increments.

2 Rates of 45% shown above are specified flat rates rather than maximum rates.

3 A tax offset applies, so the taxpayer pays no more than the lower of their marginal rate and the maximum tax rate shown, to the extent that the taxable component is within the ETP cap.

The whole of income cap does not apply to death benefit ETPs. The tax-free component of a death benefit termination payment is non-assessable, non-exempt income. For all non-zero tax rates the Medicare levy may also apply except where paid to the deceased employee's estate.

Unused long service leave payments

Type of payment	Amount	Maximum tax rate
On resignation or retirement		
Pre-16 August 1978 service	5%	Marginal tax rates
16 Aug 1978 to 17 Aug 1993	100%	30%
Balance of service	100%	Marginal tax rates
On genuine redundancy, invalidity or early retirement		
Pre-16 August 1978 service	5%	Marginal tax rates
Balance of service	100%	30%

A tax offset applies, so the taxpayer pays no more than the lower of their marginal rate and the maximum tax rate shown.

For all non-zero tax rates, the Medicare levy may also apply.

Unused annual leave payments

Type of payment	Amount	Maximum tax rate
On resignation or retirement		
Pre-18 August 1993 service	100%	30%
Balance of service	100%	Marginal tax rates
On genuine redundancy, invalidity or early retirement		
All service	100%	30%

A tax offset applies, so the taxpayer pays no more than the lower of their marginal rate and the maximum tax rate shown.

For all non-zero tax rates, the Medicare levy may also apply.

Social Security

Pensions

Age Pension age

Date of birth	Age (male and female)
Prior to 1 July 1952	65
1 July 1952 – 31 December 1953	65.5
1 January 1954 – 30 June 1955	66
1 July 1955 – 31 December 1956	66.5
1 January 1957 and later	67

Pensions include Age Pension, Disability Support Pension, Carer Payment, DVA Age and Invalidity Service Pension.

For veterans, DVA Service Pension age is age 60.

For non-veteran spouses, DVA Service Pension age is the Centrelink Age Pension age.

Maximum rate of pension

Pension component	Single pf[1]	Single pa[1]
Basic rate	$1,051.30	$27,333.80
Maximum pension supplement[2]	$83.60	$2,173.60
Energy supplement	$14.10	$366.60
Total	$1,149.00	$29,874.00

Pension component	Couple (each) pf	Couple (each) pa
Basic rate	$792.50	$20,605.00
Maximum pension supplement[2]	$63.00	$1,638.00
Energy supplement	$10.60	$275.60
Total pf	$866.10	$22,518.60

Amounts shown are for the period 20 Mar 2025 – 19 Sep 2025.

Maximum pension rate is indexed 20 March and 20 September.

1 Applies to each member of an illness separated couple.

2 Includes minimum pension supplement of $45.00 (singles) and $33.90 (couple each).

Pension assets test

Assets test	For full pension	Cut-off limit
Single homeowner	$321,500	$704,500
Single non-homeowner	$579,500	$962,500
Couple homeowner (combined)	$481,500	$1,059,000
Couple non-homeowner (combined)	$739,500	$1,317,000
Illness-separated couple homeowner (combined)	$481,500	$1,247,500
Illness-separated couple non-homeowner (combined)	$739,500	$1,505,500

Amounts shown are for the period 1 Jul 2025 – 19 Sep 2025.

The lower asset threshold is indexed 1 July and asset cut-off limits are indexed 20 March, 1 July and 20 September.

Maximum pension reduced by $3pf for every $1,000 of assets over the lower threshold for a single person and $1.50pf for each member of a couple.

Cut-off limits are higher if client qualifies for rent assistance.

Pension income test

Family situation	Fortnightly income for full pension	Cut-off limit
Single	Up to $218	Less than $2,516.00
Couple (combined)	Up to $380	Less than $3,844.40
Couple, illness separated (combined)	Up to $380	Less than $4,976.00

Amounts shown are for the period 1 Jul 2025 – 19 Sep 2025.

The lower threshold is indexed every 1 July and income cut-off limits are indexed every 20 March, 1 July and 20 September.

Maximum pension reduced by 50 cents for every dollar over the lower threshold for a single person and 25 cents for every dollar for each member of a couple.

Cut-off limits are higher if client qualifies for rent assistance.

