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People with disability

If you have a disability, you and your carer could be eligible for tax and super concessions and exemptions.

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Government pensions and payments for people with disability

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Superannuation for people with disability

Find out about superannuation rules and how to manage and access your super if you're a person with disability.

QC 23893

Our services for people with disability


Access our information and tools for people with a disability in a range of accessible formats.

Last updated 2 June 2025

We provide services to help everyone in the community meet their tax obligations in compliance with the *Disability Discrimination Act 1992*.


We aim for our digital services to meet the Web Content Accessibility Guidelines (WCAG) 2.1, level AA success criteria.

The ways we do this include:

- Providing information and tools in accessible formats, including HTML format wherever possible.
- Making [video guides](#)  with transcripts you can download – some of these videos are in languages other than English.
- Creating **easier to read guides** on popular topics for people with lower literacy or reading difficulties.

- Providing tax return instructions in accessible formats.

You can lodge online using myTax, which is compatible with screen-reader software and can be used on any device, such as a tablet, smartphone or computer. To use myTax you need a myGov account linked to the ATO.

If you are deaf or find it hard hearing or speaking with people who use a phone, the [National Relay Service \(NRS\)](#)  can help you. We also have information in Auslan on how to manage your tax and superannuation.

For more information about support information and services when using our website, see [Accessibility](#).

QC 33262

Government pensions and payments for people with disability

Tax-free government pensions or benefits if you're a person with disability or care for someone with disability.

Last updated 2 June 2025

Income tax is not paid on certain tax-free government pensions or benefits. If you are required to lodge a tax return, you need to include those pensions or benefits as they are used to work out your adjusted taxable income (ATI). Your ATI is an income test we use to work out:

- your eligibility for certain tax offsets
- the amount of those offsets.

For a list of the relevant tax-free government pensions or benefits, see [Special circumstances and glossary](#).

If you are still unsure whether your pension or benefit is tax-free, [contact us](#), or contact the agency that paid you.

QC 33263

Invalidity or disability payments from employers or super funds

How to get payments from your employer or super fund if you can no longer work due to disability.

Last updated 2 June 2025

Invalidity payments

An invalidity payment is part of an **employment termination payment (ETP)** your employer gives you. It is made up of a taxable component and a tax-free component. The invalidity payment is part of the tax-free component of the ETP.

You will receive an invalidity payment if:

- you stopped working due to physical or mental ill health before your employment would normally have ended, and
- two legally qualified medical practitioners have certified that it is unlikely you can ever work in a job for which you are reasonably qualified.

If your employment would have ended when you reached a particular age or completed a particular period of service, then you must have stopped working due to ill health before you reached that age or completed that period of service. In any other case, you must have stopped working due to ill health before the day you turn 65.

Disability super benefits

You may receive a **disability super benefit** from your super fund if:

- you experience physical or mental ill health, and
- two legally qualified medical practitioners have certified that it is unlikely you can ever work in a job for which you are reasonably qualified.

The payment may be:

- a one-off lump sum
- regular ongoing payments (called an income stream).

We tax lump sums and income stream payments differently. If you can choose how your payment is made, it is important to understand how the different options affect your tax.


QC 33265

National Disability Insurance Scheme

Find out about payments, deductions and tax for participants in the National Disability Insurance Scheme (NDIS).

Last updated 2 June 2025

Hiring a support worker

The [National Disability Insurance Scheme](#)  (NDIS) lets you choose to self-manage all or part of your budget. This includes being able to hire and pay for your own support workers directly, without using an agency or third party.

If you hire a support worker directly, you may need to withhold tax from payments you make to them. Your withholding obligation depends on whether the workers you hire are:

- employees – you have to work out the amount of tax to withhold from payments you make to them and you may also need to pay superannuation for them.
- contractors – you generally don't need to withhold tax from payments you make to contractors, unless there is a voluntary agreement with the contractor to withhold tax.

To check whether your worker is an employee or contractor for tax and super purposes, see [Employee or independent contractor](#). If you need

to withhold tax from the payments you make to your support workers, you can:

- use our **tax withheld calculators** to work out how much tax you need to withhold
- register for a **PAYG withholding** account so you can send the tax to us. This must be done **before** you pay your support worker for the first time.

You can check whether you need to pay super for your worker by using our **superannuation guarantee eligibility decision tool**.

