

An aerial photograph of the Sydney Opera House and the surrounding city skyline. The Opera House is in the foreground, with its iconic white, shell-like roof. Behind it, the city of Sydney is visible, with numerous skyscrapers and buildings. The water of the harbor is a deep blue. The image is framed by a dark blue, angular border.

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A photograph of three young people, two men and one woman, looking out over a harbor. They are all smiling and appear to be enjoying the view. The background shows a city skyline with tall buildings and a body of water with boats. The image is framed by a dark blue, angular border.

TAXBACK.COM
EVERYTHING YOU
NEED TO KNOW
ABOUT TAX WHEN
YOU FIRST ARRIVE
IN AUSTRALIA



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Introduction

One of the most important things to do when you move to Australia is to get to grips with the local tax system.

It's important to be aware of your tax entitlements and obligations to ensure you aren't paying more tax than you need to!

We have put together this guide to help new arrivals in Australia get to grips with the Australian tax system.

If you have any further questions about your tax situation in Oz, don't hesitate to reach out to the **Taxback.com Live Chat team** - they will be happy to help!



What do you need when starting a job in Australia?

Tax file number

A tax file number (TFN) is your personal reference number in the tax and superannuation systems in Australia. It ensures you are in line with the Australian tax codes and tax laws, so you are fully compliant with the ATO and paying the correct amount of tax.

You should provide your employer with your TFN within 30 days of starting your job to avoid paying emergency tax.

A TFN will allow you to:



Open a bank account in Australia



Pay the right tax rate



Apply for any government benefits



Change jobs



File a tax return



Claim your tax refund

A TFN allows you to do many important things, so it is important to apply for your TFN before you come to Australia, or as soon as you arrive!

Taxback.com can help you to apply for your TFN.

[LEARN MORE HERE.](#)

Key Australian tax facts

- The Australian tax year ends on **30 June**
- Tax filing season is **1 July to 31 October**
- Tax filing deadline is **31 October**
- The ATO is the Australian Taxation Office and it's the revenue collection body for the Australian government

Tax residency status

One of the biggest factors affecting how you're taxed in Australia is whether you're a **non-resident or resident** for tax purposes. So, correctly determining your tax residency status is very important to ensure that you don't pay more tax than you need to!

PLEASE NOTE:

You can be an Australian resident for tax purposes without being an Australian citizen or permanent resident.

You will be considered a resident for tax purposes in Australia if you have lived and worked in Australia for more than 6 months, or 183 days, of the year. If this is not the case, you will be deemed a non-resident for tax purposes.

It's also important to be aware of your tax residency status so that you can file your tax return correctly. Taxback.com can help you to determine your tax residency status, so just reach out to us if you need help.



Tax rates in Oz for residents, non-residents and working holidaymakers

Australian resident tax rates

Australian residents are entitled to a tax-free threshold of up to **\$18,200**.

Income	Tax Rate
\$18,201 - \$45,000	19 cents per \$1 above \$18,200
\$45,001 - \$120,000	\$5,092 and 32.5 cents per \$1 above \$45,000
\$120,001 - \$180,000	\$29,467 and 37 cents per \$1 over \$120,000
\$180,001 and above	\$51,667 and 45 cents per \$1 over \$180,000

Non-resident tax rates

Non-residents are typically not entitled to claim the tax-free allowance.

Income	Tax Rate
0-\$120,000	32.5 cents per \$1
\$120,001-\$180,000	\$39,000 and 37 cents per \$1 over \$120,000
\$180,001 and above	\$61,200 and 45 cents per \$1 over \$180,000

Working holidaymaker tax rates

If you are a working holidaymaker in Australia (i.e. you're on a subclass 417 or 462 visa), you will pay the working holidaymaker tax rates regardless of your residency status.

Income	Tax Rate
0-\$45,000	15%
\$45,000 - \$120,001	\$6,750 and 32.5 cents per \$1 over \$45,000
\$120,001-\$180,000	\$31,125 and 37 cents per \$1 over \$120,000
\$180,001 and over	\$53,325 and 45 cents per \$1 over \$180,000



What is the Medicare levy?

This is a small levy deducted from an Australian taxpayer's income at a rate of 2%. The purpose of this is to fund some costs of the Australian public health system, known as Medicare.

PLEASE NOTE:

Non-residents in Australia are exempt from paying this levy.

However, if you are exempt from paying the Medicare levy, it may still be deducted from your wages. If this is the case, or you pay the levy and it turns out that you're exempt, you can claim this money back!

Superannuation

What is Superannuation?

Superannuation, or 'Super', is a retirement saving system in Australia that ensures that you will have money to replace your income when you retire.

Who pays Superannuation?

In order to be eligible to make superannuation contributions, you must be **over 18 years of age** and **earn over \$450 per month** before tax.

If you're eligible, your employer will pay into a superannuation fund on your behalf. Your pay slips will detail the amount of Super you're getting and the date it's paid into your fund.

What are the Superannuation rates?

If you are eligible for Superannuation, your employer is legally obliged to pay 10% of your basic earnings into a superannuation fund for you. This will increase by 0.5% per year from 1 July 2022 until it reaches 12% in July 2025.

Who can claim a Super refund?

