

5. Tax File Number and Tax Rates in Australia?



What is the Australian equivalent of a New Zealand IRD number and how do I get one?

The Australian equivalent of an IRD number is a **Tax File Number** (TFN) from the Australian Taxation Office (which is the Australian version of the Inland Revenue Department).

You can apply for a Tax File Number online on the Australian Taxation Office website.

As a New Zealand citizen you can apply for a TFN once you are present in Australia.

Applying for a TFN online takes approximately 20 minutes. You will need to provide your passport or travel document number, a postal address in Australia (to which your TFN will be sent), your legal name and other names you use or have used, and contact details for yourself or your preferred contact person. Once you have applied, your TFN will be sent to you in the post and will take about 1 - 2 weeks to arrive.

The table below provides contact details for the ATO:

Australian Taxation Office (ATO) contact details	
Telephone	13 2861
In person	See: ATO shopfront locations
Apply for a TFN online	See: Online individual Tax File Number (TFN) registration
Homepage	See: Australian Taxation Office (ATO)

What are the income tax rates in Australia?

The income tax rates in Australia are typically more favourable than in New Zealand. Australians have enjoyed a series of tax cuts over the past few years, through a combination of both tax rate cuts and changes to thresholds for higher tax rates.

The current individual tax rates for the 2008/09 Australian financial year (1 July - 30 June):

Residents - These rates apply to individuals who:

- Are residents of Australia for tax purposes for the whole financial year (see [Residency - overview](#) for more information), and
- Did not leave full-time education for the first time during the financial year.

Taxable income	Tax on this income
\$0 – \$6,000	Nil
\$6,001 – \$34,000	15c for each \$1 over \$6,000
\$34,001 – \$80,000	\$4,200 plus 30c for each \$1 over \$34,000
\$80,001 – \$180,000	\$18,000 plus 40c for each \$1 over \$80,000
\$180,001 and over	\$58,000 plus 45c for each \$1 over \$180,000

References:

ATO - www.ato.gov.au/

Images - www.idunnweekly.blogspot.com

The above rates **do not** include the Medicare levy of 1.5% (read [What is the Medicare levy?](#) for more information).

Tax offsets reduce the tax payable. Tax offsets based on taxable income levels apply to a range of circumstances. For more information read [About tax offsets](#).

Non-residents

If you are a non-resident for the full year, the following rates apply:

Tax rates 2008-09

<i>Taxable income</i>	<i>Tax on this income</i>
\$0 – \$34,000	29c for each \$1
\$34,001 – \$80,000	\$9,860 plus 30c for each \$1 over \$34,000
\$80,001 – \$180,000	\$23,660 plus 40c for each \$1 over \$80,000
\$180,001 and over	\$63,660 plus 45c for each \$1 over \$180,000

Non-residents are not required to pay the Medicare levy.



References: