



FINANCIAL ADVISER

POCKET GUIDE JUL - SEP 2009

POCKET GUIDE

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DISCLAIMER

The financial information provided is believed to be accurate as at the 1st of July, 2009. However all financial information is subject to regular rate changes and legislative amendments.

Therefore the information is intended as a guide only and should be used in conjunction with the latest Government information.

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TAXATION

Tax Rates

COMPANIES FOR 2008-2009 AND 2009-2010

30%

INDIVIDUALS FOR 2008-2009

Taxable income	Tax payable (Residents)	Tax payable (Non residents)
\$0 - \$6,000	Nil	29% > 0
\$6,001 - \$34,000	\$0 + 15% > \$6,000	29% > 0
\$34,001 - \$80,000	\$4,200 + 30% > \$34,000	\$9,860 + 30% > \$34,000
\$80,001 - \$180,000	\$18,000 + 40% > \$80,000	\$23,660 + 40% > \$80,000
\$180,001 +	\$58,000 + 45% > \$180,000	\$63,660 + 45% > \$180,000

INDIVIDUALS FOR 2009-2010

Taxable income	Tax payable (Residents)	Tax payable (Non residents)
\$0 - \$6,000	Nil	29% > 0
\$6,001 - \$35,000	\$0 + 15% > \$6,000	29% > 0
\$35,001 - \$80,000	\$4,350 + 30% > \$35,000	\$10,150 + 30% > \$35,000
\$80,001 - \$180,000	\$17,850 + 38% > \$80,000	\$23,650 + 38% > \$80,000
\$180,001 +	\$55,850 + 45% > \$180,000	\$61,650 + 45% > \$180,000

MINORS FOR 2008-2009 AND 2009-2010

Taxable income	Tax payable
\$0 - \$416	Nil
\$417 - \$1,307	66% > \$416
\$1,308 +	45% of whole amount

Note 1: Australian resident minors are not required to lodge tax returns if their taxable income is less than \$2,666 for 2009-2010 and \$3,000 for 2010-2011 due to low income tax offset – see below.

Note 2: The Medicare levy of 1.5% may apply in addition to the above rates – see below.

Tax Offsets

Tax offsets directly reduce the amount of tax you must pay. They are not the same as deductions, which are subtracted from your income before your tax is worked out.

Low Income Tax Offset (LITO)

2008-2009

Taxable income	Offset
\$0 - \$30,000	\$1,200
\$30,001 - \$60,000	\$1,200 - [(taxable income - \$30,000) x 4%]
\$60,000 +	Nil

2009-2010

Taxable income	Offset
\$0 - \$30,000	\$1,350
\$30,001 - \$63,750	\$1,350 - [(taxable income - \$30,000) x 4%]
\$63,750 +	Nil

Pensioner Tax Offset

2008-2009

Family situation	Maximum tax offset	Shade-out threshold	Cut-out threshold
Single	\$2,129	\$20,194	\$37,226
Couple (each)	\$1,610	\$16,734	\$29,614
Couple separated due to illness	\$1,982	\$19,214	\$35,070

Offset reduces by 12.5 cents for each dollar of taxable income in excess of the shade-out threshold.

Senior Australians Tax Offset (SATO)

2009-2010

		Rebate Income *	
Family situation	Maximum tax offset	Shade-out threshold	Cut-out threshold
Single	\$2,230	\$29,867	\$47,707
Couple (each)	\$1,602	\$25,680	\$38,496
Couple separated due to illness	\$2,040	\$28,600	\$44,920

Offset reduces by 12.5 cents for each dollar of income over the shade-out threshold.

* Taxable Income + adjusted fringe benefits + reportable superannuation benefits + net investment loss

Mature Age Tax Offset

2009-2010

Net income from working	Maximum tax offset
\$0 - \$9,999	5%
\$10,000 - \$53,000	\$500
\$53,001 - \$62,999	\$500 - (5% of the excess over \$53,000)
\$63,000 +	Nil

Medicare Levy

The rate of Medicare levy for resident Australians is 1.5% of taxable income.

2009-2010

Taxpayer	Nil threshold	Phase in threshold ¹
Individual	\$17,794	\$20,934
Married Couple	\$30,025	\$35,323
Seniors Individual	\$29,867	\$35,138
Senior Couple	\$43,500	\$51,177
Pensioner under Age Pension age	\$25,299	\$29,343

¹ Add \$2,757 per dependent child or student

Medicare Levy Surcharge (MLS) for 2009-2010

A 1% surcharge for singles with MLS income > \$73,000 and couples with combined MLS incomes > \$146,000 who are not covered by adequate private patient hospital cover.

