



Tax offsets

How to complete tax offsets sections of your tax return using myTax.

Overseas forces



How to determine your entitlement to a zone or overseas forces tax offset in myTax.

Offsets–Small business income tax offset



How to complete the small business income tax offset sections of your tax return using myTax.

Offsets–SAPTO



How to determine your eligibility for the seniors and pensioners tax offset when you lodge your return using myTax.

Offsets–Other tax offsets



How to complete myTax if you have other tax offsets.

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Zone or overseas forces

How to determine your entitlement to a zone or overseas forces tax offset in myTax.

27 May 2016

Zone tax offset

Overseas forces tax offset

Completing this section

You may be able to claim this tax offset if you:

- lived in a remote or isolated area of Australia, not including an offshore oil or gas rig, or
- served overseas as a member of the Australian Defence Force or a United Nations armed force.

If you qualify for both a zone tax offset and an overseas forces tax offset, you can claim only one of them. Claim the one that gives you the higher tax offset.

Zone tax offset

Eligibility for the zone tax offset has changed. From 1 July 2015, eligibility is based on your usual place of residence. If your usual place of residence was not in a zone, you are not eligible for the zone tax offset. Certain types of workers are likely to be affected, for example, fly-in-fly-out workers.

The zone or overseas forces tax offset is made up of:

- a fixed amount, and
- a base amount.

The **fixed amount** is a prescribed amount available to all people in the zone or overseas area eligible for the tax offset.

You may be able to include a **base amount** if you:

- maintained a child under 21 or full time student under 25, or
- were entitled to claim the Invalid and invalid carer offset.

Your fixed and base amounts are determined by your circumstances.

To qualify for the tax offset, your usual place of residence must have been in a remote area (not necessarily continuously) for:

- 183 days or more during 2015–16, or
- 183 days or more during the period 1 July 2014 to 30 June 2016 (including at least one day in 2015–16), and you did not claim a zone tax offset in your 2015 tax return.

If your usual place of residence was in a zone for less than 183 days in 2015–16, you may still be able to claim a tax offset if all the following conditions apply:

- your usual place of residence was in a zone for a continuous period of less than five years after 1 July 2010
- you were unable to claim in the first year because you lived there less than 183 days, and
- the total days you lived there in the first year and in 2015–16 is 183 or more. The period you lived in a zone in 2015–16 must include the first day of the income year.

Remote areas are classed as either zone A or zone B. There are also special areas within these zones. If you do not know which zone your area is in, see the [tables](#) below.

Overseas forces tax offset

You may be eligible for an overseas forces tax offset if:

- you served in a specified overseas locality as a member of the Australian Defence Force or a United Nations armed force in 2015–16, and
- your income relating to that service was not specifically exempt from tax.

Do not include periods of service for which your income was 'exempt foreign employment income' to work out your eligibility for the tax offset.

Your employer will be able to advise you whether you served in a locality that qualifies, you can also see **Overseas forces tax offset**.

If your overseas service was less than 183 days, you may be able to claim part of the tax offset.

To claim the full overseas forces tax offset:

- you must have served in the overseas locality for 183 days or more in 2015–16, or
- the total number of days served in the overseas locality, when added to the number of days served in one or more zones, must be 183 days or more.

If you served as a member of the Australian Defence Force, days spent in a zone must be defence force service.

Completing this section

1. Your tax offset is the amount in the table below if:


- your usual place of residence was in only one zone or you served in only one specified overseas locality for at least 183 days, and
- you are not able to include a base amount as
 - you were not entitled to claim the invalid and invalid carer tax offset, and
 - you either did not have a dependent child or student at any time in 2015–16 or if you did have a dependent child or student, their adjusted taxable income (ATI) was equal to or greater than \$282 plus \$28.92 for each week you maintained them.

Tax offset amounts

Your circumstances	Zone A	Zone B	Special area	Overseas forces
You were able to claim the fixed amount only (you were not able to	\$338	\$57	\$1,173	\$338

include a base amount)				
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Do the circumstances in step 1 apply to you?

No	You must use the Zone or overseas forces tax offset calculator  to work out your tax offset, and then go to step 3.
Yes	Read on.