Example: NDIS self-managed funding

Sam is a NDIS participant and has a self-managed budget of \$30,000. He directly engages support providers for the services he receives, then lodges a claim for payment of those services. The NDIA pay Sam who then pays the support providers.

The \$30,000 is for Sam to pay for those services and is not taxable. He will need to keep records of his NDIS expenditure to demonstrate appropriate use of the funds if requested by the NDIA.

As Sam hired the support workers directly, he may need to withhold tax from payments made to them. The withholding obligations depends on whether the workers Sam hired are employees or contractors.

Income and deductions for support workers

If you're employed or contracted as a support worker, the payments you receive for providing services to the participant are part of your income. This includes when the support services are provided in your home.

You can claim deductions for certain expenses you incur that relate to the services you provide to the participant under your agreement.

You can't claim deductions for anything paid for by the NDIS, even if the expense is used to produce your income.

An amount you are paid may be a reimbursement if you are paid the exact amount for expenses you incur (either before or after you incur them).

For more information, see [Community workers and direct carers – income and work-related deductions](#)

Income and deductions for participants

If you're a participant, the payments you receive (including funds you self-manage) are exempt income.

However, you can't claim deductions for expenses you incur or assets you buy under the scheme.

You can't claim a deduction for anything paid for by the NDIS, even if the expense is used to produce your income. You can't claim deductions for:

- decline in value of depreciating assets
- other capital expenditure.

If you buy assets with your payments and you use those assets to produce income:

- the income produced is **not** exempt income
- there may be capital gains tax (CGT) implications.

For example, if you own your own home and NDIS gives you funds to modify it and you rent out a room:

- you must declare and pay tax on the rental income
- the house modification will affect your house's CGT cost base.

Income and deductions for nominated representatives

If you are a nominated representative – such as a nominee, parent or guardian – and you manage a participant's plan and you receive NDIS funding:

- on behalf of the participant – it is the participant's non-assessable income

- for providing services to the participant – it is part of your income.

If you use NDIS funding to purchase equipment or services on behalf of a participant, you **can't** claim:

- a tax deduction for the purchase price of the equipment or cost of the services
- a deduction for the decline in value of the equipment.

Income and deductions for registered plan management providers

If you are a registered plan management provider (RPMP) and you manage a participant's plan and receive NDIS funding:

- on behalf of the participant – it is the participant's non-assessable income
- for yourself for providing services to the participant – it is part of your income.

If your income is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*, the fees you receive for providing services to the participant are exempt from income tax.

If you use NDIS funding to purchase equipment or services on behalf of a participant, you can't claim a:

- tax deduction for the purchase price of the equipment or the cost of the services
- a deduction for the decline in value of the equipment.

However, if you use NDIS funding in the process of producing your assessable income, you may be entitled to tax deductions, including a deduction for decline in value. For example, you use your funding to pay your own expenses or acquire equipment for your own benefit.

The tax treatment of deductions doesn't affect the accounting treatment of these items. This means if an RPMP incurs expenses or purchases assets on its own account, it should be accounted for as it normally would.

Example: NDIS amount received by a RPMP on behalf of a participant

Claudio, a NDIS participant, has a plan managed budget of \$70,000. He has arranged for Disability Now to pay providers on his behalf. Disability Now is a commercial provider that earns its assessable income by providing services to people with disability.

The NDIA pays Disability Now \$1,200 for plan management services, this is not paid for from Claudio's \$70,000 plan management budget. Disability Now provides \$10,000 worth of NDIS therapy supports and pays the additional \$60,000 to Claudio's other NDIS support providers.

The \$70,000 is spent on Claudio's behalf and is not taxable to Claudio.

The payments received by Disability Now for plan management services (\$1,200) and therapy supports (\$10,000) are business income and are subject to normal tax obligations. Disability Now will need to keep records of all the transactions related to Claudio's NDIS plan.

The \$60,000 paid by the plan manager to Claudio's other NDIS providers is income for those providers but not the plan manager.

The amount a plan manager can claim is subject to location (remote and very remote locations are subject to a higher amount) as per National Disability Insurance Scheme Pricing Arrangements and Price Limits.

QC 42339

Tax offsets for people with disability

Work out if you or your carer are eligible for one or more tax offsets or rebates to help reduce your tax payable.

Last updated 2 June 2025

Tax offsets, sometimes referred to as rebates, directly reduce the amount of tax payable on your taxable income.

In general, offsets can reduce your tax payable to zero but on their own they can't get you a refund.