Private Health Insurance Offset

2009-2010

Age of the oldest person covered by the policy	Amount of offset as a % of premium paid
Under 65	30%
65 to 69	35%
70 and over	40%

Medical Expense Tax Offset

A 20% tax offset is available for net medical costs in excess of \$1,500 that have been incurred by a taxpayer in a tax year on behalf of his or her self and any dependents.

There is no upper limit on the amount that can be claimed.

Taxation of Superannuation Benefits

LUMP SUMS - Medicare Levy (1.5%) is added to tax rate shown

Age of recipient	From a taxed source	From an untaxed source
Under 55	Taxed at 20%	<ul style="list-style-type: none">• Taxed at 30% for amounts up to \$1.1m• Taxed at 45% for amounts above \$1.1m
55 to 59	Tax-free up to \$150,000 Taxed at 15% on amounts above \$150,000	<ul style="list-style-type: none">• Taxed at 15% for amounts up to \$150,000• Taxed at 30% for amounts between \$150,000 and \$1.1m• Taxed at 45% for amounts above \$1.1m
60 and over	Tax-free	<ul style="list-style-type: none">• Taxed at 15% for amounts up to \$1.1m• Taxed at 45% for amounts above \$1.1m

INCOME STREAMS

Tax- free component is tax free.

Taxable component:

Age of recipient	From a taxed source	From an untaxed source
Under 55	Taxed at marginal rates, ineligible for 15% offset except for disability benefits	Taxed at marginal rates, ineligible for tax offset
55 to 59	Taxed at marginal rates, eligible for 15% offset	Taxed at marginal rates, ineligible for tax offset
60 and over	Tax-free	Taxed at marginal rates, eligible for 10% offset

Capital Gains Tax (CGT)

ASSETS HELD LONGER THAN 12 MONTHS

Purchase date	Sale date	CGT Calculation
Before 20/9/1985	Any time	Nil
20/9/1985 - 20/9/1999	After 20/9/1999	Indexed cost base method * or 50% discount method
After 20/9/1999	Any time	50% discount method

* Indexation of cost base frozen as at 30 September 1999 (123.4).

ASSETS HELD LESS THAN 12 MONTHS

No CGT discount, CGT is payable on the whole difference between cost base and disposal price.

Fringe Benefits Tax (FBT)

Year ending 31/3/2009: **Rate** 46.5%

Year ending 31/3/2010: **Rate** 46.5%

Employers Termination Payments

LIFETIME BENEFIT EMPLOYMENT TERMINATION PAYMENT

From 1 July 2007, any invalidity or pre-July 1983 amount in a life benefit employment termination payment is tax-free.

The tax on any remaining, taxable component depends on age, as shown in the following table.

Medicare Levy (1.5%) is added to tax rate shown.

Age at the end of the income year in which payment is received	Tax on taxable component from 1 July 2009
Under preservation age	Up to \$150,000 – taxed at a maximum rate of 30%
Preservation age and over	Up to \$150,000 – taxed at a maximum rate of 15%
All ages	Amount over \$150,000 – taxed at 45%

Death Benefit Employment Termination Payments

The portion of a death benefit employment termination payment that relates to a period of employment before 1 July 1983 is tax-free.

The tax on any remaining, taxable component depends on whether the beneficiary was a tax dependant or a non-tax dependant, as shown in the following table.

Beneficiary	Tax on taxable component from 1 July 2009
Tax Dependant	Up to \$150,000 – NIL tax
Non-tax dependant	Up to \$150,000 – taxed at a maximum rate of 30%
Both tax dependant & non-tax dependant	Amount over \$150,000 – taxed at 45%

Medicare Levy (1.5%) is added to tax rates shown above.

Genuine Redundancy and Early Retirement Schemes

Income year	Base amount	For each completed year of service
2009/10	\$7,732	\$3,867

The tax-free amount of a redundancy payment is calculated as follows:
 $\$7,732 + (\$3,867 \times \text{completed years of service})$

Unused Annual Leave

Period of leave accrual	Resignation or retirement	Genuine redundancy, invalidity, early retirement
Leave accrued before 18 August 1993	100% taxed at maximum rate of 30% + Medicare	100% taxed at a maximum rate of 30% + Medicare
Leave accrued after 18 August 1993	100% taxed at marginal tax rates + Medicare	100% taxed at a maximum rate of 30% + Medicare