Age Pension – asset ranges for income or asset testing

	Max age pension in this asset range	Reduced age pension under income test in this asset range	Reduced age pension under asset test in this asset range
Single homeowners	$0 to $318,977	$318,978 to $321,925	$321,926 to $704,500
Couple homeowners	$0 to $481,500	N/A	$481,501 to $1,059,000
Single non-homeowners	$0 to $318,977	$318,978 to $623,408	$623,409 to $962,500
Couple non-homeowners	$0 to $543,511	$543,512 to $772,531	$772,532 to $1,317,000

Amounts shown are for the period 1 Jul 2025 – 19 Sep 2025.

This table demonstrates whether an individual will receive the maximum rate of age pension, or a reduced pension under either the income or assets test based on their level of assessable assets. It assumes $10,000 in non-income producing assets and the remainder subject to deeming. Note, using different assumptions will provide different results.

Allowances

JobSeeker Payment – maximum rate of payment

Family situation	Fortnightly[1]	Yearly[1]
Single, 22 or over, no child(ren)	$789.90	$20,537.40
Single, 22 or over, dependant children but not the principal carer	$846.00	$21,996.00
Single, principal carer with dependant children[2]	$852.80	$22,172.80
Single, 55 or over, after 9 months on payment[2]	$852.80	$22,172.80
Single, 22 or over, partial capacity to work (0–14 hours)[2]	$852.80	$22,172.80
Member of a couple (each)[3]	$723.00	$18,798.00

Rates shown are for the period 20 Mar 2025 – 19 Sep 2025.

1 Includes Energy Supplement.

2 Includes Pharmaceutical allowance of $6.80 pf.

3 Pharmaceutical Allowance of $3.40pf is also payable if 55 or over (after 9 months on payment).

JobSeeker Payment assets test

Family situation	Asset threshold
Single homeowner	$321,500
Single non-homeowner	$579,500
Couple homeowners (combined)	$481,500
Couple non-homeowners (combined)	$739,500

Amounts shown are for the period 1 Jul 2025 – 30 Jun 2026.

No payment if allowance applicant's assets exceed above asset threshold.

JobSeeker Payment – personal income test

Family situation	Lower threshold pf	Upper threshold pf	Cut-off threshold pf
Single, 22 or over, no child(ren)	$150	$256	$1,484.17
Single, 22 or over, dependant children but not the principal carer	$150	$256	$1,577.67
Single, principal carer with dependant children[1]	$150	N/A	$2,282.00
Single, 55 or over, after 9 months on payment[1]	$150	$256	$1,589.00
Single, 22 or over, partial capacity to work (0-14 hours)[1]	$150	$256	$1,589.00
Member of a couple (each)	$150	$256	$1,372.67

Amounts shown are for the period 20 Mar 2025 – 19 Sep 2025.

1 Includes Pharmaceutical Allowance of $6.80 pf.

Cut-off thresholds are indexed 20 March and 20 September.

Fortnightly income between $150 and $256 reduces fortnightly JobSeeker Payment by 50 cents in the dollar. Income above $256 reduces fortnightly JobSeeker Paymentby 60 cents in the dollar.

For single, principal carers with dependant children, income above $150 pf reduces fortnightly JobSeeker Payment by 40 cents in the dollar.

For couples where one receives JobSeeker Payment and the other receives a pension, half the combined income of the couple is applied to the personal income test.

Cut-off limits are higher if client qualifies for rent assistance.

JobSeeker Payment – partner income test

Partner income test[1]	Partner income threshold pf	Partner cut-off threshold[2] pf
Client receiving JobSeeker payment	$1,373.00	$2,578.00

Rates shown are for the period 20 Mar 2025 – 19 Sep 2025.

1 Partner income test applies where client is a member of a couple and the partner is not a Centrelink or DVA pensioner. Please see the *FirstTech Social Security Guide* for further information on income testing for couples where one member of the couple is a pensioner.

2 Partner cut-off threshold assumes the client is earning less than $150 pf. For clients receiving JobSeeker Payment, the partner's fortnightly income that exceeds $1,373 reduces fortnightly allowance by 60 cents in the dollar. This allows a person with income below $150 pf to receive the JobSeeker Payment provided their partner earns less than $2,578.00 pf ($67,028 per annum).

Carer Allowance – maximum rate of payment

Status	Fortnightly
Payable in respect of each person receiving care	$159.30

Indexed 1 January each year.

Carer Allowance assets test

There is no assets test for Carer Allowance.

Carer Allowance income test

Description	Yearly
Combined annual income of carer and partner must be under	$250,000

Income for Carer Allowance income test

- Adjusted Taxable Income (ATI)
- Deemed income from account-based pensions held by a client, or partner, who is **age 60** or over.

