



Taxation and Superannuation

KEY ISSUES FOR TEACHERS

Tax File Numbers

- Allow an employer to correctly tax an employee
- Age to apply:
 - 12 or younger: Parent or guardian will need to sign the form
 - 13-15: Young person can sign themselves or parent or guardian can sign
 - 16: Young person must sign the form themselves
- How to apply: Secondary Schools TFN Program, downloading the form, Tax Office Shopfronts, telephoning the Australian Taxation Office (ATO)

Tax Returns

- Allow the ATO to assess the correct amount of tax an employee should pay based on their annual income
- Who needs to lodge a tax return: Any employee who has had tax deducted from their wages
- Who does not need to lodge a tax return: Employees who earn less than \$6000 in a financial year or when an employee's only income was from Centrelink
- Due dates: 1 July and 31 October each year
- Documents needed: Payment summaries, receipts
- How to lodge: Online registration form, post

Tax

- Tax will be taken from an employee's income throughout the year
- The more an employee earns, the more they will be taxed
- Tax-free threshold: The first \$6000 of an employee's wage will not be taxed

- The tax requirements for employees paid in cash are the same for employees who are paid their wages into a bank account
- Working two jobs: Employees can claim the tax-free threshold for one job and the other job will be taxed at a higher rate

Superannuation

- Is a government system that helps employees save for their retirement
- Contributions are made at least every three months
- Superannuation is paid on top of an employee's wage
- Superannuation contributions are usually 9% of the value of an employee's wage
- Employee superannuation contributions: When an employee chooses to put their own money into a superannuation account
- Employees are usually given superannuation documents when they start employment
- Employees may have more than one superannuation account
- Superannuation will not be paid when:
 - An employee earns less than \$450 per month and their award or agreement does not allow for payments
 - An employee is under 18 and work less than 30 hours per week
 - An employee is over 70
 - An employee is paid to do work of a domestic or private nature for 30 hours or less a week