



Coming to Australia or going overseas

- <https://www.ato.gov.au/Individuals/Coming-to-Australia-or-going-overseas/>
- Last modified: 01 Jul 2022
- QC 33241

Australian residents are generally taxed on all their worldwide income. Temporary residents of Australia and foreign residents are generally taxed only on their Australian-sourced income, such as money they earn working in Australia.

You should first work out if you are:

- an Australian resident for tax purposes
- a foreign or temporary resident for tax purposes.

This may be different to your residency status for other purposes. For example, you could be an Australian resident for tax purposes even if you're not an Australian citizen or permanent resident.

For information on lodging an Australian tax return, see [Lodging your tax return](#).

In this section

[Your tax residency](#)

Find out about residency and work out your residency for tax purposes if you are coming to Australia or going overseas

[Coming to Australia](#)

If you come to Australia to reside permanently, study or holiday, check what you need to consider if you start working in Australia

[Australians living overseas](#)

Find out what to consider for your tax and super obligations if you're an Australia living overseas

Your tax residency

- <https://www.ato.gov.au/Individuals/Coming-to-Australia-or-going-overseas/Your-tax-residency/>
- Last modified: 13 Jan 2023
- QC 59296

If you are coming to Australia or going overseas, you may need to work out your residency for tax purposes.

On this page

- [Work out your tax residency](#)
- [Residency tests](#)
- [If your residency status changes during the year](#)


Work out your tax residency

You can use the [residency tests](#) to work out if you're:

- an [Australian resident for tax purposes](#)
- a [foreign or temporary resident for tax purposes](#).

We don't use the same rules as the Department of Home Affairs. This means you:

- can be an Australian resident for tax purposes without being an Australian citizen or permanent resident
- may have a visa to enter Australia but are not an Australian resident for tax purposes.

For a summary of key information about residency status, download [Residency for tax purposes \(PDF, 603KB\)](#) . This information is also available in Arabic, Chinese, Japanese, Korean and Vietnamese, go to [Other languages](#).

If you are a working holiday maker, see [Working holiday makers](#).

See [408 Pandemic event visa](#) if you were issued a 408 visa to stay in Australia and continue working during the COVID-19 pandemic.

Residency tests

There are statutory tests to determine your residency:

- [Resides test](#)
- [Domicile test](#)
- [183-day test](#)
- [The Commonwealth superannuation test](#)

You can also use our [Work out your residency status for tax purposes](#) tool to help work out your residency.

Resides test

The primary test of tax residency is called the [resides test](#). If you reside in Australia, you are considered an Australian resident for tax purposes and you don't need to

apply any of the other residency tests.

Some of the factors that can be used to determine residency status include:

- physical presence
- intention and purpose
- family
- business or employment ties
- maintenance and location of assets
- social and living arrangements.

If you don't satisfy the resides test, you'll still be considered an Australian resident if you satisfy one of three statutory tests.

Domicile test

You're an Australian resident if your domicile (the place that is your permanent home) is in Australia, unless we are satisfied that your permanent place of abode is outside Australia.

A domicile is a place that is considered to be your permanent home by law. For example, it may be a domicile by origin (where you were born) or by choice (where you have changed your home with the intent of making it permanent).

For more information about this test, see [the domicile test](#).

183-day test

This test only applies to individuals arriving in Australia. You will be a resident under this test if you're actually present in Australia for more than half the income year, whether continuously or with breaks.

For more information about this test, see [the 183 day test](#).

The Commonwealth superannuation test

This test applies to Australian Government employees working at Australian posts overseas and who are members of the CSS or PSS schemes. It does not apply to members of the PSSAP scheme. If this is the case, you (and your spouse and children under 16) are considered to be a resident of Australia regardless of any other factors.

For more information about this test, see [the superannuation test](#).

Example: Australian resident under the domicile test

Emily leaves Australia to work in Japan as a teacher of English. Emily has a one-year contract after which she plans to tour China and other parts of Asia before returning to Australia to continue work here.

Emily lives with a family in Japan during her time there and rents out her property in Australia. Emily is single. Her parents live interstate and her brother has moved to France. Emily is an Australian resident for tax purposes even though she is residing in Japan because, under the domicile test:

- her domicile is in Australia (as she is a resident who has lived in Australia and will generally retain a domicile here when absent overseas), unless she chooses to permanently migrate to another country)
- her permanent place of abode remains Australia.

Example: Foreign resident for tax purposes

Bronwyn, an Australian resident, receives a job offer to work overseas for three years, with an option to extend for another three years. Bronwyn, her husband and three children decide to make the move.

They rent out their house in Australia as they intend to return one day. While overseas they rent a house with an accommodation allowance provided under Bronwyn's contract.

Bronwyn is unsure if she will extend her contract to stay for another three years. She will decide later depending on how the family like life.

Bronwyn is considered a foreign resident for tax purposes because she does not satisfy 'the resides' test. This is due to:

- the length of her physical absence from Australia
- other circumstances not being consistent with residing in Australia, even though she has retained the family home – such as
 - establishing a home overseas with her family
 - renting out her family home in Australia.

Bronwyn has also not satisfied the domicile test, as:

- her permanent place of abode is outside Australia due to
 - the length of time committed to being overseas
 - the establishment of a home overseas
 - her family going with her overseas
- the fact that she won't be selling the family home in Australia, although relevant, is not persuasive enough to overcome the finding on the basis of the other factors
- it can be argued that she has abandoned her home in Australia for the

duration of her stay, by renting it out.

Failure to cut connection with Australia

A [legal decision](#)⁸⁷ in 2013 shows that a person who fails to cut their connection with Australia will be treated as an Australian resident.

If your residency status changes during the year

If your status has changed from resident to foreign resident during the income year, answer 'yes' to the question 'Are you an Australian resident?' on your tax return.

This ensures you are taxed at resident rates for the income year. You are entitled to a [pro-rata tax-free threshold](#) for the number of months you are an Australian resident.

Foreign residents do not have to pay the Medicare levy. In your tax return you can claim the number of days in the income year that you are not an Australian resident as exempt days.

From the date you cease to be an Australian resident, there is no need to show your foreign-source income in your tax return. Also, all Australian-sourced interest, dividends and royalties you received after you ceased to be an Australian resident are subject to the withholding tax provisions as a final tax. They should not be included in your tax return.

If you have a Higher Education Loan Program (HELP) or VET Student Loan (VSL), Trade Support Loan (TSL) debt you'll need to include these amounts as they are used to work out your worldwide income and your [repayment obligations](#) against these debts.

If you are or become a foreign resident and you want more information about capital gains tax, see [Foreign residents and capital gains tax](#).

For more information about foreign employment income being exempt from tax, see [Exempt foreign employment income](#).