Adjusted Taxable Income (ATI)

Taxable income

+ assessable fringe benefits exceeding $1,000

+ target foreign income

+ total net investment loss

+ tax-free Government pensions or benefits

+ Paid Parental Leave income

+ reportable superannuation contributions

- deductible child maintenance expenditure

- assessable First Home Super Saver released amounts.

Concession cards

Commonwealth Seniors Health Card (CSHC)

Family situation	Annual income limit[1]
Single	$99,025
Couple (combined)	$158,440
Couple, illness-separated (combined)	$198,050
For each additional child add	$639.60

Amounts shown are for the period 1 Jul 2025 – 19 Sep 2025.

1 Income for CSHC is adjusted taxable income (see previous table) plus deeming on non-grandfathered account-based pensions held by a client, or partner, who is age 60 or over.

Pensioners over Age Pension age who lost entitlement to the pension on 1 January 2017 due to the asset test changes were issued with a non-income tested CSHC.

Low income health care card – new applicants

To be eligible for a low income health care card, average gross income must be below the applicable limit for the eight-week period prior to lodging a new claim or renewal.

Status	Weekly income	Eight-weekly income
Single, no children	$786.00	$6,288.00
Couple (combined), no children	$1,343.00	$10,744.00
Single, one dependant child	$1,343.00	$10,744.00
Additional amount for each dependant child	$34.00	$272.00

Amounts shown are for the period 20 Mar 2025 – 19 Sep 2025.

Low income health care card – existing cardholders

Once a low income health care card has been issued, average weekly income over any eight-week period must not exceed the applicable limit for any eight-week period (from date of issue of the card to its expiry date).

Status	Weekly income	Eight-weekly income
Single, no children	$982.50	$7,860.00
Couple (combined), no children	$1,678.75	$13,430.00
Single, one dependant child	$1,678.75	$13,430.00
Additional amount for each dependant child	$42.50	$340.00

Amounts shown are for the period 20 Mar 2025 – 19 Sep 2025.

Deeming rates

Rate	Single	Pensioner couple (combined)[1]	Non Pensioner couple (each)[2]
0.25%	First $64,200 ($160.50)	First $106,200 ($265.50)	First $53,100 ($132.75)
2.25%	Excess	Excess	Excess

Thresholds shown are for the period 1 Jul 2025 – 30 Jun 2026.

1 At least one member receives a pension.

2 Neither receives a pension. Each member is tested separately on their personal financial investments.

The lower deeming rate was frozen at 0.25% and the upper rate was frozen at 2.25% until 30 June 2025. At the time of writing, these rates had not changed.

Under the sale proceeds exemption, principal homes sold after 1 January 2023 will have the proceeds from the sale of the principal home that are intended for the purchase of a new principal home and invested in a financial investment, deemed at the lower rate of 0.25% for income test purposes, during the period when the sale proceeds are exempt from the assets test (up to 24 months).

Financial investments for deeming

Cash
Term deposits
Managed investments
Listed shares and securities
Bonds
Debentures
Unsecured notes
Bank bills
Loans made to individuals
Shares in unlisted public companies
Gold and other bullion
Investments in superannuation and rollover funds held by those who are over age pension age
Deprived assets
Asset tested income streams (short-term)
Account based pensions (except those commenced prior to 1 January 2015, and to which grandfathering rules apply).

Other

Extra allowable amount

$258,000

Rates shown are for the period 1 Jul 2025 – 30 Jun 2026.

Exempt funeral bonds

$15,750

Rates shown are for the period 1 Jul 2025 – 30 Jun 2026.

Work Bonus

Work bonus	Amount
Work Bonus available	$300 pf
Maximum amount of accrued Work Bonus balance	$11,800[1]
Starting work bonus balance for new pensioners[1]	$4,000

1 From 1 December 2022, the maximum amount of work bonus balance that can be accrued increased from $7,800 to $11,800 and new pensioners receive an initial work bonus balance of $4,000.

DVA benefits

Benefit	Means tested	Taxable
Service Pension	Yes	Yes[1]
Partner Service Pension	Yes	Yes[2]
Permanent Impairment Payment	No	No
Disability Compensation Payment	No	No
War Widow(er)'s Pension	No	No
Income Support Supplement (ISS)	Yes	Yes[3]

1 Service Pension Invalidity is not taxable where the recipient is under pension age.

2 Partner Service Pension is not taxable where the veteran is receiving invalidity service pension and both the veteran and their spouse are under pension age.

