

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

Married couple, with two children and one disabled dependent parent / grandparent living with the taxpayer

Annual income	Present tax payable (Exemption level: \$275,500)		Proposed tax payable (Exemption level: \$314,000)		Tax Saving		Remarks
	Amount (A)	Effective rate	Amount (B)	Effective rate	(A) - (B)	(A) - (B)	
(\$)	(\$)	(%)	(\$)	(%)	(\$)	(%)	
288,000	250	0.1	-	-	250	100.0	All taxpayers earning less than \$1,472,000 will benefit from the concessions.
(1) 312,000	1,885	0.6	-	-	1,885	100.0	
336,000	4,885	1.5	440	0.1	4,445	91.0	Taxpayers with incomes not exceeding \$314,000 will not be required to pay tax as a result of the increases in the married person's, the child, the disabled dependant, the dependent parent / grandparent and the additional dependent parent / grandparent allowances.
384,000	13,900	3.6	4,400	1.1	9,500	68.3	
408,000	18,700	4.6	8,000	2.0	10,700	57.2	
432,000	23,500	5.4	12,800	3.0	10,700	45.5	
456,000	28,300	6.2	17,600	3.9	10,700	37.8	
480,000	33,100	6.9	22,400	4.7	10,700	32.3	
504,000	37,900	7.5	27,200	5.4	10,700	28.2	
528,000	42,700	8.1	32,000	6.1	10,700	25.1	
552,000	47,500	8.6	36,800	6.7	10,700	22.5	
576,000	52,300	9.1	41,600	7.2	10,700	20.5	
600,000	57,100	9.5	46,400	7.7	10,700	18.7	
648,000	66,700	10.3	56,000	8.6	10,700	16.0	
696,000	76,300	11.0	65,600	9.4	10,700	14.0	
744,000	85,900	11.5	75,200	10.1	10,700	12.5	
792,000	95,500	12.1	84,800	10.7	10,700	11.2	
840,000	105,100	12.5	94,400	11.2	10,700	10.2	
888,000	114,700	12.9	104,000	11.7	10,700	9.3	
936,000	124,300	13.3	113,600	12.1	10,700	8.6	
984,000	133,900	13.6	123,200	12.5	10,700	8.0	
1,032,000	143,500	13.9	132,800	12.9	10,700	7.5	
1,080,000	153,100	14.2	142,400	13.2	10,700	7.0	
1,128,000	162,700	14.4	152,000	13.5	10,700	6.6	
1,176,000	172,300	14.7	161,600	13.7	10,700	6.2	
1,224,000	181,900	14.9	171,200	14.0	10,700	5.9	
(2) 1,258,000	188,700	15.0	178,000	14.1	10,700	5.7	
1,272,000	190,800	15.0	180,800	14.2	10,000	5.2	
(3) 1,472,000	220,800	15.0	220,800	15.0	-	-	Taxpayers earning \$1,472,000 or more will pay tax at the standard rate.
1,512,000	226,800	15.0	226,800	15.0	-	-	

(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.