

TD 2002/11 - Income tax: what are the thresholds and limits for superannuation amounts in 2002-2003?

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 This document has changed over time. This is a consolidated version of the ruling which was published on *22 May 2002*



Taxation Determination

Income tax: what are the thresholds and limits for superannuation amounts in 2002-2003?

Preamble

*The number, subject heading, date of effect and paragraphs 2 to 7 of this Taxation Determination are a 'public ruling' for the purposes of Part IVAAA of the **Taxation Administration Act 1953** and are legally binding on the Commissioner. The remainder of the Determination is administratively binding on the Commissioner. Taxation Rulings TR 92/1 and TR 97/16 together explain how a Determination is legally or administratively binding.*

Date of effect

This Determination applies to the 2002-2003 financial year .

1. In accordance with the *Income Tax Assessment Act 1936* (the Act), there are a number of thresholds and limits that require indexation each year by movements in full-time adult Average Weekly Ordinary Time Earnings (AWOTE).
2. The AWOTE amount is an estimate by the Australian Statistician of the full-time adult average weekly ordinary time earnings for persons in Australia. The estimate for February 2002 was \$860.50 and the estimate for February 2001 was \$810.60. This produces an indexation factor of 1.062.
3. This factor is applied against the 2001-2002 thresholds and limits. The new thresholds and limits that apply from 1 July 2002 are set out in the following paragraphs.
4. For the purposes of subsection 27A(20) of the Act, the **tax free amounts** of a bona fide redundancy payment or of an approved early retirement scheme payment are:
 - \$5,623** (formerly \$5,295)
 - \$2,812** (formerly \$2,648)
5. For the purposes of subsections 82AAC(2B) and 82AAT(2B) of the Act, the **age based deduction limits** for superannuation contributions by employers and eligible persons are:
 - \$12,651** (formerly \$11,912)
 - \$35,138** (formerly \$33,087)
 - \$87,141** (formerly \$82,054)

6. For the purposes of subsection 140ZD(3) of the Act, the **RBL limits** are:
- Lump Sum RBL **\$562,195** (formerly \$529,373)
 - Pension RBL **\$1,124,384** (formerly \$1,058,742)
7. For the year ended 30 June 2003 the **upper limit for determining the residual amount** for the purposes of section 159SG of the Act, i.e., the threshold on the post-June 1983 component of an ETP is:
- \$112,405** (formerly \$105,843).

Commissioner of Taxation

24 May 2002

Previously released:

Not previously issued in draft form

Related Rulings/Determinations:

TD 96/24; TD 97/11; TD 98/12; TD 1999/12 ; TD 2000/23; TD 2001/15

Subject references:

- asset improvement
- age based deduction limits
- approved early retirement scheme
- bona fide redundancy
- elective deduction limit
- lump sum reasonable benefit limit
- pension reasonable benefit limit

Legislative references:

- ITAA 1936 27A(20)
- ITAA 1936 82AAC(2B)
- ITAA 1936 82AAT(2B)
- ITAA 1936 140ZD(3)
- ITAA 1936 159SG

ATO References

NO: 96/4342-7

ISSN: 1038-8982