2026-2027 TAX GUIDE

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The Peak Partnership
BUSINESS ADVISERS

PERSONAL TAX

PERSONAL INCOME TAX RATES 2026-2027

Taxable Income	Tax Payable
$0 - $18,200	Nil
$18,201 - $45,000	15% of excess over $18,200
$45,001 - $135,000	$4,020 + 30% of excess over $45,000
$135,001 - $190,000	$31,020 + 37% of excess over $135,000
$190,001 and over	$51,370 + 45% of excess over $190,000

Australian Resident tax rates only and excludes Medicare Levy.

LOW INCOME TAX OFFSET 2026-2027

Taxable Income	Calculation
$0 - $37,500	$700
$37,501 - $45,000	$700 - [(Taxable income - $37,500) x 5%]
$45,001 - $66,667	$325 - [(Taxable income - $45,000) x 1.5%]
$66,668 and over	NIL

The maximum rate of the LITO is $700. The LITO is withdrawn at a rate of 5 cents per dollar between taxable incomes of $37,500 and $45,000 and then at a rate of 1.5 cents per dollar between taxable incomes of $45,001 and $66,667.

CHILD INCOME TAX RATES (RESIDENT ONLY) 2026-2027

Except for certain personal exertion income (eg. wages), the unearned income of most children under 18 years of age will be taxed at the following rates (ignoring any low income rebates):

$0 - $416	Nil
$417 - $1,307	66% of excess over $416
$1,307 and over	45% of entire amount

Where a child under 18 years earns income from personal effort (eg. part-time work), that income will be subject to normal personal income tax rates.

PERSONAL TAX

MEDICARE LEVY THRESHOLDS 2025-2026

Income Type	Taxable Income	Medicare Levy
Single Taxpayer	$0 - $28,010	Nil
	$28,011 - $35,012	Nil + 10% excess over $28,011
	$35,013 and over	2% of entire taxable income
Family (based on no dependent children)	$0 - $47,237	Nil
	$47,238 - $59,046	Nil + 10% excess over $47,238
	$59,047 and over	2% of entire taxable income

The Family Threshold increases by $4,338 (above income of $47,238) or by $5,423 (above income of $59,047) for each additional dependent or student. Reductions also apply for senior singles and couples under Senior Australians and Pensioners Tax Offset (SAPTO).

MEDICARE LEVY SURCHARGE (MLS) 2026-2027

The MLS is income tested against the following income tier thresholds:

	Base Tier	Tier 1	Tier 2	Tier 3
Single	≤$105,000	$105,001-$123,000	$123,001-$164,000	$164,001+
Family*	≤$210,000	$210,001-$246,000	$246,001-$328,000	$328,001+
Rate	0.00%	1.00%	1.25%	1.50%

*The family income threshold is increased by $1,500 for every child after the first child.

CAPITAL GAINS TAX CALCULATOR

Concessions/Discounts	
Discount on capital gains for individuals and trusts*	50%
Discount on capital gains for superannuation funds*	33.33%
Net asset threshold for small business concessions	$6,000,000
Retirement exemption on capital gains lifetime limit	$500,000
CGT Cap Amount (2026-2027)	$1,935,000
Indexation frozen from 30/09/1999 at indexation no.	123.4
CGT improvement threshold – 2026-2027	$194,165
CGT improvement threshold – 2025-2026	$187,962

*Assets must have been held for at least 12 months – other limitations may apply. Other small business concessions may also apply.

SUPERANNUATION CONTRIBUTIONS TAX RATES 2026-2027

Taxable income less than $250,000	15%
Taxable income $250,000 or more*	30%

*The ATO will issue a Division 293 Notice of Assessment with details of how to pay the additional 15% tax after you lodge your tax return.

BUSINESS TAX

COMPANY TAX RATES 2026-2027

	2025-2026	2026-2027
Company Tax Rate (Non-BRE)	30.0%	30.0%
Base Rate Entity (BRE)*	25.0%	25.0%

*Entity must be operating a business with an annual turnover of less than $50 million and 80% or less of the assessable income is base rate entity passive income.

