

Flood Levy - Latest News

The Australian Taxation Office (ATO) has increased the tax paid by individual taxpayers to cover the Flood Levy. The ATO has identified certain people to be exempt from paying the Flood Levy. These people have been sent letters to be informed of their exemption.

Employees who are exempt from paying the Flood Levy can provide their employers with a *Flood Levy Exemption Declaration* so that they don't have the Flood Levy taken out of their pay.

If you pay the Flood Levy and you are entitled to be exempted, you have to fill in the Flood Levy question in your 2012 [tax return](#) and you will be refunded the Flood Levy amount paid.

Flood Levy – Information for Individuals

The Flood Levy is a Temporary Flood and Cyclone Reconstruction Levy, which applies to taxable income from 1 July 2011 to 30 June 2012. The Flood Levy will be used to rebuild infrastructure such as roads, bridges, rail lines and schools that have been ravaged by floods in Australia.

The Flood Levy is applied to the taxable income of individuals who earn income from wages, salary, investments and business. It is not applied to income that is exempt from tax.

The Flood Levy will be applied to all taxpayers that earn an annual income over \$50,000.

Taxpayers that earn an annual income under \$50,000 will be exempt from the Flood Levy, as will taxpayers that are currently receiving the Australian Government Disaster Recovery Payment for floods that occurred in the 2010 - 2011 financial year.

Receiving Super Benefits

If you are 61 years and over, and you are receiving super benefits, you will be exempt from paying the Flood Levy.

If you are 60 years and less, and you are receiving super benefits, then you will be required to pay the Flood Levy.

The Flood Levy tax is a percentage of your income. See *table below*.

INCOME	FLOOD LEVY %	AMOUNT TO PAY
0 - \$50,000	0	0
\$50,001 - \$100,000	0.5	\$250
\$100,000 Plus	1	\$250 + 1% of income over \$100,000