Unused Long Service Leave

Period of leave accrual	Resignation or retirement	Genuine redundancy, invalidity, early retirement
Leave accrued before 16 August 1978	5% included in assessable income and taxed at marginal tax rate + Medicare	5% included in assessable income and taxed at marginal tax rate + Medicare
Leave accrued 16 August 1978 - 18 August 1993	100% included in assessable income and taxed at maximum rate of 30% + Medicare	100% included in assessable income and taxed at maximum rate of 30% + Medicare
Leave accrued after 18 August 1993	100% included in assessable income and taxed at marginal tax rate + Medicare	100% included in assessable income and taxed at maximum rate of 30% + Medicare

SOCIAL SECURITY

Rates effective from: 1st July, 2009 to 19th September, 2009

Assets Test

PENSIONS, ALLOWANCES & AUSTUDY

Family situation	HOMEOWNERS		NON HOME-OWNERS	
	For full pension	For part pension	For full pension	For part pension
Single	\$178,000	\$562,000	\$307,000	\$691,000
Couple (combined)	\$252,500	\$891,500	\$381,500	\$1,020,500
Illness separated couple (combined)	\$252,500	\$1,020,500	\$381,500	\$1,149,500
One partner eligible (combined)	\$252,500	\$891,500	\$381,500	\$1,020,500

Pensions - Pension is reduced by \$1.50/fortnight for each \$1,000 of assets over minimum limit.

Allowances - Not payable if assets exceed the minimum limits.

Incomes Test

AGE PENSION

Family situation	For full pension (p/f)	For part pension (p/f)
Single	\$142.00	\$1,581.50
Couple	\$248.00	\$2,642.50
Illness separated couple (combined)	\$248.00	\$3,127.00
For each child add	\$24.60 per child	\$24.60 per child

Income over these amounts reduces the rate of pension payable by 40 cents in the dollar (singles) and 20 cents in the dollar each (couples).

There is no substitute for Quality Training

Allowances

(Newstart, Partner, Sickness, Widow and Mature Age granted after 1/7/96.)

Family situation	For full allowance (p/f)	For part allowance (p/f)
Single no children	\$62	\$848.84
Single aged over 60 after nine months, or on MAA	\$62	\$920.67
Single, with dependent children	\$62	\$910.67
Partnered (each)	\$62	\$775.00
Single, principal carer (NSA)	\$62	\$1043.00

Fortnightly income between \$62 and \$250 reduces fortnightly allowance by 50 cents in the dollar. For income above \$250 per fortnight, fortnightly allowance reduces by 60 cents in the dollar. Partner income which exceeds cut-out point reduces fortnightly allowance by 60 cents in the dollar.

Age Pension Rate *(incl. DVA Service Pension)*

Family situation	Pension rate (p/f)
Single	\$569.80
Couple (each)	\$475.90

The payment rates include a pension supplement of \$19.50 for singles and \$16.30 each for couples.

Allowance Rate

(Includes Newstart, Sickness, Widow, Partner, Special Benefit and Mature Age granted after 1/07/96)

Family situation	Allowance rate (p/f)
Single no children	\$453.30
Single, with dependent children	\$490.40
Single aged over 60 after nine months, or on MAA	\$496.40*
Partnered (each)	\$409.00

* This includes the pharmaceutical allowance rate of \$6.00 per fortnight

Deeming Rules

Family situation	Threshold	Deeming rate
Single	\$0 - \$42,000	2.0%
	\$42,001 +	3.0%
Couple	\$0 - \$70,000	2.0%
	\$70,000 +	3.0%
Non Pensioner Couple (each)	\$0 - \$35,000	2.0%
	\$35,000 +	3.0%

Non-pensioner couple is where neither member is receiving a pension.

Age Pension Age

WOMEN

Date of birth	Pension age
Before 1/7/1944	Eligible
1/7/1944 - 31/12/1945	63.5
1/1/1946 - 30/6/1947	64.0
1/7/1947 - 31/12/1948	64.5
On or after 1/1/1949	65.0

MEN

Age pension age for men is 65.

There is no substitute for Quality Training

SUPERANNUATION

Contribution Types:

CONCESSIONAL

Concessional contributions are sometimes known as **'before-tax'** contributions and include:

- contributions made by an employer for an employee, including contributions made under a salary sacrifice arrangement, and
- personal contributions that are claimed as a tax deduction.

NON-CONCESSIONAL

Non-concessional contributions are sometimes known as **'after-tax'** contributions, include:

- personal contributions that an income tax deduction has not been claimed for, such as contributions made from take-home pay;
- spouse contributions and transfers from foreign super funds (excluding amounts included in the fund's assessable income)

Contribution Caps

Contributions type	Amount
Concessional	\$25,000
Non-concessional	\$150,000 *

* Individuals under age 65 are able to contribute \$450,000 in one year under 3 year averaging rule.