If you don't plan on retiring in Australia, you can claim your Departing Australia Superannuation Payment (DASP) once your visa has expired and you have left Australia.

This refund is taxed at 65% for working holidaymakers.

However, even though your refund is taxed, you could still be due a substantial Superannuation refund so be sure to apply to claim yours back when you leave Oz.



Australian tax returns

Who must lodge an Australian tax return?

You must lodge an Australian tax return if:

- Tax was deducted from any payments that you received during the tax year e.g. your wages
- You are an Australian resident and your taxable income was above the tax-free threshold
- You are a non-resident and earned over \$1 in Australia during the tax year
- You worked under an Australian Business Number (ABN)
- You'd like to claim tax deductions and expenses

Why lodge a tax return?

You should lodge an Australian tax return to ensure you are tax compliant with the ATO. Lodging a return will also help you to determine whether you have underpaid or overpaid tax while you were working in Australia.

The good news is that if you overpaid tax, you will be due a tax refund! Many working holidaymakers overpay tax while working in Oz and are due substantial refunds, so it's worth lodging your tax return to find out if you can claim any tax back.

When should I lodge my return?

The tax year in Oz ends on 30 June, so you can lodge your tax return between **1 July and 31 October**.

It's important to lodge before the deadline on 31 October to avoid any fines or penalties.

We recommend lodging your tax return as early as possible. After all, the sooner you file, the sooner you'll receive your tax refund.

What do I need to lodge a tax return?

- Payslips - the most important payslip is the final one you receive from each job
- Receipts for any expenses - if you incurred any work or study-related expenses, you should keep the receipts for them safe
- Your passport
- Your Tax File Number (TFN)

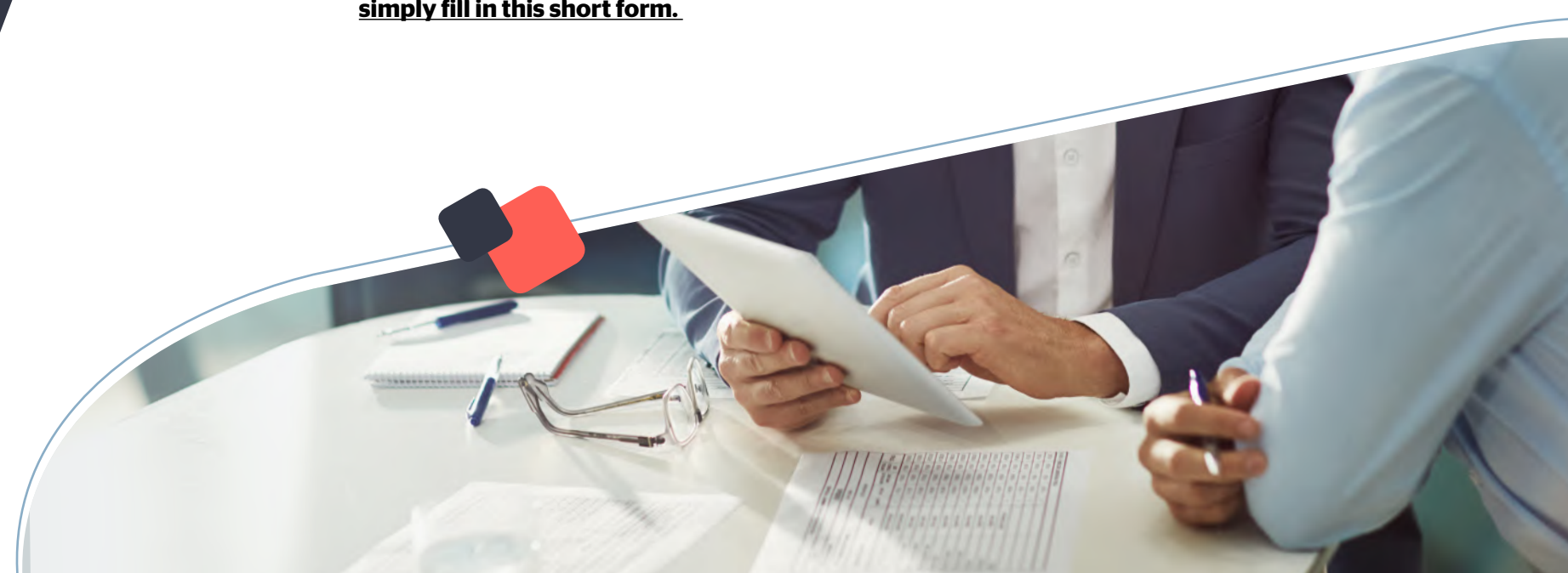
If you misplaced your final payslips or your TFN, don't worry! At Taxback.com our Documents Retrieval Team can track them down for you!

How to lodge a tax return?

You can lodge your tax return yourself directly with the ATO, or you can lodge through a tax agent, like Taxback.com.

The benefit of applying to lodge your tax return through a qualified tax agent is that they are experts in Australian tax and will be able to tell you exactly what your tax obligations are and what you are entitled to claim back.

If you wish to apply to complete your return with Taxback.com, **simply fill in this short form.**



Have tax questions?

If you have any further questions about Australian tax, don't hesitate to reach out to our **Live Chat team**. They are available 24/7 and will be happy to answer any of your Oz tax questions.

Enjoy your time Down Under!