Foreign and temporary residents

- <https://www.ato.gov.au/Individuals/Coming-to-Australia-or-going-overseas/Your-tax-residency/Foreign-and-temporary-residents/>
- Last modified: 13 Jan 2023
- QC 65131

If you're from overseas and come to Australia to work, you're either a foreign

resident or temporary resident for tax purposes.

On this page

- [Foreign residents](#)
- [Temporary residents](#)
- [Foreign or temporary resident leaving Australia](#)

Foreign residents

If you're a foreign resident for tax purposes you must declare on your tax return any income earned in Australia, including:

- employment income
- rental income
- Australian pensions and annuities
- capital gains on Australian assets.

As a foreign resident:

- you have no tax-free threshold
- you do not pay the Medicare levy – in your Australian tax return, you can claim an exemption from paying the Medicare levy for the number of days in the income year you are a foreign resident
- you don't declare any Australian-sourced interest, dividends or royalties you derive while you are a foreign resident, provided the Australian financial institution or company that pays you has already withheld tax
- the capital gain on your Australian home may need to be included if you are a foreign resident at the time you sign the contract of sale.

If you have a Higher Education Loan Program (HELP), VET Student Loan (VSL) or Trade Support Loan (TSL) debt, you'll need to declare your worldwide income or lodge a non-lodgment advice. You can do this using our online services via myGov or through a registered Australian tax agent. The [Study and training loan repayment calculator](#) will help you find out your compulsory repayment or overseas levy amounts.

For more information about your study and training loan repayment obligations if you plan to live and work overseas, see [Overseas obligations when repaying loans](#).

See [408 Pandemic event visa](#) if you were issued a 408 visa to stay in Australia and continue working during the COVID-19 pandemic.

To work out if you need to lodge, use our [Do I need to lodge a tax return](#) tool.

Temporary residents

If you have a temporary visa, and neither you or your spouse is an Australian resident within the meaning of the *Social Security Act 1991* (that is, not an Australian citizen or permanent resident), you're a temporary resident. This means you only declare:

- income you derived in Australia
- any income you earn from employment or services performed overseas while you are a temporary resident of Australia.

Other foreign income and capital gains don't have to be declared.

Foreign or temporary resident leaving Australia

You may need to lodge a tax return if you earn income in Australia as a foreign or temporary resident.

If you leave Australia permanently and will no longer receive Australian-sourced income (other than interest, dividend and royalty income), you can either:

- [Lodge your tax return before leaving Australia](#)
- [Lodge your tax return from outside Australia.](#)

To lodge your return [online](#) from outside Australia, you will need a [myGov account linked to the ATO](#).

If you can't log in to your myGov account, see [When you can't log in to your myGov account](#).

Departing Australia superannuation payment

If you earned super while visiting Australia on a temporary visa, you can apply to have this super paid. Known as a [departing Australia superannuation payment](#) (DASP) and paid after you leave.

Australian resident for tax purposes

- <https://www.ato.gov.au/Individuals/Coming-to-Australia-or-going-overseas/Your-tax-residency/Australian-resident-for-tax-purposes/>
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If you're an Australian resident for tax purposes, you must declare all income you earned both in Australia and overseas on your Australian tax return (even if you've already paid tax on it overseas).

If you've paid foreign tax on income in another country, you may be entitled to an Australian foreign income tax offset.

On this page

- [Are you an Australian resident for tax purposes?](#)
- [Part-year Australian resident](#)

- [Dual residents](#)
- [Australian resident for tax purposes and foreign income](#)

Are you an Australian resident for tax purposes?

Generally, we consider you to be an Australian resident for tax purposes if you:

- have always lived in Australia or you have come to Australia and live here permanently
- have been in Australia continuously for six months or more, and for most of that time you worked in the one job and lived at the same place
- have been in Australia for more than six months of the year, unless your usual home is overseas and you do not intend to live in Australia
- go overseas temporarily and you do not set up a permanent home in another country
- are an overseas student who has come to Australia to study and are enrolled in a course that is more than six months long.

There are four statutory tests to determine your residency:

- Resides test
- Domicile test
- 183-day test
- The commonwealth superannuation test.

You can also use our [Work out your residency status for tax purposes](#) tool to help work out your [residency](#).

For information about foreign and temporary residents, see [Foreign and temporary residents](#).

Part-year Australian resident

If you are an Australian resident for part of the year, your [tax-free threshold](#) will be less than the full tax-free threshold of \$18,200 that applies to Australian residents if you:

- became an Australian resident for tax purposes
- ceased being an Australian resident for tax purposes.

If you became or ceased to be an Australian resident for tax purposes during the financial year, you will receive the [part-year tax-free threshold](#) and resident tax rates will apply to your income.

Part-year residents have a tax-free threshold of at least \$13,464. The remaining \$4,736 of the full tax-free threshold is pro-rated according to the number of months during the financial year you were a resident for tax purposes.

If you are a foreign resident for the full financial year, you will not be entitled to the tax-free threshold. As a foreign resident, you will pay tax on every dollar you earn in Australia and foreign resident tax rates will apply.

When you complete your individual income tax return, you must include the:

- date that you became or stopped being an Australian resident for tax purposes
- number of months that you were an Australian resident.

We will work out your tax-free threshold using the information you provide.

For more information on lodging your tax return early, see [Departing Australia and lodging your tax return early](#).

Dual residents

You are considered to be a dual resident if you are a resident of both:

- Australia for domestic income tax law purposes
- another country for the purpose of that other country's tax laws.

Where Australia has a double tax treaty with a foreign country, a treaty tie breaker test would usually determine which country has the right to tax Australian and foreign sourced income.

For more information about working out your residency, see [Work out your residency status for tax purposes](#).

Australian resident for tax purposes and foreign income

If you are an Australian resident for tax purposes and you:

- have a temporary resident visa
 - most of your [foreign income](#) isn't taxed in Australia
 - we tax your income from actual work you do overseas while you are a temporary Australian resident (see [Exempt foreign employment income](#))
- receive foreign income
 - income may be taxed in both Australia and the country from where you received it
 - tax paid in another country on your foreign income may entitle you to an [Australian foreign income tax offset](#)
- receive income from a country that Australia has a tax treaty with
 - you can ask the tax authorities in that country to reduce their withholding tax or to exempt you from paying tax in that country
 - done by supplying a [tax relief form](#) or a [certificate of residency](#).

Coming to Australia

- <https://www.ato.gov.au/Individuals/Coming-to-Australia-or-going-overseas/Coming-to-Australia/>
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- QC 33213

How coming to Australia to reside permanently, study or holiday can affect your residency and the tax you pay.

