

Effect of the increase in allowances and the revision of the marginal tax bands and rates

Married couple, with two children and two dependent parents / grandparents

	Present tax payable (Exemption level: \$278,000)			Proposed tax payable (Exemption level: \$308,000)		Tax Saving		Remarks
	Annual income	Amount	Effective rate	Amount	Effective rate	(A) - (B)		
	(\$)	(\$)	(%)	(\$)	(%)	(\$)	(%)	
	288,000	200	0.1	-	-	200	100.0	All taxpayers earning less than \$1,448,000 will benefit from the concessions. Taxpayers with incomes not exceeding \$308,000 will not be required to pay tax as a result of the increases in the married person's, the child and the dependent parent/ grandparent allowances.
(1)	312,000	1,660	0.5	80	<0.1	1,580	95.2	
	336,000	4,460	1.3	560	0.2	3,900	87.4	
	360,000	8,600	2.4	2,360	0.7	6,240	72.6	
	384,000	13,400	3.5	5,240	1.4	8,160	60.9	
	408,000	18,200	4.5	9,200	2.3	9,000	49.5	
	432,000	23,000	5.3	14,000	3.2	9,000	39.1	
	456,000	27,800	6.1	18,800	4.1	9,000	32.4	
	480,000	32,600	6.8	23,600	4.9	9,000	27.6	
	504,000	37,400	7.4	28,400	5.6	9,000	24.1	
	528,000	42,200	8.0	33,200	6.3	9,000	21.3	
	552,000	47,000	8.5	38,000	6.9	9,000	19.1	
	576,000	51,800	9.0	42,800	7.4	9,000	17.4	
	600,000	56,600	9.4	47,600	7.9	9,000	15.9	
	648,000	66,200	10.2	57,200	8.8	9,000	13.6	
	696,000	75,800	10.9	66,800	9.6	9,000	11.9	
	744,000	85,400	11.5	76,400	10.3	9,000	10.5	
	792,000	95,000	12.0	86,000	10.9	9,000	9.5	
	840,000	104,600	12.5	95,600	11.4	9,000	8.6	
	888,000	114,200	12.9	105,200	11.8	9,000	7.9	
	936,000	123,800	13.2	114,800	12.3	9,000	7.3	
	984,000	133,400	13.6	124,400	12.6	9,000	6.7	
	1,032,000	143,000	13.9	134,000	13.0	9,000	6.3	
	1,080,000	152,600	14.1	143,600	13.3	9,000	5.9	
	1,128,000	162,200	14.4	153,200	13.6	9,000	5.5	
	1,176,000	171,800	14.6	162,800	13.8	9,000	5.2	
(2)	1,268,000	190,200	15.0	181,200	14.3	9,000	4.7	
	1,320,000	198,000	15.0	191,600	14.5	6,400	3.2	
(3)	1,448,000	217,200	15.0	217,200	15.0	-	-	
	1,464,000	219,600	15.0	219,600	15.0	-	-	Taxpayers earning \$1,448,000 or more will pay tax at the standard rate.

(1) Sandwich class household

(2) Income level at which salaries taxpayers enter the standard rate zone at present.

(3) Income level at which salaries taxpayers enter the standard rate zone after the 1997-98 Budget.