Depending on your circumstances, you may be entitled to a tax offset if you:

- are a senior Australian or pensioner
- receive certain government allowances or payments
- maintain certain dependents or a carer.

QC 33267

Tax concessions on cars for people with disability

Find out about claiming a GST concession when you buy or lease a car or buy car parts.

Last updated 2 June 2025

Claiming a GST concession

If you are a working person or veteran with disability, you may be eligible to claim a goods and services tax (GST) car concession.

To claim the concession, you will need to meet the [eligibility criteria](#).

A veteran with disability may qualify under either category.

GST car concessions apply to new or used cars. For GST purposes a car is a motor vehicle that can only carry:

- a load less than one tonne
- less than 9 passengers.

You may also be eligible to claim a concession for purchase of certain car parts.

Eligibility for a GST concession

You may be eligible for a GST car concession if you are a:

- [working person with disability](#)
- [veteran with disability](#)

Use the **checklist** to work out if you're eligible and the extent to which the tax concessions apply.

Working people with disability

You're eligible for a GST car concession if you:

- have a current [certificate of medical eligibility](#) issued in the approved form by a registered medical practitioner, certifying that you have lost the use of one or more limbs to the extent that you are unable to use public transport. The certificate can be permanent or temporary.
 - If you have a **permanent certificate**, you will generally be able to use it each time you buy a car or car part GST-free. If you lose or destroy the certificate, you must apply for a new certificate.
 - If your **temporary certificate** expires, you must apply for a new certificate. You must have a new certificate **before** you buy another car or car part GST-free.
 - From 1 October 2024, disability certificates issued by Medical Health Solutions are no longer able to be used to obtain a car or car parts GST-free. You need to have a current certificate of medical eligibility issued by a medical practitioner.
- intend to use the car to travel for [gainful employment](#) from the date you get the car, for at least either
 - 2 years
 - until the car has travelled 40,000 kilometres.

Exceptions

You **can't** claim the GST concession:

- if you buy the car jointly with another person, such as a spouse or carer
- to the extent that the GST inclusive market value of the car exceeds the **car limit** - you must pay GST on the amount above the car limit less the cost of modifying the car solely to adapt it for your use
- if the car is leased under a full novation arrangement.
- if you
 - are not in [gainful employment](#)
 - want to use the car to look for gainful employment
 - work as a volunteer only
 - are a student only
 - are a pensioner or retiree only.

Gainful employment

A person with disability is said to be gainfully employed if either of the following apply:

- you regularly undertake paid work or work in your own business and the payment you receive is appropriate for your age, experience and capabilities
- if you work in your own business, it is profitable or has the purpose and prospect of profit.

Certificate of medical eligibility

If you need to apply for a certificate of medical eligibility follow the steps below:

1. Download and complete an **Application for a certificate of medical eligibility to obtain a car or car parts GST-free**.
2. Visit your medical practitioner for assessment of your medical eligibility.
3. If eligible, request a certificate of medical eligibility from your medical practitioner.

Applying for a GST concession

If you meet the eligibility criteria, complete the application **Declaration for an exemption of GST on a car or car parts - person with disability who is gainfully employed** and present it to your car or car parts supplier.

Veterans with disability

You're eligible for a GST car concession if you are a veteran with disability and you:

- intend to use the car for your personal transportation for at least either 2 years or until the car has travelled 40,000 kilometres.
- have served in the Australian Defence Force or any other Commonwealth armed force and because of that service you **either:**
 - lost a leg or both arms
 - have total and permanent loss of use in a leg or both arms
 - receive a TPI pension
 - receive, or are assessed by the DVA as eligible to receive, a special rate disability pension

To show that you are medically eligible, you can **either:**

- use your Veteran Gold Card embossed 'TPI'
- get a letter from the [Department of Veterans \(DVA\)](#) that confirms you are eligible.

If you're an eligible veteran with disability, you can also get an [approved form from the Department of Veterans' Affairs](#) to apply for a rebate on the purchase of a motorcycle and motorcycle parts.

Exceptions

You **can't** claim the GST concession:

- if you buy the car jointly with another person, such as a spouse or carer
- to the extent that the GST inclusive market value of the car exceeds the **car limit** - you must pay GST on the amount above the car limit less the cost of modifying the car solely to adapt it for your use
- if the car is leased under a full novation arrangement.