[Working holiday makers](#)

Tax in Australia when you are a working holiday maker (417 or 462 visa), including starting work, how much tax you pay, and what to do when you leave.

[Studying in Australia](#)

Tax in Australia if you work and study in Australia.

[Returning to your home country](#)

What to do when you leave Australia if you worked here, including lodging your tax return and claiming super.

[Seasonal Worker Program and Pacific Labour Scheme](#)

Tax in Australia if you work in the Seasonal Worker Programme or Pacific Labour Scheme, including starting work, how much tax you pay, and what to do when you leave.

[Pacific Australia Labour Mobility \(PALM\) Scheme](#)

Tax in Australia if you work in the Pacific Australia Labour Mobility (PALM) scheme, including starting work, how much tax you pay, and what to do when you leave.

[Tax in Australia: what you need to know](#)

Find out about paying tax, working and lodging a tax return in Australia.

Working holiday makers

- <https://www.ato.gov.au/Individuals/Coming-to-Australia-or-going-overseas/Coming-to-Australia/Working-holiday-makers/>
- Last modified: 01 Jul 2022
- QC 50742

If you work in Australia as a working holiday maker (WHM), your employer will withhold tax from your pay and you may need to lodge a tax return each year.

You are a WHM if you have a visa subclass of either:

- 417 Working Holiday
- 462 Work and Holiday (backpackers).

You can check your visa status using the [Visa Entitlement Verification Online](#)

[system](#)²⁷.

On this page

- [Your residency for tax purposes](#)
- [Starting work in Australia](#)
- [End of income year or finishing work](#)

Your residency for tax purposes

For tax purposes in Australia, individuals will be either:

- an Australian resident
- a foreign resident.

For most WHMs, whether you are an Australian or a foreign resident for tax purposes does not affect the rate of tax you pay.

The only exception to this is if you are both:

- an Australian resident for tax purposes
- from a non-discrimination article (NDA) country.

For more information, see [Taxation of Australian resident WHMs from NDA countries](#).

Most people who come to Australia for a working holiday or to visit are foreign residents for tax purposes.

To work out your residency as a WHM, see [Are you an Australian resident for tax purposes if you come for a working holiday or visit?](#)

Australian resident WHM from NDA country

Some WHMs may be eligible to be taxed on the same basis as a resident Australian national.

To be eligible, you must be:

- considered an Australian resident for tax purposes and
- from an NDA country.

A resident Australian national is someone who meets both of the following:

- the person is a resident of Australia for tax purposes
- the person is a permanent resident of Australia or an Australian citizen.

Australia's tax treaties with NDA countries contain non-discrimination articles that affect how much tax is payable.

For more information, see [Taxation of Australian resident WHMs from NDA countries](#).

Tax withheld by your employer

If you are a WHM, and your employer is registered with us as a WHM employer, they will withhold tax at a rate of 15% for the first:

- \$37,000 you earn during 2019–20 and earlier income years
- \$45,000 you earn during 2020–21 and later income years.

Higher rates of withholding will apply above these thresholds. For more information, see [tax table for working holiday makers](#).

Example: income below \$45,001 for 2020–21 and later income years

On 10 January 2022, Louie starts work with Bob's Mango Farm in Far North Queensland, a registered WHM employer. As part of the normal employment process, Louie gives Bob his completed tax file number declaration and tells him that he is a WHM on a 417 Working Holiday visa.

As Bob is a registered employer with us, the first \$45,000 of Louie's income is taxed at 15%.

Louie is paid weekly and earns \$200 a day. After five days of work, Louie receives his first pay of \$1,000, from which \$150 tax is withheld and sent to us.

Louie's total tax withheld is calculated as follows:

(Days worked × wage per day) × tax withholding rate = total tax withheld

5 days × 200 × 15% = \$150.

If your employer is not registered as a WHM employer, they must withhold tax from your pay using foreign resident tax rates.

Example: tax withheld when working for an employer that isn't a registered WHM employer

Aleks is on a 417 Working Holiday visa and starts working for Pamela's Berries. As Pamela is not registered as an employer of WHMs, Pamela withholds tax at the foreign resident tax rates starting at 32.5%.

Aleks is paid weekly and earns \$200 a day. After five days of work, Aleks receives his first pay of \$1,000, from which \$325 tax is withheld and sent to us.

Aleks' tax withheld is calculated as follows:

Aleks's pay \times 32.5% = tax withheld

\$1000 \times 32.5% = \$325

Starting work in Australia

Before you start work in Australia, you should:

- [Apply for a tax file number](#)
- [Complete a TFN declaration for your employer](#)
- [Know your workplace rights as a working holiday maker](#)

Apply for a tax file number

If you plan to work in Australia, you need a tax file number (TFN). Your TFN is your personal reference number in our tax system.

You can [apply for a TFN](#) online once you have your work visa.

You don't have to have a TFN, but without one you pay more tax.

Complete a TFN declaration for your employer

When you start work, you give your employer a [Tax file number declaration](#). This helps the employer work out how much tax to withhold from your pay.

Your employer will check if you have a visa subclass 417 Working Holiday or 462 Work and Holiday, but you should tell them anyway to ensure they tax you correctly.

Your employer is required to register with us as an employer of WHMs. WHMs do not need to register themselves with us.

As a WHM, your employer has to also pay superannuation for you if you are an [eligible employee](#).

Know your workplace rights as a working holiday maker

Everyone working in Australia has the same workplace rights under the National Employment Standards (NES). This includes WHMs.

The national minimum wage and NES make up the minimum employment entitlements that must be provided to all employees.

For more information, see:

- [National Employment Standards \(NES\)](#)²⁷
- [Fair work ombudsman – visa holders and migrants](#)²⁸.

End of income year or finishing work

At the end of the income year or when you finish working in Australia, consider if you need to:

- [Access your income statement](#)
- [Lodge a tax return](#)
- [Apply for a departing Australia superannuation payment \(DASP\)](#)

Access your income statement

At the end of the income year or when you finish work in Australia, you may choose to or need to lodge a tax return. The information on your income statement or payment summary will help you to work out if you need to lodge a tax return.

Your employer will usually provide an income statement through Single Touch Payroll (STP). It will show the amount you earned, tax withheld and superannuation that has been paid. You will be able to [access and see your year-to-date tax and super information \(income statement\)](#) in ATO online services through your myGov from within Australia or otherwise [contact us](#).

If your employer is not yet using STP they will provide you with a payment summary.

Lodge a tax return

The Australian income year starts on 1 July and ends on 30 June the following year. Depending on your circumstance you may want to lodge a return.

You don't need to lodge a tax return or a non-lodgment advice if both of the following apply:

- All of your income was earned as salary or wages while you were a WHM.
- The total of your taxable income for the income year was less than
 - \$37,001 for 2019–20 and earlier income years
 - \$45,001 for 2020–21 and later income years.

