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

This cover sheet is provided for information only. It does not form part of TD 2002/11 - Income tax: what are the thresholds and limits for superannuation amounts in 2002-2003?

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

**Taxation Determination** 

### TD 2002/11

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## **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)

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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

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