



Treasury Laws Amendment (Tax Relief So Working Australians Keep More Of Their Money) Act 2019

No. 52, 2019

**An Act to amend the law relating to taxation, and
for related purposes**

Note: An electronic version of this Act is available on the Federal Register of Legislation
(<https://www.legislation.gov.au/>)

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No. 52, 2019

An Act to amend the law relating to taxation, and for related purposes

[Assented to 5 July 2019]

The Parliament of Australia enacts:

1 Short title

This Act is the *Treasury Laws Amendment (Tax Relief So Working Australians Keep More Of Their Money) Act 2019*.

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2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this Act	The day after this Act receives the Royal Assent.	6 July 2019

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3 Schedules

Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 1—Low and Middle Income tax offset and Low Income tax offset

Income Tax Assessment Act 1997

1 Paragraphs 61-105(1)(b) and (2)(c)

Omit “\$125,333”, substitute “\$126,000”.

2 Subsection 61-107(1) (table)

Repeal the table (not including the note), substitute:

Amount of your tax offset		
Item	If your relevant income:	The amount of your tax offset is:
1	does not exceed \$37,000	\$255
2	exceeds \$37,000 but is not more than \$48,000	\$255, plus an amount equal to 7.5% of the excess
3	exceeds \$48,000 but is not more than \$90,000	\$1,080
4	exceeds \$90,000 but is not more than \$126,000	\$1,080, less an amount equal to 3% of the excess

3 Subsection 61-115(1) (table)

Repeal the table, substitute:

Amount of your tax offset		
Item	If your relevant income:	The amount of your tax offset is:
1	does not exceed \$37,500	\$700
2	exceeds \$37,500 but is not more than \$45,000	\$700, less an amount equal to 5% of the excess
3	exceeds \$45,000 but is not more than \$66,667	\$325, less an amount equal to 1.5% of the excess

4 Application of amendments

The amendments of sections 61-105 and 61-107 of the *Income Tax Assessment Act 1997* made by this Schedule apply in relation to assessments for the 2018-19, 2019-20, 2020-21 or 2021-22 income year.

Schedule 2—Personal income tax reform

Income Tax Rates Act 1986

1 Clause 1 of Part I of Schedule 7 (table dealing with tax rates for resident taxpayers for the 2022-23 or 2023-24 year of income)

Repeal the table (including the note), substitute:

Tax rates for resident taxpayers for the 2022-23 or 2023-24 year of income		
Item	For the part of the ordinary taxable income of the taxpayer that:	The rate is:
1	exceeds the tax-free threshold but does not exceed \$45,000	19%
2	exceeds \$45,000 but does not exceed \$120,000	32.5%
3	exceeds \$120,000 but does not exceed \$180,000	37%
4	exceeds \$180,000	45%

Note: The above table will be repealed on 1 July 2026 by the *Treasury Laws Amendment (Personal Income Tax Plan) Act 2018*.

2 Clause 1 of Part I of Schedule 7 (table dealing with tax rates for resident taxpayers for the 2024-25 year of income or a later year of income)

Repeal the table, substitute:

Tax rates for resident taxpayers for the 2024-25 year of income or a later year of income		
Item	For the part of the ordinary taxable income of the taxpayer that:	The rate is:
1	exceeds the tax-free threshold but does not exceed \$45,000	19%

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Tax rates for resident taxpayers for the 2024-25 year of income or a later year of income

Item	For the part of the ordinary taxable income of the taxpayer that:	The rate is:
2	exceeds \$45,000 but does not exceed \$200,000	30%
3	exceeds \$200,000	45%

3 Clause 1 of Part III of Schedule 7 (table dealing with tax rates for working holiday makers for the 2022-23 or 2023-24 year of income)

Repeal the table (including the note), substitute:

Tax rates for working holiday makers for the 2022-23 or 2023-24 year of income

Item	For the part of the taxpayer's working holiday taxable income that:	The rate is:
1	does not exceed \$45,000	15%
2	exceeds \$45,000 but does not exceed \$120,000	32.5%
3	exceeds \$120,000 but does not exceed \$180,000	37%
4	exceeds \$180,000	45%

Note: The above table will be repealed on 1 July 2026 by the *Treasury Laws Amendment (Personal Income Tax Plan) Act 2018*.

4 Clause 1 of Part III of Schedule 7 (table dealing with tax rates for working holiday makers for the 2024-25 year of income or a later year of income)

Repeal the table, substitute:

Tax rates for working holiday makers for the 2024-25 year of income or a later year of income

Item	For the part of the taxpayer's working holiday taxable income that:	The rate is:
1	does not exceed \$45,000	15%
2	exceeds \$45,000 but does not exceed \$200,000	30%
3	exceeds \$200,000	45%

*[Minister's second reading speech made in—
House of Representatives on 2 July 2019
Senate on 4 July 2019]*

(108/19)

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