Example: income below \$45,001 for 2020–21 and later income years

Marjorie lives in Slovakia and has come to Australia for a working holiday. She was in Australia for the whole of the 2021–22 income year.

Marjorie is not a resident for tax purposes in Australia.

Marjorie works for a number of employers during the income year earning \$25,000. Her employers withheld \$3,750 tax from her salary or wages.

As Marjorie's total taxable income for the year is below \$45,001, she isn't required to lodge a tax return for the 2021–22 income year.

You will need to lodge a tax return if you want to claim any [deductions](#).

You may also want to lodge a tax return if you think you are, or became, an [Australian resident WHM from a non-discrimination article \(NDA\) country](#) during an income year. For more information, see [Taxation of Australian resident WHMs from NDA countries](#).

If you leave Australia permanently before 30 June, you can [lodge your tax return early](#).

Apply for a departing Australia superannuation payment (DASP)

When you leave Australia and return to your home country, you can apply to have your super paid to you as a [departing Australia superannuation payment \(DASP\)](#). The tax on any DASP made to WHMs on or after 1 July 2017 is 65%.

You can apply after you leave Australia if you meet all [DASP requirements](#).

Studying in Australia

- <https://www.ato.gov.au/Individuals/Coming-to-Australia-or-going-overseas/Coming-to-Australia/Studying-in-Australia/>
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- QC 33222

If you're enrolled to study in Australia in a course that lasts for six months or more, you may be regarded as an Australian resident for tax purposes. This means:

- you pay tax on your earnings at the same rate as other residents
- you're entitled to the benefits of the Australian tax system, such as
 - the tax-free threshold (or part of it, if you're here for only part of the financial year)
 - tax offsets
 - generally lower tax rates than a foreign resident.

Generally Australian residents must declare all income they've earned, both in Australia and internationally, on their [Australian tax return](#). However, as an overseas student you probably have a temporary [visa](#)[□], which means that you may be a temporary resident. For more information, see [Foreign income exemption for temporary residents](#).

If you're a temporary resident, most of your foreign income is not taxed in Australia and you don't declare it on your Australian tax return. You only declare income you derive in Australia, plus any income you earn from employment or services performed overseas while you are a temporary resident of Australia.

To read examples about residency, see [some examples of Australian residents and](#)

[foreign residents](#).

For more information about what to do when leaving Australia after [working](#) here, see [Returning to your home country](#).

Returning to your home country

- <https://www.ato.gov.au/Individuals/Coming-to-Australia-or-going-overseas/Coming-to-Australia/Returning-to-your-home-country/>
- Last modified: 01 Jul 2022
- QC 33235

If you worked in Australia and are returning to your home country, you can lodge an Australian tax return early or lodge online.

On this page

- [Lodging your tax return when leaving Australia](#)
- [Claiming your super](#)
- [Claiming GST and WET refunds](#)

Lodging your tax return when leaving Australia

If you worked in Australia, you will probably need to [lodge an Australian tax return](#) after 30 June. You can lodge your tax return online from your home country.

If you are leaving Australia permanently, you may be eligible to [lodge an Australian tax return early](#). In this case, you must lodge a paper return, which takes longer to process.

Your income statement or payment summary

After the end of the income year (30 June):

- you can [access your income statement information](#) in ATO online services through myGov – if your employer is reporting through Single Touch Payroll (STP)
- your employer will give you payment summary – if your employer is not reporting through STP.

If you leave a job during the year, you can ask your employer for your payment summary when you leave, your employer must give it to you within 14 days. However, if your employer reports your tax and super information to us through STP, they will need to complete a finalisation declaration through their reporting software.

If your income statement is finalised part way through the financial year, these

details will not be available in your tax return pre-fill until the end of the financial year. You will need to follow the current process for lodging a part-year tax return.

If you still have assets in Australia

If you have been an Australian resident but are leaving Australia and keeping assets here, you should know about [How changing residency affects CGT](#).

Claiming your super

Any super contributions paid by your employer must remain in your super fund account while you are in Australia.

You can claim your super if you:

- were in Australia on an eligible temporary resident visa (but not if you were on visa subclasses 405 and 410)
- had super contributions paid by an employer while you were in Australia
- have left Australia and your working visa has either expired or been cancelled.

When you meet the above conditions, you can then receive your super entitlements as a [departing Australia superannuation payment \(DASP\)](#).

A DASP is not taxed as a superannuation lump sum benefit but is subject to tax under a final withholding tax arrangement.

Your super fund will deduct this tax. Additionally, a DASP is neither your assessable income nor exempt income.

Apply online for a departing Australia super payment (DASP)

This is a free service and your eligibility is confirmed automatically.

New Zealand citizens and permanent residents of Australia are not eligible for the departing Australia super payment.

The [Trans-Tasman Retirement Savings Portability Scheme](#) permits transfers of retirement savings between super funds for people who emigrate from one country to the other.

Claiming GST and WET refunds

You may be able to claim a refund of the goods and services tax (GST) and wine equalisation tax (WET) included in the price of goods you bought in Australia. You do this at the airport or seaport when you actually leave.

To find out more, see [The tourist refund scheme](#)¹.

Seasonal Worker Programme and Pacific Labour Scheme

- <https://www.ato.gov.au/Individuals/Coming-to-Australia-or-going-overseas/Coming-to-Australia/Seasonal-Worker-Programme-and-Pacific-Labour-Scheme/>
- Last modified: 12 Apr 2022
- QC 69193

If you have a Temporary Work (International Relations) subclass 403 visa to work in Australia in the Seasonal Worker Programme (SWP) or Pacific Labour Scheme (PLS) your employer will withhold tax from your pay. You may also need to lodge an income tax return in Australia each year.

The SWP and PLS were merged to form the Pacific Australia Labour Mobility (PALM) scheme on 4 April 2022. If you become employed under this scheme, see [Pacific Australia Labour Mobility scheme](#). The taxation arrangements for workers in the SWP and PLS continue to apply if you remain employed under these programs.

You or your employer can check your visa status using the [Visa Entitlement Verification Online system](#)[↗].

On this page

- [Your residency for tax purposes](#)
- [Tax and withholding in Australia](#)
- [Starting work in Australia](#)
- [End of income year or finishing work](#)

Your residency for tax purposes

For tax purposes in Australia, individuals will be either:

- an [Australian resident](#)
- a foreign resident.

Most people who come to Australia under the SWP are foreign residents for tax purposes. This is because workers in the SWP, consistent with their visa requirements, don't intend to stay in Australia. They only intend to work here for a short time and return home.

