

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

Single person, with two dependent parents / grandparents

Annual income	Present tax payable (Exemption level: \$139,000)		Proposed tax payable (Exemption level: \$154,000)		Tax Saving		Remarks
	Amount (A)	Effective rate	Amount (B)	Effective rate	(A) - (B)	(A) - (B)	
(\$)	(\$)	(%)	(\$)	(%)	(\$)	(%)	
144,000	100	0.1	-	-	100	100.0	All taxpayers earning less than \$832,000 will benefit from the concessions. Taxpayers with incomes not exceeding \$154,000 will not be required to pay tax as a result of the increases in the basic and the dependent parent / grandparent allowances.
156,000	340	0.2	40	<0.1	300	88.2	
168,000	1,210	0.7	280	0.2	930	76.9	
180,000	2,290	1.3	520	0.3	1,770	77.3	
192,000	3,610	1.9	1,240	0.6	2,370	65.7	
(1) 204,000	5,650	2.8	2,200	1.1	3,450	61.1	
216,000	7,690	3.6	3,280	1.5	4,410	57.3	
228,000	10,000	4.4	4,960	2.2	5,040	50.4	
240,000	12,400	5.2	6,640	2.8	5,760	46.5	
264,000	17,200	6.5	11,200	4.2	6,000	34.9	
288,000	22,000	7.6	16,000	5.6	6,000	27.3	
(2) 312,000	26,800	8.6	20,800	6.7	6,000	22.4	
336,000	31,600	9.4	25,600	7.6	6,000	19.0	
360,000	36,400	10.1	30,400	8.4	6,000	16.5	
384,000	41,200	10.7	35,200	9.2	6,000	14.6	
408,000	46,000	11.3	40,000	9.8	6,000	13.0	
432,000	50,800	11.8	44,800	10.4	6,000	11.8	
456,000	55,600	12.2	49,600	10.9	6,000	10.8	
480,000	60,400	12.6	54,400	11.3	6,000	9.9	
504,000	65,200	12.9	59,200	11.7	6,000	9.2	
528,000	70,000	13.3	64,000	12.1	6,000	8.6	
552,000	74,800	13.6	68,800	12.5	6,000	8.0	
576,000	79,600	13.8	73,600	12.8	6,000	7.5	
600,000	84,400	14.1	78,400	13.1	6,000	7.1	
648,000	94,000	14.5	88,000	13.6	6,000	6.4	
696,000	103,600	14.9	97,600	14.0	6,000	5.8	
(3) 712,000	106,800	15.0	100,800	14.2	6,000	5.6	
744,000	111,600	15.0	107,200	14.4	4,400	3.9	
(4) 832,000	124,800	15.0	124,800	15.0	-	-	
840,000	126,000	15.0	126,000	15.0	-	-	Taxpayers earning \$832,000 or more will pay tax at the standard rate.

(1) Median income household

(2) Sandwich class household

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

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