3 ISS is not taxable in some situations where the recipient is under pension age.

For more information on Service Pension, refer to www.dva.gov.au/financial-support/income-support/service-pension/age-and-invalidity-service-pension

For more information on any of the other benefits above see DVA website: www.dva.gov.au

Aged Care

Aged Care rates and thresholds apply to the periods noted under each table. For current rates see the FirstTech Pocket Guide (mobile version) or Aged care quick reference guide.

Residential aged care

The following rates and thresholds impact residents who first enter an aged care facility on or after 1 July 2014.

Note that substantial changes to residential aged care rules, fees and charges are expected to apply to most people entering an aged care facility on or after 1 November 2025. The information in this section does not include these new rules.

For further information about these important changes, see the FirstTech Aged Care Guide and FirstTech Aged Care quick reference guide.

Basic daily care fee

Description	Fee
Basic daily care fee (per day)	$63.82

Payable by all residential aged care recipients.

Thresholds are current for the period: 1 Jul 2025 – 19 Sep 2025.

Means tested care fee

Means tested care fee is the lesser of:	
Means tested amount minus $69.79 (per day)	
Cost of care[1]	
Annual cap	$34,311.23
Lifetime cap	$82,347.13

1 From 1 July 2025, the highest cost of care is $407.33 per day including primary supplements.

Note, where a client's calculated means tested care fee would otherwise be less than $1 per day, it is reduced to Nil.

Thresholds are current for the period: 1 Jul 2025 – 19 Sep 2025.

Note, different rules are expected to apply to most people entering an aged care facility from 1 November 2025. See the FirstTech Aged Care Guide for further information.

Means tested amount

Means tested amount per day

Income tested amount + asset tested amount

Income tested amount

(Total assessable income – income free area) × 50% / 364

Assessable income

Total assessable income
Income assessable for Centrelink/DVA purposes (50% of combined value for member of couple)
Centrelink/DVA income support payments for singles and members of an illness separated couple (less supplements of $1,536.60 p.a.)
DVA war widows pension (no qualifying service) less 4% GST supplement
DVA disability pension (recipient or partner no qualifying service) less 4% GST supplement

Thresholds are current for the period: 1 Jul 2025 – 19 Sep 2025.

Note, different rules are expected to apply to most people entering an aged care facility from 1 November 2025. See the FirstTech Aged Care Guide for further information.

Income free area

Family situation	Amount
Single	$34,005.40
Member of illness separated couple	$33,277.40

Thresholds are current for the period: 1 Jul 2025 – 19 Sep 2025.

Note, different rules are expected to apply to most people entering an aged care facility from 1 November 2025. See the FirstTech Aged Care Guide for further information.

Asset tested amount

The asset tested amount for a client (single or member of illness separated couple) is calculated as follows.

Assessable assets	Asset tested amount
$0 to $61,500	Nil
$61,500 to $206,663.20	17.5% of assessable assets over $61,500
$206,663.20 to $496,989.60	$25,403.56 + 1% of assessable assets over $206,663.20
More than $496,989.60	$28,306.82 + 2% of assessable assets over $496,989.60

Total of the calculated amount above is divided by 364 to get daily amount.

Thresholds are current for the period: 1 Jul 2025 – 19 Sep 2025.

Note, different rules are expected to apply to most people entering an aged care facility from 1 November 2025. See the FirstTech Aged Care Guide for further information.

Assessable assets

Total assessable assets
Assets assessable for Centrelink/DVA purposes
Refundable accommodation deposit/contribution
Capped value of former home: $206,663.20

Where client is a member of a couple, 50% of combined assessable assets are used for the calculation of asset tested amount. When assessing the former home in this case, the capped value is a separate individual threshold, with the client's 50% of the combined value subject to their cap.

Thresholds are current for the period: 1 Jul 2025 – 19 Sep 2025.

Note, different rules are expected to apply to most people entering an aged care facility from 1 November 2025. See the FirstTech Aged Care Guide for further information.

Accommodation costs

Means tested amount at date of entry	Accommodation cost payable	Payment methods
Less than $69.79	Accommodation contribution	RAC, DAC or combination
$69.79 or more	Accommodation payment	RAD, DAP or combination

RAC = refundable accommodation contribution

DAC = daily accommodation contribution

RAD = refundable accommodation deposit

DAP = daily accommodation payment

Thresholds are current for the period: 1 Jul 2025 – 19 Sep 2025.

Accommodation contribution

Lesser of:
Means tested amount
Maximum accommodation supplement payable to facility

Maximum accommodation supplement

Newly built or significantly refurbished?	Meets the 40% low means resident quota?	Max accommodation supplement
Yes	Yes	$69.79
Yes	No	$52.34
No	Yes	$45.51
No	No	$34.13

Thresholds are current for the period: 1 Jul 2025 – 19 Sep 2025.