Most people who come to Australia under the PLS are Australian residents for tax purposes. This is because they form a connection with Australia and intend to make Australia their home.

Whether you are a resident for tax purposes will depend upon your circumstances.

Tax and withholding in Australia

Before you receive your pay, your employer will withhold tax.

Foreign residents in the SWP

Your employer will withhold tax at the rate of 15% for each dollar you earn as a foreign resident worker under the SWP. You are not required to lodge a tax return if you don't earn income from any other sources in Australia.

Your SWP income is considered to be non-assessable, non-exempt income and you can't claim any deductions against this income.

Example – Foreign resident in the SWP

John comes to Australia for 6 months on a 403 visa issued prior to 4 April 2022 under the SWP to pick walnuts in rural and regional locations. John is a foreign resident for tax purposes in Australia.

John takes up employment at a walnut farm in Moree in northern New South Wales. He is paid \$21 per hour and guaranteed 10 hours for 6 days each week. As John is a foreign resident working for an approved employer under the SWP, his employer will withhold 15% final tax from his salary and wages. John's weekly salary is calculated as:

- $\$21 \text{ per hour} \times 10 \text{ hours} \times 6 \text{ days} = \$1,260 \text{ per week}$

His employer withholds 15% = \$189

John's take home pay each week is \$1,071

Because John is a foreign resident working under a 403 visa in the SWP and he does not earn income from any other sources in Australia, he is not required to lodge a tax return in Australia.

Australian residents in the PLS

You pay tax at the rate set out in the [tables for residents](#) of Australia if you are a resident of Australia for tax purposes. Your employer is required to withhold tax when they pay you. You are required to lodge a tax return.

Example – Australian resident in the PLS

Joe comes to Australia for 4 years on a 403 visa issued prior to 4 April 2022 under the PLS to pick fruit and nuts in rural and regional locations. Joe is an Australian resident for tax purposes in Australia.

Joe works at a cherry farm in Wangaratta, Victoria. He is paid \$21 per hour and guaranteed 10 hours for 6 days each week. As Joe is an Australian

resident, his employer will withhold tax from his salary and wages based on the resident tax rates. Joe's weekly salary is calculated as:

$\$21 \text{ per hour} \times 10 \text{ hours} \times 6 \text{ days} = \$1,260 \text{ per week}$

His employer withholds tax and an amount for the Medicare levy = \$251 per week

Joe's take home pay each week is \$1,009

Joe is required to lodge a tax return at the end of the tax year.

Starting work in Australia

Before you start work in Australia, you should:

- [Apply for a tax file number](#)
- [Complete a TFN declaration for your employer](#)
- [Know your workplace rights](#).

Apply for a tax file number

If you plan to work in Australia, you need a tax file number (TFN). Your TFN is your personal reference number in our tax system.

You can [apply for a TFN](#) online once you have your work visa.

You don't have to have a TFN, but without one you pay more tax.

Complete a TFN declaration for your employer

When you start work, you give your employer a [Tax file number declaration](#). This helps the employer work out how much tax to withhold from your pay.

Your employer has to also pay superannuation for you if you are an [eligible employee](#). They may also be required to pay fringe benefits tax if they provide you with any benefits in addition to your pay.

Know your workplace rights

Everyone working in Australia has the same workplace rights under the [National Employment Standards](#)¹⁷ (NES).

The national minimum wage and NES make up the minimum employment entitlements that must be provided to all employees.

The Fair Work Ombudsman provides information on [workplace rights and entitlements for visa holders and migrant workers](#)¹⁸.

End of income year or finishing work

At the end of the income year or when you finish working in Australia, consider if you need to:

- [Access your income statement](#)
- [Lodge a tax return](#)
- [Apply for a departing Australia superannuation payment \(DASP\)](#)

Access your income statement

Your employer will usually provide an income statement through Single Touch Payroll (STP). It will show the amount you earned, tax withheld and superannuation that has been paid. You will be able to [access and see your year-to-date tax and super information \(income statement\)](#) in ATO online services through your myGov account from within Australia. If not, you can [contact us](#).

If your employer is not yet using STP they will provide you with a payment summary showing the payments you received and tax amounts withheld for the income year.

Lodge a tax return

The Australian income year starts on 1 July and ends on 30 June the following year. Most individuals who earn income and had tax withheld during the income year need to lodge an income tax return.

You don't need to lodge a tax return or a non-lodgment advice if you are a foreign resident for tax purposes working in the SWP.

If you leave Australia permanently before 30 June, you can [lodge your tax return early](#).

Apply for a departing Australia superannuation payment (DASP)

When you leave Australia and return to your home country, you can apply to have your super paid to you as a [departing Australia superannuation payment \(DASP\)](#).

You can apply after you leave Australia if you meet all [DASP requirements](#).

Pacific Australia Labour Mobility scheme

- <https://www.ato.gov.au/Individuals/Coming-to-Australia-or-going-overseas/Coming-to-Australia/Pacific-Australia-Labour-Mobility-scheme/>
- Last modified: 13 Dec 2022
- QC 69194

Find out about working in Australia under the PALM scheme, including residency, starting work and paying tax.

On this page

- [The PALM scheme](#)
- [Your residency for tax purposes](#)
- [Tax and withholding in Australia](#)
- [Starting work in Australia](#)
- [End of income year or finishing work](#)

The PALM scheme

Under the Pacific Australia Labour Mobility (PALM) scheme, workers from Pacific Island countries and Timor-Leste can work in Australia for seasonal (short-term) placements of up to 9 months or longer-term placements of between one and 4 years.

How you are taxed in Australia depends on your residency for tax purposes.

The PALM scheme is managed by the Department of Foreign Affairs and Trade (DFAT). For more information visit the [PALM scheme website](#)[↗].

Your residency for tax purposes

For tax purposes in Australia, individuals will be either:

- an [Australian resident](#)
- a foreign resident.

Whether you are a resident for tax purposes will depend on your individual circumstances.

- Seasonal (short-term) PALM scheme participants are likely to be [foreign residents for tax purposes](#).
- longer-term PALM scheme participants are likely to be Australian residents for tax purposes.

You, or your employer, can check your visa status using the [Visa Entitlement Verification Online system](#)[↗].

Tax and withholding in Australia

If you have a subclass 403 visa to work in Australia under the PALM scheme, your employer will withhold tax from your pay.

The amount they withhold depends on your residency for tax purposes and how much you earn.

Foreign resident workers

Your employer will withhold tax at a flat rate of 15% on all payments made to you if

all of the following apply:

- you are a foreign resident for tax purposes
- you work under the PALM scheme
- your employer is an approved employer.

This tax is paid to us by your employer and you are not required to lodge a tax return if you don't earn income from any other sources in Australia.