EMPLOYER SUPERANNUATION OBLIGATIONS

Super Guarantee Contributions	2026-2027
Payable within 7 days of payday from 01/07/2026	12.00%

DIVISION 7A BENCHMARK RATE FOR RELATED PARTY LOANS

Income year ending 30 June

2027	2026	2025	2024
8.77%	8.37%	8.77%	8.27%

BAS & PAYG INFORMATION (QUARTERLY)

Installment Quarter	Payment Date
1 July - 30 September 2026	28 October 2026
1 October - 31 December 2026	28 February 2027
1 January - 31 March 2027	28 April 2027
1 April - 30 June 2027	28 July 2027

Monthly Business Activity Statement (BAS) and Instalment Activity Statement (IAS) payments due 21 days after the end of each month.

MOTOR VEHICLES

CAR COST LIMIT FOR DEPRECIATION

2026-2027	2025-2026	2024-2025
$69,883	$69,674	$69,674

LUXURY CAR TAX LIMITS

	Other Vehicles	Fuel-Efficient
2026-2027	$80,809	$91,661
2025-2026	$80,567	$91,387

MOTOR VEHICLE DEDUCTIONS 2026-2027

Vehicle Type	Cents per KM
All Cars (limited to a maximum of 5,000km)	$0.91c

SUPERANNUATION

SUPERANNUATION FOR INDIVIDUALS

Maximum contribution base for SG purposes

	2025-2026	2026-2027
Per quarter limit	$62,500	Not applicable
Annual limit	$250,000	$270,830

Superannuation Co-Contributions

$0.50 for every $1 contributed to a maximum amount of $500		
Assessable Income	Lower limit	$49,293
	Upper limit	$64,293
Reduction Rate	3.333 cents in the dollar above the lower threshold to a minimum $20 co-contribution payment	

SUPERANNUATION CONTRIBUTIONS CAPS 2026-2027

Contributions	Cap	Excess Contributions Tax
Concessional Cap*	$32,500	Marginal Tax Rate
Non-Concessional Cap**	$130,000	47%

*If your total super balance is less than $500,000 at 30/06/2026 you will be able to carry forward any unused concessional contribution amounts from 01/07/2026 for up to 5 years.

**Withdrawn excess non-concessional contributions taxed at the member's marginal income tax rate. Excess non-concessional contributions not withdrawn taxed at the highest marginal tax rate. If your total super balance is equal to or greater than $2.1 million, you will not be able to make any further non-concessional contributions.

SUPERANNUATION CONTRIBUTIONS - SPOUSE OFFSET

(Tax Offset of 18% of Contribution)

Maximum offset	$540
Lower threshold Higher threshold	$37,000 $40,000

In order to be eligible, the spouse who has had super contributions made on their behalf must not have exceeded their non-concessional cap for the year or have a super balance exceeding $2.1 million.

SUPERANNUATION PRESERVATION AGE

The Preservation Age to access superannuation funds, subject to a condition of release (e.g. retirement), progressively increased from age 55 to 60 between 1999 and 2024 and was dependent on an individual's date of birth. The current Preservation Age is 60, regardless of your date of birth.

SUPER & SENIORS

SUPERANNUATION FOR SENIORS

Minimum Annual Pension Payments - 01 July 2026

Age	Min Pension	Age	Min Pension
Under 65	4.00%	Age 85 - 89	9.00%
Age 65 - 74	5.00%	Age 90 - 94	11.00%
Age 75 - 79	6.00%	Age 95 or older	14.00%
Age 80 - 84	7.00%		

Taxation of Superannuation Benefit Lump Sums - 01 July 2026

	Thresholds	Rate*
Tax-free component		0%
Taxable component - taxed element^		
Under Preservation Age		20%#
Preservation Age to 59	$0 - $260,000	0%
	Over $260,000	15%#
Age 60 and over		0%
Taxable component - untaxed element		
Under Preservation Age	$0 - $1,935,000	30%#
	> $1,935,000	45%
Preservation Age to 59	$0 - $260,000	15%#
	$260,000 - $1,935,000	30%#
	> $1,935,000	45%
Age 60 and over	$0 - $1,935,000	15%#
	> $1,935,000	45%

*Plus Medicare Levy of 2.0%

#Provided rate or marginal tax rate, whichever is lower

^If benefit paid has taxable component with both a taxed and untaxed element, the low rate cap applies to the taxed element first.