Note, different rules are expected to apply to most people entering an aged care facility from 1 November 2025. See the FirstTech Aged Care Guide for further information.

Accommodation payment

Minimum permissible asset level	Amount
Minimum amount of assets a resident must be left with if they pay at least part of their accommodation costs as a RAD/RAC	$61,500

Note: This requirement does not apply to RADs/RACs paid more than 28 days after time of entry to facility.

Thresholds are current for the period: 1 Jul 2025 – 19 Sep 2025.

Note, different rules are expected to apply to most people entering an aged care facility from 1 November 2025. See the FirstTech Aged Care Guide for further information.

Maximum permissible interest rate

Used for conversions between RADs and DAPs, and DACs and RACs.

Date range	Interest rate
1 Jul 2025 – 30 Sep 2025	7.78%
1 Apr 2025 – 30 Jun 2025	8.17%

Note: Interest rate fixed at time of entry to facility.

Home care

Please note that substantial changes to home care rules, fees and charges are expected to apply from 1 November 2025. The information in this section does not include these new rules.

For further information about these important changes, see the FirstTech Aged Care Guide and FirstTech Aged Care quick reference guide.

Basic daily care fee

Home care package	Care needs	Basic daily care fee (per day)
Level 1	Basic	$11.77
Level 2	Low level	$12.45
Level 3	Intermediate	$12.80
Level 4	High level	$13.14

Thresholds are current for the period: 1 Jul 2025 – 19 Sep 2025.

Note, the new Support at Home program is expected to commence on 1 November 2025, with different rules applying. See the FirstTech Aged Care Guide for further information.

Income tested care fee

Assessable income	Income tested care fee
Less than income free area	Nil
Between income free area and income test threshold	Lesser of: • (Total assessable income – income free area) × 50% ÷ 364 • Cost of package • Annual cap $6,862.18 • Lifetime cap $82,347.13
Greater than income test threshold	Lesser of: • ((Total assessable income – income threshold) × 50%) + $6,862.18) ÷ 364 • Cost of package • Annual cap $13,724.45 • Lifetime cap $82,347.13

Thresholds are current for the period: 1 Jul 2025 – 19 Sep 2025.

Note, the new Support at Home program is expected to commence on 1 November 2025, with different rules applying. See the FirstTech Aged Care Guide for further information.

Assessable income

Total assessable income
Income assessable for Centrelink/DVA purposes (50% of combined value for member of couple)
Centrelink/DVA income support payments • For singles or members of an illness separated couple, (less minimum pension and energy supplements of $1,536.60 pa each) • For members of a couple living together (less minimum pension and energy supplements of $1,157.00 pa each)
DVA war widows pension (no qualifying service) less 4% GST supplement
DVA disability pension (recipient or partner no qualifying service) less 4% GST supplement

Thresholds are current for the period: 1 Jul 2025 – 19 Sep 2025.

Note, the new Support at Home program is expected to commence on 1 November 2025, with different rules applying. See the FirstTech Aged Care Guide for further information.

Income free area and income test threshold

Family situation	Income free area	Income test threshold
Single	$34,005.40	$65,416.00
Member of couple (living together)	$26,301.60	$49,977.20
Member of couple (illness separated)	$33,277.40	$64,688.00

Thresholds are current for the period: 1 Jul 2025 – 19 Sep 2025.

Cost of package for income tested care fee

Home care package	Care needs	Annual amount
Level 1	Basic	$10,931.75
Level 2	Low level	$19,224.55
Level 3	Intermediate	$41,847.25
Level 4	High level	$63,440.65

Thresholds are current for the period: 1 Jul 2025 – 19 Sep 2025.

Note, the new Support at Home program is expected to commence on 1 November 2025, with different rules applying. See the FirstTech Aged Care Guide for further information.

Contacts for advisers

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Colonial First State For client and account information, status of transactions and product features	www.cfs.com.au
FirstChoice Adviser Service Centre	13 18 36
Edge Service and Support	1300 769 619
Australian Taxation Office super infoline For super benefits, lost members register, and superannuation guarantee	13 10 20
Website	www.ato.gov.au
Services Australia	
Employment services	13 28 50
Seniors	13 23 00
Website	www.servicesaustralia.gov.au
Department of Veterans' Affairs (DVA)	
General enquiries	1800 555 254
Website	www.dva.gov.au
My Aged Care	
Information line	1800 200 422
Website	www.myagedcare.gov.au

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