Income you earn under the PALM scheme is considered to be non-assessable, non-exempt income and you can't claim any deductions against this income.

If your employer is not approved to hire under the PALM scheme, they will withhold tax at [foreign resident rates](#) and you will need to lodge a tax return.

Example: foreign resident worker in the PALM scheme

Langi comes to Australia for 8 months on a 403 visa. The visa is issued after 4 April 2022 under the PALM scheme to pick citrus as a seasonal worker in rural and regional locations. Langi is a foreign resident for tax purposes.

Langi works at an orange farm in Griffith, New South Wales for an [employer who is approved under the PALM scheme](#)¹⁷. She is paid \$26 per hour and guaranteed 10 hours for 6 days each week.

As Langi is working for an approved employer under the PALM scheme, her employer will withhold 15% tax from her salary and wages. Her weekly salary is calculated as:

- $\$26 \text{ per hour} \times 10 \text{ hours} \times 6 \text{ days} = \$1,560 \text{ per week}$

Her employer withholds 15% tax: $(\$1,560 \times 15\%) = \234

Langi's take home pay each week is \$1,326.

Because Langi is a foreign resident working under a 403 visa in the PALM scheme, she is working for an approved employer under the PALM scheme, and she does not earn income from other sources in Australia, Langi is not required to lodge a tax return in Australia.

Australian resident workers

If you're an Australian resident for tax purposes, you will pay tax at the rate set out in the [individual income tax rates](#). Your employer is required to withhold tax when they pay you. You are required to lodge a tax return.

Example: Australian resident worker in the PALM scheme

Aberto comes to Australia for 4 years on a 403 visa under the long-term PALM scheme to work in rural and regional locations. Aberto is an Australian resident for tax purposes. Aberto has a Medicare Entitlement Statement from Services Australia to show he is not eligible for Medicare in Australia.

Aberto works at a vineyard in the Coonawarra region in South Australia, earning \$37,000 per annum.

As Aberto is an Australian tax resident, his employer will withhold tax from his salary and wages based on the resident tax rates.

At the end of the income year, Aberto must lodge an income tax return. Assuming Aberto has no other income and no deductions, his tax liability for the income year is calculated as:

- $(\$37,000 \text{ salary} - \$18,200 \text{ tax free threshold}) \times 19\% \text{ tax rate} = \$3,572$
- Less a credit for the low income tax offset (LITO), being \$700.

The amount of tax Aberto will pay for the income year is $\$3,572 - \$700 = \$2,872$. Aberto's income after tax is \$34,128.

Starting work in Australia

Before you start work in Australia, you should:

- [Apply for a tax file number](#)
- [Complete a TFN declaration for your employer](#)
- [Know your workplace rights](#).

Apply for a tax file number

If you plan to work in Australia, you need a tax file number (TFN). Your TFN is your personal reference number in our tax system.

You can [apply for a TFN](#) online once you have your work visa.

You don't have to have a TFN, but without one you pay more tax.

Complete a TFN declaration for your employer

When you start work, you give your employer a [Tax file number declaration](#). This helps the employer work out how much tax to withhold from your pay.

Your employer has to also pay superannuation for you if you are an [eligible employee](#). They may also be required to pay fringe benefits tax if they provide you with any benefits in addition to your pay.

Know your workplace rights

Everyone working in Australia has the same workplace rights under the [National](#)

[Employment Standards](#)²⁷ (NES).

The national minimum wage and NES make up the minimum employment entitlements that must be provided to all employees.

The Fair Work Ombudsman provides information on [workplace rights and entitlements for visa holders and migrant workers](#)²⁸.

End of income year or finishing work

At the end of the income year or when you finish working in Australia, consider if you need to:

- [Access your income statement](#)
- [Lodge a tax return](#)
- [Apply for a departing Australia superannuation payment \(DASP\)](#)

Access your income statement

Your employer will usually provide you with an income statement. It will show the amount you earned, tax withheld and superannuation that has been paid. You will be able to [access and see your year-to-date tax and super information \(income statement\)](#) in ATO online services through your myGov account from within Australia. If not, you can [contact us](#).

Lodge a tax return

The Australian income year starts on 1 July and ends on 30 June the following year.

You don't need to lodge a tax return or a non-lodgment advice if you are a foreign resident for tax purposes and all of your income was earned from your employment in the PALM scheme.

You will need to lodge a tax return if you are either:

- a foreign resident for tax purposes and you earn income from sources in Australia in addition to the PALM scheme
- an Australian tax resident.

If you leave Australia permanently before 30 June, you can [lodge your tax return early](#).

Apply for a departing Australia superannuation payment (DASP)


When you leave Australia and return to your home country, you can apply to have your super paid to you as a [departing Australia superannuation payment \(DASP\)](#).

You can apply after you leave Australia if you meet all [DASP requirements](#).

Tax in Australia: what you need to know

- <https://www.ato.gov.au/Individuals/Coming-to-Australia-or-going-overseas/Coming-to-Australia/Tax-in-Australia--what-you-need-to-know/>
- Last modified: 01 Jul 2022
- QC 57521

If you are new to Australia or English is your second language, this overview will help answer some questions about tax in Australia. This publication may also be available in your [preferred language](#).

You can download a copy of this information in portable document format – [Tax in Australia: what you need to know \(PDF, 400KB\)](#) 

In this guide

- [Why we pay tax](#)
- [Before you start working](#)
- [When you start working](#)
- [Your tax return](#)
- [Complete and lodge your tax return](#)
- [Protect your information](#)

Why we pay tax

As Australians we enjoy access to a good health system, quality education and a variety of community facilities (for example, parks and playgrounds) that are supported through tax collections.

The Australian Taxation Office (ATO) collects these taxes for the Australian Government to provide services, including:


- healthcare
- education
- defence
- roads and railways
- payments for welfare, disaster relief and pensions.

Before you start working

In this section

- [Permission to work in Australia](#)
- [Get a tax file number](#)
- [Australian business numbers \(ABN\) are for business](#)

Permission to work in Australia

Before you start working in Australia you must get permission from the [Department of Home Affairs](#)  if you are a foreign resident. Home Affairs can provide you with

useful information including which visas allow you to work in Australia.

Get a tax file number

Your tax file number (TFN) is your personal reference number. It is free to get a TFN.

You should get a TFN before starting work, or soon after starting work, otherwise you'll pay more tax. We issue TFNs to individuals, businesses and other organisations for identification and record keeping purposes.

How you [apply for your TFN](#) will depend on your circumstances.

When completing your application, you will need documents that prove your identity.

It can take up to 28 days to process your TFN application and send your TFN to your address.

When you receive your TFN it is important to [keep this safe](#) and not let anyone else use it.

