

Monthly withholding table

Includes withholding amounts calculated in accordance with the rules contained in *Weekly tax table – including instructions for calculating monthly and quarterly withholding* (NAT 1005)

! FOR PAYMENTS MADE ON OR AFTER 1 JULY 2012

From 1 July 2012, the temporary flood and cyclone reconstruction levy (flood levy) will no longer apply.

WHO SHOULD USE THIS TABLE?

You should use this table if you make any of the following payments on a monthly basis:

- salary, wages, allowances and leave loading to employees
- paid parental leave to an eligible worker
- director's fees
- salary and allowances to office holders (including members of parliament, statutory office holders, defence force members and police officers)
- payments to labour hire workers
- payments to religious practitioners
- government education or training payments
- compensation, sickness or accident payments that are calculated at a periodical rate and made because a person is unable to work (unless the payment is made under an insurance policy to the policy owner).

Also use this table for payments to foreign residents.

Other tax tables may apply if you make payments to shearers, workers in the horticultural industry, performing artists and those engaged on a daily or casual basis.

➤ For a full list of tax tables, visit our website at www.ato.gov.au/taxtables

Alternatively, we have a calculator to help work out the correct amount of tax to withhold from payments to most payees. To access the calculator, visit our website at www.ato.gov.au/taxwithheldcalculator

! You should read this publication together with *Weekly tax table – including instructions for calculating monthly and quarterly withholding* (NAT 1005).



Why are withholding rates changing?

The government has changed personal income tax rates so most individuals will have less tax withheld from their pay.

➔ For more information, refer to *Household assistance package – tax reforms* (NAT 74144).

Can you use a formula?

The withholding amounts shown in this table can be expressed in a mathematical form.

If you have developed your own payroll software package, you will need to refer to *Statement of formulas for calculating amounts to be withheld* (NAT 1004) available on our website at www.ato.gov.au/taxtables

⚠ Refer to *Weekly tax table – including instructions for calculating monthly and quarterly withholding* (NAT 1005) for other important PAYG withholding information for monthly payers, including:

- tax file number (TFN) declarations
- withholding declarations
- Medicare levy adjustment
- allowances
- foreign residents tax rates
- Higher Education Loan Program (HELP) and Financial Supplement (FS) debts
- holiday pay, long service and employment termination payments
- tax offsets.

Ready reckoner for tax offsets

Amount claimed \$	Monthly value \$	Amount claimed \$	Monthly value \$	Amount claimed \$	Monthly value \$
1	—	70	6.00	1173	97.00
2	—	80	7.00	1200	100.00
3	—	90	7.00	1300	108.00
4	—	100	8.00	1400	116.00
5	—	200	17.00	1500	125.00
6	—	300	25.00	1600	133.00
7	1.00	338	28.00	1700	141.00
8	1.00	400	33.00	1750	145.00
9	1.00	500	42.00	1800	149.00
10	1.00	600	50.00	1900	158.00
20	2.00	700	58.00	2000	166.00
30	2.00	800	66.00	2250	187.00
40	3.00	850	71.00	2500	208.00
50	4.00	900	75.00	3000	249.00
57	5.00	1000	83.00		
60	5.00	1100	91.00		

If the exact tax offset amount claimed is not shown in the ready reckoner, add the values for an appropriate combination.

EXAMPLE

Tax offsets of \$422 claimed. Add values of \$400, \$20 and \$2
 $= \$33.00 + \$2.00 + \$0.00$
 $= \$35.00$

Therefore, reduce the amount to be withheld by \$35.00.

PAYG WITHHOLDING PUBLICATIONS

You can access all PAYG withholding tax tables and other PAYG withholding publications quickly and easily from our website at www.ato.gov.au/paygw

Copies of weekly and fortnightly tax tables are available from most newsagents. Newsagents also hold copies of the following:

- *Tax file number declaration* (NAT 3092)
- *Withholding declaration* (NAT 3093).

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We regularly revise our publications to take account of any changes to the law, so make sure that you have the latest information. If you are unsure, you can check for more recent information on our website at www.ato.gov.au or contact us.

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