TRANSITIONAL CONCESSIONAL CAP FOR INDIVIDUALS AGED 50 OR OVER

Years	Concessional contributions cap amount
2009/10, 2010/11 & 2011/12	\$50,000

Government Co-contribution

The government co-contribution is based on a \$1 matching government co-contribution for each \$1 personal contribution up to the maximum of \$1,000. Additional eligibility requirements apply.

FROM 1 JULY 2009

Income*	Maximum co-contribution
\$0 - \$31,920	Personal contribution x 1.0 (\$1,000 max)
\$31,920- \$61,920	\$1,000 - [(Income - \$31,920) x 0.03333]
\$61,920+	Nil

* Includes reportable fringe benefits and reportable superannuation contributions.

Spouse Contributions

Spouse's assessable income* (AI)	Maximum rebatable contributions (MRC)	Maximum rebate (18% of the lesser of)
\$0 - \$10,800	\$3,000	MRC or actual contributions
\$10,801 - \$13,799	\$3,000 - (Income - \$10,800)	MRC or actual contributions
\$13,800 +	Nil	Nil

* Includes reportable fringe benefits and reportable superannuation contributions.

Super Guarantee (SG)

The minimum SG contribution rate is 9%.

The maximum SG employer obligation based on an eligible employee's annual ordinary times earnings (OTE) is:

- \$152,720 or \$38,180 per quarter (FY 2008/2009)
- \$160,680 or \$40,170 per quarter (FY 2009/2010)

Preservation Age

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 - 30 June 1961	56
1 July 1961 - 30 June 1962	57
1 July 1962 - 30 June 1963	58
1 July 1963 - 30 June 1964	59
On or after 1 July 1964	60

INCOME STREAMS

Minimum Annual Pension Percentage Factors

The following percentage factors are used to calculate the minimum pension payments for account-based income streams commenced on or after 20 September 2007.

Age	Percentage factor	Percentage factor (2009/2010)
Under 65	4%	2%
65-74	5%	2.5%
75-79	6%	3%
80-84	7%	3.5%
85-89	9%	4.5%
90-94	11%	5.5%
95 and above	14%	7%

Allocated Pensions and Annuities – Minimum and Maximum Pension Valuation Factors (PVF)

Age	Min	Max	Age	Min	Max	Age	Min	Max
55	21.1	11.5	71	14.6	8.0	87	7.5	1.0
56	20.8	11.4	72	14.2	7.6	88	7.2	1.0
57	20.4	11.3	73	13.7	7.2	89	6.9	1.0
58	20.1	11.2	74	13.3	6.7	90	6.6	1.0
59	19.7	11.0	75	12.8	6.2	91	6.3	1.0
60	19.3	10.9	76	12.3	5.7	92	6.0	1.0
61	18.9	10.7	77	11.9	5.1	93	5.8	1.0
62	18.5	10.5	78	11.4	4.5	94	5.5	1.0
63	18.1	10.3	79	10.9	3.8	95	5.3	1.0
64	17.7	10.1	80	10.5	3.1	96	5.1	1.0
65	17.3	9.9	81	10.0	2.3	97	4.9	1.0
66	16.8	9.6	82	9.6	1.4	98	4.7	1.0
67	16.4	9.3	83	9.1	1.0	99	4.5	1.0
68	16.0	9.1	84	8.7	1.0	100+	4.4	1.0
69	15.5	8.7	85	8.3	1.0			
70	15.1	8.4	86	7.9	1.0			

Term Allocated Pensions or Annuities – Payment Factors (PF)

Term Remaining (Years)	Payment Factor	Term Remaining (Years)	Payment Factor	Term Remaining (Years)	Payment Factor
45	22.50	30	18.39	15	11.52
44	22.28	29	18.04	14	10.92
43	22.06	28	17.67	13	10.30
42	21.83	27	17.29	12	9.66
41	21.60	26	16.89	11	9.00
40	21.36	25	16.48	10	8.32
39	21.10	24	16.06	9	7.61
38	20.84	23	15.62	8	6.87
37	20.57	22	15.17	7	6.11
36	20.29	21	14.70	6	5.33
35	20.00	20	14.21	5	4.52
34	19.70	19	13.71	4	3.67
33	19.39	18	13.19	3	2.80
32	19.07	17	12.65	2	1.90
31	18.74	16	12.09	1 or less	1.00

Life Expectancy Tables (2004 - 06)

