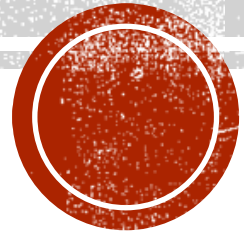
DIVISION 293



AGENDA

- Introduction
- Division 293 Income
- Division 293 Tax Calculation
- Division 293 in Xero

Introduction:

- Division 293 tax is an additional tax on super contributions.

How it will be calculated,

- Your combined Division 293 income and super contributions exceeds the threshold of $250,000 (or) your super guarantee amount whichever is lesser, on that Div 293 tax rate will be applicable.
- Your Division 293 tax rate is 15%.

Example:

Nigel taxable income for the FY is $ 240,000.00
His Super Contributions for the year is $15000.00
His Total Div 293 income is $255,000 ($240000.00 + $15,000)
Hence it is exceeding the Div 293 threshold of $250,000 & his Div 293 tax amount is
= $255,000 - $250,000
= $5,000
= $5,000 * 15%
= $750



Division 293 Income:

Div 293 Income calculation includes,

- ✓ taxable income (assessable income minus allowable deductions)
- ✓ total reportable fringe benefits amounts
- ✓ net financial investment loss
- ✓ net rental property loss
- ✓ net amount on which family trust distribution tax has been paid
- ✓ super lump sum taxed elements with a zero-tax rate
- ✓ assessable first home super saver released amount.



Example:

Division 293 tax calculation for Scott Henriksen

Division 293

Division 293 Income Estimate:	From	Threshold		
	01-07-17	$ 250,000.00		
- Income		$ 565,825.00		
- Super Contributions (Before Tax)				
	- Super Guarantee	$ 27,500.04	Download the contributions from ATO portal (Super Section)	
	- RESC	$ -		
		$ 593,325.04	Yes	If Yes, we need to flag this with client
	Excess over Threshold	$ 343,325.04		
Division 293 Tax @ 15% on Lower of:	- Super Guarantee - Excess over Threshold	$ 4,125.01		

Workings:

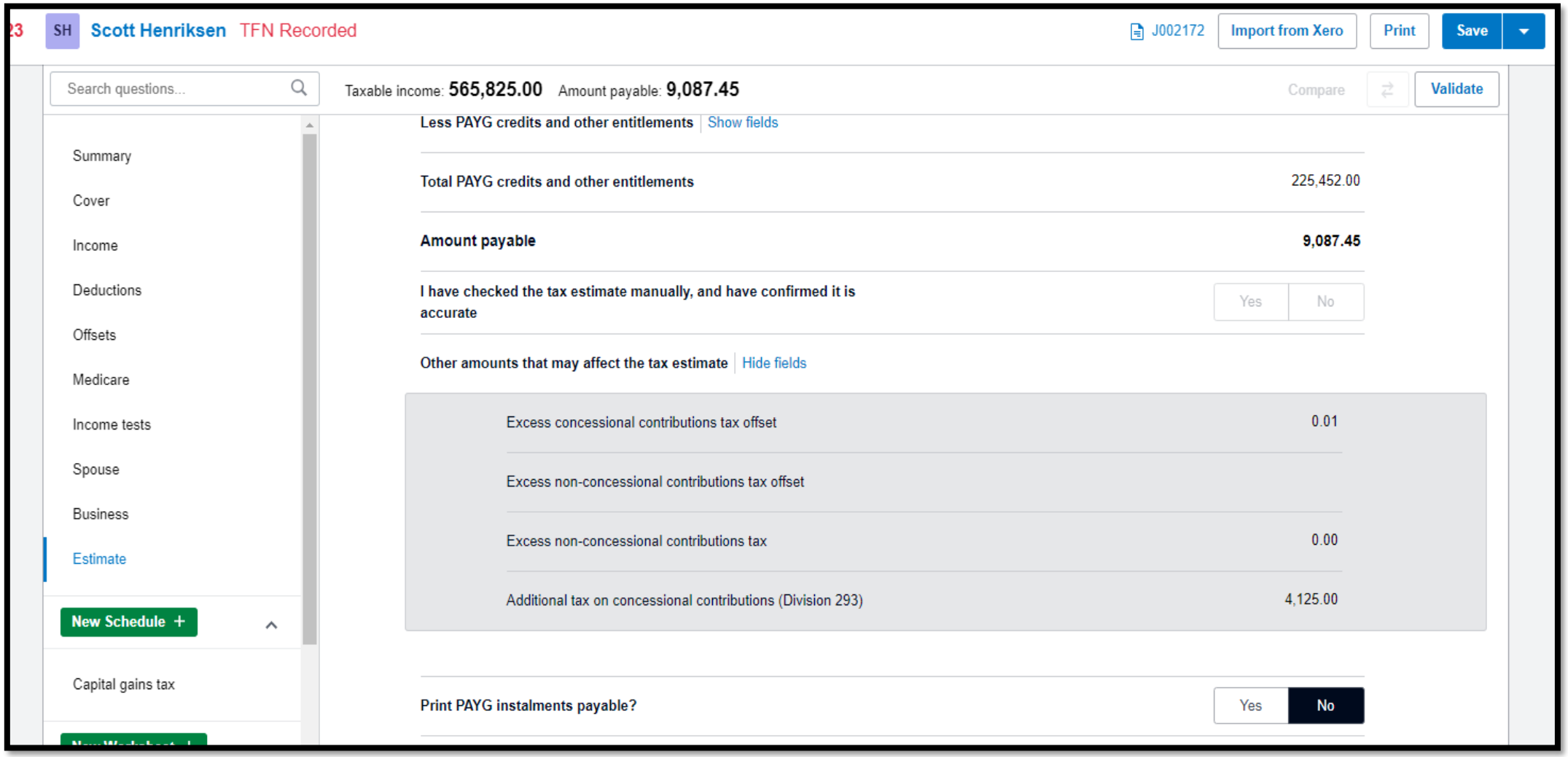
Excess over threshold is $343,325.04 & Super Guarantee is $27,500.04

*(Whichever is lesser)

= $27,500.04*15%

= $4125.01

In Xero Tax Return,





THE END