



Fortnightly tax table

Withholding tax table for payments made on a fortnightly basis.

Last updated 17 June 2024

Using this tax table

This tax table applies to payments made from 1 July 2024.

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



- salary, wages, allowances and leave loading to employees
- paid parental leave
- directors' 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 tax table for payments made to foreign residents.

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


If you employ individuals under a working holiday makers visa, you must use the **Schedule 15 – Tax table for working holiday makers** for all payments made to them, including lump sum payments.

You can also:

- use the [Withholding lookup tool \(XLSX, 34KB\)](#)  to quickly work out the amount to withhold
- download a printable lookup table of [fortnightly tax table \(PDF, 1.10MB\)](#) .

Working out the withholding amount

To work out the withholding amount:


1. Calculate your employee's total fortnightly earnings – add any allowances and irregular payments that are to be included in this fortnight's pay to the normal fortnightly earnings, ignoring any cents.
2. Input the amount from step 1 into the [Withholding lookup tool \(XLSX, 34KB\)](#) , as per instructions in the tool.
3. Use the appropriate column to find the correct amount to withhold.
If your employee is
 - claiming the tax-free threshold, use column 2
 - not claiming the tax-free threshold, use column 3.
4. If your employee has an entitlement to a tax offset, use the **Ready reckoner for tax offsets** to convert the employee's estimate of their full-year entitlement into a fortnightly offset value. Then subtract this value from the withholding amount found in step 3.
5. If your employee is entitled to make an adjustment for the Medicare levy, subtract the value of the adjustment, determined from the **Medicare levy adjustment fortnightly tax table** from the amount found in step 4.
6. If your employee has advised you of an accumulated Higher Education Loan Program (HELP), VET Student Loan (VSL), Financial Supplement (FS), Student Start-up Loan (SSL) or Australian Apprenticeship Support Loan (AASL) debt, add the amount determined from the **Study and training support loans fortnightly tax table** to the amount you calculated in step 5.

Do not allow for any tax offsets or Medicare levy adjustment if any of the following apply:

- you use column 3
- you use foreign resident tax rates
- when your employee has not provided you with their TFN.

Example: calculating the withholding amount

An employee has fortnightly earnings of \$989.80.

To work out the correct amount to withhold, ignore cents, input \$989 into the [Withholding lookup tool \(XLSX, 34KB\)](#) .

If the employee is:

- claiming the tax-free threshold, use column 2 to find the correct amount to withhold (\$42).
- not claiming the tax-free threshold, use column 3 to find the correct amount to withhold (\$188).

When there are 27 pays in a financial year

In some years, you may have 27 pays instead of the usual 26. As this table is based on 26 pays, the extra pay may result in insufficient amounts being withheld. You should let your employees know when this occurs so if they are concerned about a shortfall in tax withheld, they can ask you to withhold the additional amount in the table below.

Extra withholding amount

Fortnightly earnings \$	Additional withholding \$
1,750 to 5,149	12
5,150 to 7,249	26
7,250 & over	47

Using a formula

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

If you have developed your own payroll or accounting software package, refer to **Schedule 1 – Statement of formulas for calculating amounts to be withheld**.

Tax file number (TFN) declarations

The answers your employees provide on their **Tax file number declaration** determine the amount you need to withhold from their payments. A *Tax file number declaration* applies to any payments made after you receive the declaration. If you receive an updated declaration from an employee, it will override the previous one.

If an employee does not give you a valid *Tax file number declaration* within 14 days of starting an employer-employee relationship, you must complete a *Tax file number declaration* with all available details of the employee and send it to us.

When a TFN has not been provided

You must withhold 47% from any payment you make to a resident employee and 45% from a foreign resident employee (ignoring any cents), if all of the following apply:

- they have not quoted their TFN
- they have not claimed an exemption from quoting their TFN
- they have not advised you that they have applied for a TFN or have made an enquiry with us.

If an employee states at question 1 of the *Tax file number declaration* they have lodged a **Tax file number – application or enquiry for individuals** with us, they have 28 days to provide you with their TFN.

If the employee has not given you their TFN within 28 days, you must withhold 47% from any payment you make to a resident employee and 45% from a foreign resident employee (ignoring any cents) unless we tell you not to.

Do not allow for any tax offsets or Medicare levy adjustments. Do not withhold any amount for study and training support loans.

When your employee has a study and training support loan debt

If your employee has a HELP, VSL, FS, SSL or AASL debt, you may need to withhold additional amounts from their payments. Your employee will notify you on their *Tax file number declaration* or *Withholding declaration*.

To calculate additional withholding amounts for: HELP, VSL, FS, SSL or AASL debts, refer to **Study and training support loans fortnightly tax table**.

Allowances

Allowances are generally added to normal earnings and the amount to withhold is calculated on the total amount of earnings and allowances.

For more information on when to withhold and report on allowances, refer to **Withholding for allowances**.

Holiday pay, long service and employment termination payments

Employees who continue working for you

You must include holiday pay (including any leave loading) and long service leave payments as part of normal earnings, except when they are paid on termination of employment.

For more information, refer to **Withholding from leave payments for continuing employees**.