Age	Male	Female	Age	Male	Female
50	31.2	35.0	76	10.5	12.7
51	30.2	34.1	77	9.9	12.0
52	29.3	33.1	78	9.3	11.3
53	28.4	32.2	79	8.8	10.6
54	27.6	31.3	80	8.2	9.9
55	26.7	30.4	81	7.7	9.3
56	25.8	29.4	82	7.2	8.7
57	24.9	28.5	83	6.7	8.1
58	24.1	27.6	84	6.3	7.6
59	23.2	26.7	85	5.9	7.1
60	22.3	25.8	86	5.5	6.6
61	21.5	25.0	87	5.1	6.1
62	20.7	24.1	88	4.8	5.7
63	19.9	23.2	89	4.5	5.3
64	19.1	22.3	90	4.2	4.9
65	18.3	21.5	91	3.9	4.6
66	17.5	20.6	92	3.7	4.2
67	16.7	19.8	93	3.5	4.0
68	16.0	18.9	94	3.4	3.7
69	15.2	18.1	95	3.2	3.5
70	14.5	17.3	96	3.1	3.4
71	13.8	16.5	97	3.0	3.2
72	13.1	15.7	98	2.9	3.1
73	12.4	14.9	99	2.8	3.0
74	11.8	14.2	100	2.7	2.9
75	11.1	13.4			

AWOTE Figures

Year	March Quarter	June Quarter	September Quarter	December Quarter
1989	493.40	501.40	509.70	516.80
1990	524.80	534.50	541.70	554.40
1991	564.30	560.20	567.50	580.10
1992	588.80	587.30	585.70	586.90
1993	595.50	598.00	600.80	603.50
1994	612.30	616.90	620.00	629.90
1995	639.90	647.20	653.10	661.00
1996	665.80	671.20	674.60	685.50
1997	696.10	697.60	704.30	710.90
1998	721.30	725.20	735.40	742.70
1999	743.80	747.30	753.00	764.20
2000	774.80	784.20	796.10	800.40
2001	810.60	824.10	838.50	848.70
2002	860.50	866.80	879.40	889.60
2003	900.40	921.00	929.60	938.40
2004	947.80	949.50	962.90	976.40
2005	992.90	1006.70	1023.20	1025.70
2006	1037.50	1041.60	1053.00	1058.60
2007	1073.80	1090.00	1105.10	1108.50
2008	1124.80	1131.10	1151.40	1165.30
2009	1183.40			

WORKSHOP COURSES

DIPLOMA & SPECIALIST ADVISER	JULY	AUGUST	SEPTEMBER
DFS 1 - Industry Essentials & Financial Planning	7 & 8 - Sydney 14 & 15 - Melbourne & Brisbane	11 & 12 - Sydney, Melbourne, Perth 18 & 19 - Brisbane & Adelaide	8 & 9 - Sydney & Melbourne 15 & 16 - Brisbane
DFS 2 - Insurance	9 & 10 - Sydney 16 & 17 - Melbourne & Brisbane	13 & 14 - Sydney, Melbourne, Perth 20 & 21 - Brisbane & Adelaide	10 & 11 - Sydney & Melbourne 17 & 18 - Brisbane
DFS 3 - Superannuation	20 & 21 - Sydney 27 & 28 - Melbourne & Brisbane	24 & 25 - Sydney, Melbourne, Perth 31 & 1/9 - Brisbane & Adelaide	21 & 22 - Sydney & Melbourne 28 & 29 - Brisbane
DFS 4 - Investment Planning	22 & 23 - Sydney 29 & 30 - Melbourne & Brisbane	26 & 27 - Sydney, Melbourne, Perth 2 & 3/9 - Brisbane & Adelaide	23 & 24 - Sydney & Melbourne 30 & 1/10 - Brisbane
AP - Advice Process	24 - Sydney 31 - Melbourne & Brisbane	28 - Sydney, Melbourne, Perth 4/9 - Brisbane & Adelaide	25 - Sydney & Melbourne 2/10 - Brisbane
ADVANCED DIPLOMA	JULY	AUGUST	SEPTEMBER
ADFS 1 - Taxation	14 & 15 - Sydney 21 & 22 - Melbourne	-	8 & 9 - Brisbane & Perth
ADFS 2 - Estate Planning	16 & 17 - Sydney 23 & 24 - Melbourne	-	10 & 11 - Brisbane & Perth
ADFS 3 - Advanced Investment Planning	28 & 29 - Sydney	4 & 5 - Melbourne	22 & 23 - Brisbane & Perth
ADFS 4 - Financial Planning	20 & 31 - Sydney	6 & 7 - Melbourne	24 & 25 - Brisbane & Perth

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