2. If you are claiming an overseas forces tax offset, go to step 3.

If you received a remote area allowance from Centrelink or the Department of Veterans' Affairs you must reduce the amount of your zone tax offset by the amount you received for this allowance.

3. Enter the amount of your tax offset.

4. Select **Save and continue** when you have completed the **Offsets** section.

Zone list

Western Australia			
Town	Zone	Town	Zone
Balladonia	Special	Madura	Special
Bidyadanga (Lagrange)	A	Marble Bar	A
Boulder	B	Meekatharra	Special
Broome*	A	Mount Magnet	Special
Carnarvon	A	Mullewa	B
Coolgardie	B	Newman*	A

Dampier	A	Norseman	B
Deakin	Special	Northampton	B
Denham	Special	Onslow	Special
Derby	A	Pannawonica	A
Esperance	B	Paraburdoo	A
Eucla	Special	Port Hedland*	A
Exmouth	Special	Ravensthorpe	B
Fitzroy Crossing	Special	Rawlinna	Special
Goldsworthy	A	Roebourne	A
Halls Creek	Special	Shay Gap	A
Kalgoorlie*	B	Southern Cross	B
Kambalda	B	Tom Price*	A
Karratha	A	Turkey Creek (Bow River)	Special
Kununurra	Special	Wiluna	Special
Laverton	Special	Wittenoom	A
Leinster	Special	Wyndham	Special
Leonora	B		

* Locations within 250 kilometres of these localities are also in the relevant zone.

Queensland

Town	Zone	Town	Zone
Airlie Beach	B	Hughenden	Special
Atherton	B	Ingham	B
Augathella	B	Innisfail	B
Ayr	B	Julia Creek	Special
Barcaldine	B	Karumba	Special
Blackall	B	Kowanyama	Special
Boulia	Special	Longreach	B
Bowen	B	Mackay	B
Burketown	Special	Mareeba	B
Cairns	B	Mossman	B
Camooweal	A	Mount Isa*	A
Cardwell	B	Normanton	Special
Charleville	B	Port Douglas	B
Charters Towers	B	Proserpine	B
Clifton Beach	B	Quilpie	B
Cloncurry	A	Sarina	B
Collinsville	B	Stamford	Special
Cooktown	Special	Tambo	B
Coppabella	B	Thargomindah	Special
Cunnamulla	B	Townsville	B

Doomadgee	Special	Tully	B
Georgetown	Special	Weipa	Special
Greenvale	B	Windorah	Special
Helen Vale	Special	Winton	B
Home Hill	B		

* Locations within 250 kilometres of these localities are also in the relevant zone.

Northern Territory			
Town	Zone	Town	Zone
Alice Springs*	A	Nguiu	Special
Alyangula	Special	Ngukurr	Special
Angurugu	Special	Nhulunbuy (Gove)	Special
Batchelor	A	Numbulwar	Special
Borroloola	Special	Oenpelli	Special
Darwin	A	Papunya	Special
Elliott	Special	Pine Creek	A
Galiwinku	Special	Ramingining	Special
Hermannsburg	A	Santa Teresa	A
Jabiru	Special	Tennant Creek	Special
Katherine*	A	Tindal	A

Lajamanu (Hooker Creek)	Special	Yirrkala	Special
Maningrida	Special	Yuendumu	Special
Milikapiti	Special	Yulara	Special
Milingimbi	Special		

* Locations within 250 kilometres of these localities are also in the relevant zone.

South Australia			
Town	Zone	Town	Zone
Amata Aboriginal Community	Special	Nullarbor	Special
Cooper Pedy	Special	Oodnadatta	Special
Cook	Special	Penong	Special
Innaminka	Special	Roxby Downs	Special
Leigh Creek	Special	Tarcoola	Special
Marree	Special	Woomera	B

New South Wales			
Town	Zone	Town	Zone
Bourke	B	Lightning Ridge	B
Brewarrina	B	Menindee	B

Broken Hill	B	White Cliffs	Special
Cobar	B	Wilcannia	B
Collarenebri	B		

Tasmania			
Town	Zone	Town	Zone
Furneaux Group Islands	Special	Queenstown	B
King Island	Special	Rosebery	B

Islands and territories			
Town	Zone	Town	Zone
Australian Antarctic Territory	Special	Macquarie Island	Special
Cocos (Keeling) Islands	Special	McDonald Islands	Special
Heard Island	Special	Norfolk Island	Special
Lord Howe Island	Special	Palm Isles Group	Special

If your area is not listed, go to [Australian zone list](#)  to check whether it is in a zone.

