



Tax offsets

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

Offsets – zone or overseas forces



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

Adjusted taxable income 2015



Work out your adjusted taxable income and if you're eligible for certain tax offsets.

71204

Zone or overseas forces

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

19 June 2015

Zone tax offset

Overseas forces tax offset

Completing your tax return

You may be entitled to claim for living in a zone or serving in an overseas force if you:

- lived or worked 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

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, you must have lived or worked in a remote area (not necessarily continuously) for 183 days or more during:

- 2014–15, or
- the period 1 July 2013 to 30 June 2015 (including at least one day in 2014–15), and you did not claim a zone tax offset in your 2014 tax return.

If you lived in a zone for less than 183 days in 2014–15, you may still be able to claim a tax offset if all the following conditions apply:

- you lived in a zone for a continuous period of less than five years after 1 July 2009
- you were unable to claim in the first year because you were there less than 183 days, and
- the total days you were there in the first year and in 2014–15 is 183 or more. The period you were in a zone in 2014–15 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 **table 2** below. If your area is not listed, go to **Australian zone list** to check whether it is in a zone.

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 2014–15, and your income relating to that service was not specifically exempt from tax. Periods of service for which your income was 'exempt foreign employment income' are excluded in working out your eligibility for the tax offset.

Your employer will be able to advise you or you can check whether you served in a locality that qualifies for the **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 2014–15, or
- the total number of days served in the overseas locality, when added to the number of days spent 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 your tax return

1. Your tax offset is the amount in **table 1** below (the fixed amount) if:

- you lived or worked in only one zone or 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 2014–15 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.

Table 1: 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 include a base amount)	\$338	\$57	\$1,173	\$338

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 are claiming a zone tax offset and you received a remote area allowance from Centrelink or the Department of Veterans' Affairs, take this amount away from your zone tax offset.

3. Enter the amount of your tax offset.

Table 2

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

Coober Pedy	Special	Oodnadatta	Special
Cook	Special	Penong	Special
Innamincka	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.

45649

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.

19 June 2015

Zone tax offset

Overseas forces tax offset

Completing your tax return

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 2014–15.

Answering this question

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

Use the **beneficiary tax offset and seniors and pensioners tax offset calculator** to work out:

- whether you are eligible for this tax offset
- your tax offset code and veteran code, and
- an estimate of your tax offset.

Completing your tax return

1. Select your tax offset code using the drop-down menu.
2. Select your veteran code using the drop-down menu, if one applies. Otherwise do not select any code.
3. We will use this and other information you provide in your return to work out any tax offset amount.

Seniors and pensioners tax offset code letters	
You were single, separated or widowed.	A

<p>You and your spouse:</p> <ul style="list-style-type: none"> • were both eligible for the seniors and pensioners tax offset, and • 'had to live apart due to illness'* or lived apart because one of you was in a nursing home. 	B
<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

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

***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.

45047

Other tax offsets

How to complete myTax if you have other tax offsets.

Zone tax offset

Overseas forces tax offset

Completing your tax return

You are **not eligible** to use *myTax* this year, if you want to claim a tax offset for:

- superannuation contributions made on behalf of your spouse
- net medical expenses
- maintaining an invalid or carer of an invalid
- landcare and water facilities
- interest from the infrastructure borrowing scheme
- work or services provided in the East Timor Joint petroleum development area
- tax paid by the trustee of a Special disability trust of which you are the principal beneficiary.

You are also **not eligible** to use *myTax* this year, if during 2014–15 you want to claim for a **credit for interest on early payments to the ATO**.

Use **e-tax** this year, but check again next year because we will continue to improve *myTax*.

45651

Adjusted taxable income

Work out your adjusted taxable income and if you're eligible for certain tax offsets.

Zone tax offset

Overseas forces tax offset

Completing your tax return

Adjusted taxable income (ATI) is an amount that is used most commonly to determine eligibility for certain tax offsets.

The following amounts are used to calculate a person's ATI:

- taxable income
- reportable employer superannuation contributions
- deductible personal superannuation contributions
- adjusted fringe benefits (total reportable fringe benefits amounts multiplied by 0.53)
- certain tax-free government pensions or benefits
- target foreign income (income and certain other amounts from sources outside Australia not included in your taxable income or received as a fringe benefit)
- net financial investment loss (the amount by which deductions relating to financial investments exceed total financial investment income)
- net rental property loss (the amount by which deductions relating to rental properties exceed rental property income)
- any child support payments the person provided to another person.

If you have to work out a spouse's ATI or a dependent child or student's ATI, use the **ATI worksheet** below.

Adjusted taxable income (ATI) worksheet

		Dependant 1	Dependant 2	Depe 3
The period for which you need to work	from			

out the person's ATI	to			
The person's taxable income for the period. If taxable income is a loss, write 0		\$	\$	\$
The person's reportable employer superannuation contributions for the period		\$	\$	\$
The person's deductible personal superannuation contributions for the period		\$	\$	\$
The person's tax-free government pensions or benefits for the period		\$	\$	\$
The person's target foreign income for the period				
The person's net financial investment loss for the period				
The person's net rental property loss for the period				

The person's total reportable fringe benefits amounts, multiplied by 0.53 and rounded down to the nearest dollar		\$	\$	\$
Add all the amounts from above.	A			
Child maintenance the person provided to a third party for the period	B			
Take B away from A				
This is the person's ATI for the period.		\$	\$	\$

44918

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.

Copyright notice

© Australian Taxation Office for the Commonwealth of Australia

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).