Australian business number (ABN) are for business

Not everyone is entitled to or needs an Australian business number (ABN) to work in Australia. Having an ABN means you:

- are running your own business
- have to pay your own tax to us
- may need to pay for your own super
- may not be insured if you're injured.

To apply for an ABN, see [Australian Business Register \(ABR\)](#)²⁷.

When you start working

In this section

- [Complete a tax file number declaration](#)
- [Paying tax](#)
- [Superannuation](#)

Complete a tax file number declaration

When you start working, your employer will ask you to fill out a [Tax file number declaration](#) to tell them your TFN and personal information.

They use this declaration to work out how much tax you need to pay. You have 28 days to complete the declaration and give it to your employer. If you don't, they must take tax from your pay at the highest rate.

If you're an Australian resident for tax purposes, you can claim the [tax-free threshold](#) when you complete your declaration. This means the first \$18,200 of your yearly

income isn't taxed.

You can generally only claim the tax-free threshold from one employer. If you have more than one employer, you should claim the tax-free threshold from the employer that pays the highest salary or wage.

Paying tax

When your employer pays your salary or wage they take out tax and send it to us. Your payslip will show how much tax you have paid. At the end of the financial year your income statement or payment summary will show your total income from your employer and how much tax they have taken. Your income statement is available in ATO online services via myGov.

The amount of tax you pay depends on:

- [your tax residency](#)
- how much income you earn
- whether you have [more than one job](#)
- whether you have a tax file number (TFN) – this is a personal reference number, which you should tell your employer after you start working for them.

Some employers prefer to pay in cash instead of to a bank account. This is okay, provided they still:

- deduct tax from the money they pay you
- give you payslips showing how much tax has been deducted
- pay super contributions on your behalf (if you're entitled to super).

If you begin work before you have a TFN, you have 28 days to get one and give it to your employer. If you don't, your employer must take tax from your pay at the highest rate.

For more information on tax rates, see [Individual income tax rates](#).

Superannuation

Superannuation (super) is money set aside during your working life to provide for your retirement. When starting a new job, it's important for you to understand [how super works](#) and to know your rights and entitlements.

Super money is paid in addition to your salary. If you're eligible for super, your employer must pay super contributions into a super fund account. Most people can choose the super fund these contributions are paid into.

It's important that you [check your super regularly](#) to ensure the correct super payments are made into your super account.

Your tax return

In this section

- [Who needs to prepare a tax return?](#)
- [Information you need to lodge](#)
- [Record keeping](#)

Who needs to prepare a tax return?

As an individual you must [lodge a tax return](#) if:

- you had tax taken out of your pay during the tax year (1 July to 30 June)
- your taxable income (including some [Australian Government payments](#)) was over certain thresholds for residents
- you are a foreign resident and earned \$1 or more in Australia during the tax year (excluding income that had non-resident withholding tax withheld)
- you are leaving Australia permanently or for more than one tax year.

We use information from your tax return, such as your income and the amount of tax you have paid, to work out if you need to pay extra tax or if you will get money back (a tax refund).

Information you need to lodge

To lodge a tax return, you need to know:

- how much [income](#) you have earned from working (including any cash payments), from interest on bank accounts or investments
- how much tax has been withheld from your income (how much money is taken out of your pay by your employer and sent to us)
- about any [deductions](#) and tax offsets you are claiming.

Deductions are costs you can claim to reduce your tax. Most deductions are work-related expenses. That is money you have spent on something to help you earn your income. You must be able to show that:

- the expenses directly relate to earning income
- the expenses are not private in nature
- you have a record to prove your expenses (such as a receipt).

Your employer needs to provide you with an [income statement or payment summary](#). This shows how much income you earned and how much tax you paid.

Record keeping

When you lodge your tax return, we process it and work out whether you have paid the right amount of tax. We let you know the result by sending you a notice of assessment.

You must [keep records](#), such as receipts, for any deductions you claim. You need to keep these records for at least five years from the date you lodge your tax return. We may ask you to show us these records.

myDeductions is a convenient way to keep your expense and income records in one place. Download the [ATO app](#) to your smart device and select the [myDeductions](#)

icon.

Complete and lodge your tax return

In this section

- [When to lodge](#)
- [Lodge online using myTax](#)
- [Lodge using a registered tax agent](#)
- [Help and support to lodge](#)

When to lodge

You can lodge online using myTax, through a registered tax agent or complete a paper tax return. Your tax return covers the income year from 1 July to 30 June. Your tax return must be lodged or you must engage a tax agent by 31 October.

When you lodge online with myTax or use a tax agent, we pre-fill your tax return with information we already have. For example, employment income and bank interest. For most people, this will be ready by the end of July. Waiting for us to pre-fill your information can make doing your tax return easier and more accurate.

We will pre-fill this information as we receive it, so you need to check the details are correct and add in anything that is missing.

For more information on lodging a tax return, see [How to lodge your tax return](#).

Lodge online using myTax

You can lodge your tax return online using myTax. It is the quick, easy, safe and secure way to lodge online.

To use myTax, you first need to [create a myGov account](#), and link your account to ATO online services. We recommend you link before tax time (1 July) to ensure you receive all communications and there are no delays in lodging your tax return.

Once you have linked to ATO online services, you can access myTax to [lodge your tax return](#).

Lodge using a registered tax agent

You can use a [registered tax agent](#) to prepare and lodge your tax return. You need to contact them before 31 October.

Help and support to lodge

At tax time you can get free help with your tax. Our [Tax Help](#) service is for people on incomes around \$60,000 or less a year. If you need help completing your tax return, our trained volunteers may be able to help you. They provide a free and confidential service to help people complete their tax returns online using myTax.

Tax Help is in all capital cities and many other places in Australia from July to

October each year.

Protect your information

It's important to protect your personal information.

Your TFN is with you for life, so keep it secure. You keep the same TFN even if you change your name or address, change jobs, move interstate, or go overseas.

Don't let anyone else use your TFN, not even friends or relatives. Allowing someone else to use it, giving it away or selling it is a crime.

Only give your TFN to:

- us when discussing your tax records
- your employer after you begin work, but don't provide it on job applications
- your bank or other financial institutions
- Services Australia
- your registered tax agent
- your superannuation (super) fund
- your higher education provider or university to access a student loan such as the Higher Education Loan Program (HELP).

If you think your [TFN is lost, stolen or misused](#), report it to us immediately.

Make sure you keep personal identity details secure to help prevent [identity crime](#). Identity crime happens when people's identity details are used to commit crimes. Remember:

- don't share your myGov or other online passwords with anyone – not even your tax agent (if you use one) needs these
- don't include your TFN, passwords or other sensitive information in emails.