Small business income tax offset

How to complete the small business income tax offset sections of your tax return using myTax.

15 November 2016



Zone tax offset

Overseas forces tax offset

Completing this section

The maximum offset is \$1,000 per year per person from all your sources of small business income.

See also:

- [Small business income tax offset](#)
- [Small business income tax offset calculator](#)

Eligible income

The offset is worked out on your net income (not gross income), which is your:

- sole trader net small business income (business income after deductions)
- share of partnership or trust net small business income less your deductions relating to that share.

Only include eligible income for the offset. The following types of income are **not** eligible:

- personal services income (unless from a personal services business)
- salary and wages
- director's fees
- government payments

- interest and dividends (unless related to a business activity).

Report your business income

Amounts you enter at the **Small business income tax offset** question are not included in your taxable income. These amounts are only used to work out your offset.

So we can work out your offset correctly, you need to report your business income in two places:

- at **Business income or losses** (located at the **Business/sole trader, partnership and trust income (including loss details)** section) – so it counts towards your taxable income
- at **Small business income tax offset** (under the **Offsets** section) – this is where you are now.

To claim this offset, you must also report other applicable types of business income at the relevant income sections. These include:

- farm management repayments
- foreign business income
- interest and dividend income from carrying on your business.

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Seniors and pensioners – includes self-funded retirees

How to determine your eligibility for the seniors and pensioners tax offset when you lodge your return using myTax.

27 May 2016



Zone tax offset

Overseas forces tax offset

Completing this section

You can claim the seniors and pensioners tax offset if you meet certain conditions relating to:

- eligibility for Australian Government pensions or allowances, and
- income.

If you have a spouse:

- you also need to work out whether they were eligible
- you may not get the seniors and pensioners tax offset even if you meet all the eligibility conditions as the amount of the tax offset is based on your individual rebate income, not your combined rebate income.

You cannot claim this tax offset if you were in jail for the whole of 2015–16.

For more information see [Seniors and pensioners](#).

Completing this section

If you are eligible for this tax offset, we will use the information you provide at this section to work out your tax offset amount.

1. Select your tax offset code using the table below.
2. Select your veteran code if one applies using the veteran code table below. Otherwise do not select any code.
3. Select **Save and continue** when you have completed the **Offsets** section.

Seniors and pensioners tax offset code letters	
You were single, separated or widowed.	A
You and your spouse: <ul style="list-style-type: none">• were both eligible for the seniors and pensioners tax offset, and	B

<ul style="list-style-type: none"> • 'had to live apart due to illness'* or lived apart because one of you was in a nursing home. 	
<ul style="list-style-type: none"> • Your spouse was not eligible for the seniors and pensioners tax offset, and • you and your spouse 'had to live apart due to illness'* or lived apart because one of you was in a nursing home. 	C
<p>You and your spouse:</p> <ul style="list-style-type: none"> • lived together, and • were both eligible for the seniors and pensioners tax offset. 	D
<p>You and your spouse lived together, and your spouse was not eligible for the seniors and pensioners tax offset.</p>	E

***Had to live apart due to illness** refers to situations where you and your spouse did not live together because one or both of you have an indefinitely continuing illness or infirmity, and as a result your combined living expenses were increased.

If more than one code letter applies use the first code letter that applied to you unless:

Both A and B applied, and your spouse's taxable income was less than \$18,334	B
Both A and D applied, and your spouse's taxable income was less than \$12,494	D

Veteran code letters	
You were a veteran, war widow or war widower.	V
Your spouse was a veteran, war widow or war widower.	W

Both V and W apply.	X
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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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