Employees who stop working for you

This tax table does not cover any lump sum payments made to an employee who stops working for you.

If an employee has unused annual leave, leave loading or long service leave, refer to **Schedule 7 – Tax table for unused leave payments on termination of employment**.

Any other lump sum payments may be employment termination payments. Refer to **Schedule 11 – Tax table for employment termination payments**.

Do not withhold any amount for study and training support loans debts from lump sum termination payments.

Leave loading

If you pay leave loading as a lump sum, use **Schedule 5 – Tax table for back payments, commissions, bonuses and similar payments** to calculate withholding.

If you pay leave loading on a pro-rata basis, then add the leave loading payment to earnings for the period to calculate withholding.

Withholding declarations

An employee may use a **Withholding declaration** to advise you of a tax offset they choose to claim through reduced withholding from you.

Employees can also use a *Withholding declaration* to advise you of any changes to their situation that may affect the amount you need to withhold from their payments.

Changes that may affect the amount you need to withhold include:

- becoming or ceasing to be an Australian resident for tax purposes
- claiming or discontinuing a claim for the tax-free threshold
- advising of a HELP, VSL, FS, SSL or AASL debt, or changes to them
- entitlement to a seniors and pensioners tax offset.

When your employee provides you with a *Withholding declaration* it will take effect from the next payment you make. If you receive an updated declaration from an employee, it will replace the previous one.

An employee must have provided you with a valid *Tax file number declaration* before they can provide you with a *Withholding declaration*.

Claiming tax offsets

If your employee chooses to claim their entitlement to a tax offset through reduced withholding, they must provide you with a *Withholding declaration*.

To work out the employee's annual tax offset entitlement as a fortnightly value, use the **Ready reckoner for tax offsets**. Deduct the

fortnightly amount from the amount shown in column 2 of the [Withholding lookup tool \(XLSX 34KB\)](#) [↗](#).

Do not allow for any tax offsets if any of the following apply:

- you are using column 3
- you are using foreign resident tax rates
- when an employee does not provide you with their TFN.

Example: claiming tax offsets

An employee has fortnightly earnings of \$987 and, if using column 2, the amount to be withheld is \$42.

The employee claims a tax offset entitlement of \$1,000 on their *Withholding declaration*.

Using the Ready reckoner for tax offsets, the fortnightly value is \$38.

The total amount to be withheld is worked out as follows:

Amount to be withheld on \$987 = \$42.00

less fortnightly offset value – \$38.00

Total amount to be withheld = \$4.00

Ready reckoner for tax offsets

Tax offset entitlement – fortnightly value

Amount claimed \$	Fortnightly value \$
1	–
2	–
3	–

4	–
5	–
6	–
7	–
8	–
9	–
10	–
20	1
30	1
40	2
50	2
57	2
60	2
70	3
80	3
90	3
100	4
200	8
300	11
338	13
400	15

500	19
600	23
700	27
800	30
900	34
1,000	38
1,173	45
1,200	46
1,400	53
1,600	61
1,800	68
2,000	76
2,200	84
2,400	91
2,600	99
2,800	106
3,000	114
3,200	122
3,400	129
3,600	137
3,800	144

4,000	152
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If the exact tax offset amount claimed is not shown in the ready reckoner, add the values for an appropriate combination.

Example: calculating tax offset when amount is not shown in the ready reckoner

Tax offsets of \$422 claimed. Add values of \$400, \$20 and \$2.

= \$15 + \$1 + \$0

= \$16

Therefore, reduce the amount to be withheld by \$16.

Medicare levy adjustment

To claim the Medicare levy adjustment (available in certain situations), your employee must lodge a **Medicare levy variation declaration** with their *Tax file number declaration*.

Some employees may be liable for an increased rate of the Medicare levy surcharge as a result of the income for surcharge purposes tests. They can lodge a *Medicare levy variation declaration*, requesting you to increase the amount to be withheld from their payments.

For instructions on how to work out the Medicare levy adjustment, refer to **Medicare levy adjustment fortnightly tax table**.

When your employee is a foreign resident

If your employee has answered that they are a foreign resident for tax purposes on their *Tax file number declaration*, you will need to use the foreign resident tax rates.

There are 2 ways you can withhold from a foreign resident's earnings:

- If they have **not** given you a valid TFN, you need to withhold 45% for each \$1 of earnings (ignoring any cents).
- If they have given you a valid TFN, you need to withhold the amount calculated using the foreign resident tax rates below, rounding any

cents to the nearest dollar.

Foreign resident tax rates

Fortnightly tax rates

Fortnightly earnings \$	Fortnightly rate
0 to 5,191	30 cents for each dollar of earnings
5,192 to 7,305	\$1,557 plus 37 cents for each \$1 of earnings over \$5,191
7,306 & over	\$2,339 plus 45 cents for each \$1 of earnings over \$7,305

Foreign residents cannot claim tax offsets to reduce withholding. If your foreign resident employee has claimed a tax offset on the *Withholding declaration*, don't make any adjustments to the amount you withhold.

PAYG withholding publications

You can access all PAYG withholding tax tables and other PAYG withholding publications at:

- Tax tables
- PAYG withholding.

QC 102413

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