Taxation of Death Benefit Superannuation Lump Sums - 01 July 2026

	Dependants	Non-Dependants
Tax-Free Component	0%	0%
Taxable Component - taxed element	0%	15%*
Taxable Component - untaxed element	0%	30%*

* Plus Medicare Levy of 2.0%.

A dependant for tax purposes is defined as a) a spouse/de facto spouse; b) a former spouse/de facto spouse; c) a child of the deceased under 18 years of age; d) any person who relied on the deceased for financial maintenance at time of death; e) any person who lived with the deceased in a close personal relationship where one or both provided financial/domestic support and personal care.

WORKERS & STUDENTS

EMPLOYMENT TERMINATION PAYMENTS

Life Benefit Employment Termination Excluded Payments - 01 July 2026

	Thresholds	Max. Tax Rate*
Tax-free component		0%**
Taxable component Pre-Preservation Age	Up to $270,000 Over $270,000	30% 45%
Preservation Age or over	Up to $270,000 Over $270,000	15% 45%

Life Benefit Employment Termination Non-Excluded Payments - 01 July 2026

	Thresholds	Max. Tax Rate*
Tax-free component		0%**
Taxable component Pre-Preservation Age	Up to $270,000# Over $270,000#	30% 45%
Preservation Age or over	Up to $270,000# Over $270,000#	15% 45%

Death Benefit Employment Termination Payments - 01 July 2026

	Thresholds	Max. Tax Rate*
Dependant Tax-fee component Taxable component Taxable component	 Up to $270,000 Over $270,000	 0%** 0% 45%
Non-Dependant Tax-free component Taxable component Taxable component	 Up to $270,000 Over $270,000	 0%** 30% 45%

OTHER TERMINATION PAYMENTS

Non-ETP Lump Sum Payments - 01 July 2026

	Period of Accrual	Assessable Amount	Max. Tax Rate*
Unused Long Service Leave	Pre-16/8/1978 16/8/78 - 17/8/93 18/8/1993 onwards	5% 100% 100%	Marginal rate 30% Marginal rate
Accrued Annual Leave	Pre-18/8/1993 18/8/1993 onwards	100% 100%	30% Marginal rate

*Plus Medicare Levy of 2.0%. ** Not assessable.
#The threshold that applies is the smaller of the remaining ETP Cap ($270,000 less any excluded payments) and the Whole-of-Income Cap ($180,000 less other taxable income).

WORKERS & STUDENTS

REDUNDANCY & EARLY RETIREMENT PAYMENTS 2026-2027

	Period of Accrual	Assessable Amount	Max. Tax Rate*
Unused Long Service Leave	Pre-16/8/1978 16/8/78 - 17/8/93 18/8/1993 onwards	5% 100% 100%	Marginal rate 32% Marginal rate
Accrued Annual Leave	Pre-18/8/1993 18/8/1993 onwards	100% 100%	32% Marginal rate

*Tax rates Exclude Medicare Levy which needs to be added to the applicable rate (unless rate is 0%). Bona Fide redundancy tax-free amount is $13,598 + $6,801 for each completed year of service.

HELP, VSL, SFSS, SSL, ABSTUDY SSL & AASL REPAYMENT THRESHOLDS 2026-2027

Repayment Income*	Repayment Rate
$0 - $69,528	Nil
$69,529 - $129,717	15 cents for each $1 over $69,528
$129,718 - $186,050	$8,320.80 + 17 cents for each $1 over $129,718
$186,051 and over	10% of your total repayment income

*Taxable income plus any net investment loss (including net rental losses); total reportable fringe benefits amounts; reportable super contributions and exempt foreign employment income.

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