[Scam](#) emails, faxes, SMS and phone calls can look and sound very convincing. Be aware and if you're unsure who a communication is from, [contact us](#) or visit [Verify or report a scam](#). To find out more information about scam and alerts, see [Scamwatch](#)[↗] (links to an external website).

For more information on how to protect yourself and keep your information secure, see [How to protect yourself](#).

Australians living overseas

- <https://www.ato.gov.au/Individuals/Coming-to-Australia-or-going-overseas/Australians-living-overseas/>
- Last modified: 01 Jul 2022

- QC 33206

You should be aware of your tax and super obligations before you leave Australia. If you have already left, you can use ATO online services to do most tasks. When you leave Australia, you need to work out if you remain an Australian resident overseas. If you are unsure of your tax situation, see [Your tax residency](#).

Reporting obligations are different for Australian, foreign or temporary residents for tax purposes. Regardless of your residency status, if you have a study or training support loan there are steps you need to take.

On this page

- [Australian resident going overseas](#)
- [Study and training support loans](#)
- [Capital gains on your assets](#)
- [Medicare levy surcharge and private health insurance](#)
- [Your super](#)
- [Self-managed super](#)

Australian resident going overseas

If you remain an Australian resident, you must lodge an Australian tax return. If you work while overseas, you must declare:

- all your foreign employment income
- any exempt income even if tax was withheld in the country where you earned it.

If you have a [myGov account linked to the ATO](#), you can access your account from overseas to:

- prepare and lodge your tax return
- manage and check your super
- manage your contact details and other tax obligations.

To find out more about ATO online service, see [Using ATO online services](#).

If you can't log in to your myGov, see [When you can't sign in to your myGov account](#).

Study and training support loans

You will have the same [obligations](#) to repay [study and training support loans](#) as people who live in Australia.

This means, you need to repay your debt if you have moved or intend to move overseas, to live for six months or more in any 12 month period, and have one of the following study and training loans:

- Higher Education Loan Program (HELP – formerly known as HECS)
- VET Student Loan (VSL)

- Trade Support Loan (TSL).

This applies even if you already live or intend to move overseas for a total of more than six months in any 12-month period.

Before you leave Australia or within seven days of leaving, you will need to:

- update your contact details using our online services via myGov
- submit an overseas travel notification.

You will also need to advise us of your worldwide income, make compulsory repayments or pay an overseas levy towards your debt if you earn over the minimum repayment threshold.

If you have a Student Financial Supplement Scheme (SFSS), Student Start-up Loan (SSL) or ABSTUDY Student Start-up Loan (ABSTUDY SSL) debt and go overseas, we will continue to maintain your loan account. Your debt will not be waived and the amount outstanding will continue to be indexed each year until you have paid off your debt.

You can still make [voluntary repayments](#) when you are overseas.

Capital gains on your assets

If you leave your home in Australia temporarily and rent it out, you can continue to treat it as your main residence for up to six years for capital gains tax (CGT) purposes. If you don't rent out your vacated home, you can treat it as your main residence for an unlimited period.

If you cease to be an Australian resident and decide to sell your home in Australia you may be liable to pay CGT.

If you cease to be an Australian resident while overseas, we deem some of your assets – generally those not considered taxable Australian property – to have been disposed of for CGT purposes. This may mean you become liable to pay CGT.

You can choose not to have this deemed disposal apply. But if you do eventually dispose of the asset, we consider the whole period of ownership – including any period when you're not an Australian resident – when we calculate a capital gain or loss for CGT purposes.

Rules for foreign residents

From 9 May 2017, foreign residents for tax purposes will no longer be able to claim the [CGT main residence exemption](#) when they sell property in Australia unless certain circumstances apply.

If you already held the property on 9 May 2017, you will be able to claim the CGT main residence exemption, if the CGT event (disposal) of the property occurs on or before 30 June 2020.

For property acquired at or after 9 May 2017, you will no longer be able to claim the

CGT main residence exemption from that date unless certain life events occur within a continuous period of six years of you becoming a foreign resident for tax purposes.

For more information about residency and CGT, see [Changing residency](#).

For more information about foreign residents and CGT, see [Foreign residents and capital gains](#).

Medicare levy surcharge and private health insurance

The [Medicare levy surcharge](#) applies to Australian residents who have income above the surcharge thresholds and do not have an appropriate level of private patient hospital cover.

So, if you cancel your private health insurance while travelling overseas, you may be liable for the Medicare levy surcharge if your income exceeds the relevant threshold.

You should contact your health fund to work out the amount of premium you expect to save by cancelling or suspending your cover. Compare it to the surcharge you may have to pay.

For more information, see [Medicare and private health insurance](#).

Family cover

You and all your family dependants must have private patient hospital cover to avoid paying the Medicare levy surcharge. Cancelling or suspending cover for yourself will mean you and your spouse may each still be liable for the surcharge if your combined income for the purposes of the surcharge exceeds the family surcharge threshold.

Travel health insurance

Travel insurance is not private patient hospital cover for the purposes of the Medicare levy surcharge. Private patient hospital cover does not include cover provided by an overseas fund.

Exempt foreign employment income and the surcharge thresholds

Although your foreign employment income may be exempt from tax, we still take it into account when we determine your taxable income for the purposes of the Medicare levy surcharge.

Example: foreign income and the Medicare levy surcharge

John is single and an Australian resident. In 2021-22, he has:

- no private patient hospital cover

- exempt foreign employment income of \$75,000
- taxable income of \$20,000.

John's income, for the purposes of the Medicare levy surcharge, is \$95,000. As this falls in the income range of \$90,001–\$105,000 for a single person, he is liable for the Medicare levy surcharge of 1.0%.

The surcharge is 1% of \$20,000 (his taxable income), which equals \$200.

Your super

If you are an Australian citizen or permanent resident leaving Australia temporarily or permanently, your superannuation remains subject to the same rules. This means you can't access your super until you reach preservation age and retire or satisfy another condition of release.

You should check your super regularly and combine any accounts you no longer need. You can do this through our online services, via [myGov](#)^{CA}. Combining multiple super accounts means you don't have to pay multiple sets of fees and charges.

If you have a small super account that you want to keep with your super fund, contact your super fund and tell them. This will prevent it from being [transferred to us](#) as unclaimed super.

If you are planning on moving either permanently or indefinitely to New Zealand, you can leave your super in Australia or transfer it to a New Zealand KiwiSaver scheme from a participating Australian super fund.

For more information see:

- [Withdrawing and using your super](#)
- [Trans-Tasman retirement savings portability scheme for individuals](#)

Self-managed super

If you are a trustee of a self-managed super fund and you intend to travel overseas for an extended period, [check](#) before you leave that your fund will continue to meet the definition of an [Australian super fund](#).

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to

you, contact us or seek professional advice.

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