- even if you have a Veteran Gold Card embossed 'Totally and Permanently Incapacitated' (TPI) but are a
 - cadet
 - cadets' officer
 - cadets' instructor
 - declared member.

Applying for a GST concession

If you meet the eligibility criteria, complete the application **Declaration for an exemption of GST on a car or car parts - disabled veterans** and present it to your car or car parts supplier.

GST refund after purchase

If you didn't complete a declaration for exemption before you bought your car or car parts and the supplier has charged you GST, you may be able to get a refund of the GST. You will need to present the completed declaration for exemption to the supplier and ask them to refund you the GST amount.

Under the GST law, we're unable to provide you with a direct refund of the GST you paid on your car or car parts.

Leasing a car

If you're eligible for a GST car concession, you can also lease a car GST-free, if the following applies:

- For working people with disability
- the lease is for a minimum of 2 years, or you use the car to travel 40,000 kilometres from the date you lease it
- you intend to use the car for the prescribed purpose for the whole of that period – for example, an eligible person with disability must also plan to use the car for their personal transport to or from gainful employment for the whole period.
- For veterans with a disability the lease is for a minimum of 2 years, or you use the car to travel 40,000 kilometres from the date you lease it.

Novation arrangements

Under a novation arrangement, your employer may agree with you and the finance company to take over all or part of the rights and obligations under a lease.

Whether a car is GST-free under a novation arrangement depends on the type of arrangement you entered.

If you lease it under a **partial** novation arrangement the car is GST-free. Under a partial novation lease your employer does not lease the car, but you lease it directly.

If it is subject to a **full** novation arrangement the car is not GST-free. Under a full novation arrangement your employer leases the car.

Luxury car tax for people with disability

Some cars which exceed the LCT threshold attract luxury car tax (LCT). There is no exemption in the law from LCT on a luxury car for people with disability (or veteran with disability), however the luxury car tax value of a car does not include the price of **modifications** made to the car solely to adapt it for you to drive or be driven in, such as wheelchair modification.

LCT is not payable on cars specially fitted out for transporting **disabled people** seated in wheelchairs (unless the supply of the car is **GST-free**), as they are not luxury cars. There are additional circumstances when LCT doesn't apply.

Where a luxury car is supplied GST-free to people with disability, in calculating the luxury car tax payable, the luxury car tax value of the car includes the GST that would have been payable.

Car parts for people with disability

If you're eligible to buy a car GST-free you're also entitled to buy certain car parts GST-free.

Checklist – eligibility for a GST car concession

Use this checklist to help you work out if you are eligible for a GST concession when you buy or lease a car.

QC 33261

Car parts for people with disability

If you're eligible to buy a car GST-free you're also entitled to buy certain car parts GST-free.

Last updated 2 June 2025

Car parts you buy

You can claim a GST concession for items such as:

- batteries
- disc brake pads
- tyres
- oil filters
- petrol filters
- liquid petroleum gas (LPG) conversion kits
- spark plugs
- water and fuel pumps
- radiator hoses
- windscreens
- head and tail-light globes.

Only parts that are specifically made for cars may be GST-free. Parts that are specifically made for trucks, vans, buses, motorcycles and other machinery are not GST-free.

You will still have to pay GST on:

- items that are not car parts - such as oil and grease, paint, hydraulic fluid, radiator or petrol additives, refrigerant gas, brake fluid and petrol.
- accessories - such as spoilers, mudflaps, pin striping, roof racks and CD players.

Example: GST-free sale of car parts

John has a current certificate of medical eligibility. He goes to an automotive parts and accessories store where he purchases spark plugs and brake pads for his car. The spark plugs and brake pads are GST-free for John. If John later has the spark plugs and brake pads fitted by a mechanic, the labour will be a taxable sale because it is a separate supply of labour, not a sale of car parts.

Car parts supplied during service or repair

Car parts supplied to you, and the cost of labour services in fitting those parts to your car:

- when your car is serviced and those parts are integral to the servicing of your car, are not GST-free
- during a repair of your car, are GST-free.

Example: GST-free sale of car parts including labour for fitting the parts

Justine sells tyres to Madge for a price that includes the cost of the labour associated with fitting and balancing the tyres. Madge also needs the brake pads in her car replaced. Madge has a current certificate of medical eligibility. The sale and fitting of the tyres and the brake pads are GST-free.

Example: Taxable car parts sold as part of a service

Anna has a current certificate of medical eligibility. She takes her car to the mechanic for a routine service. In the course of the service, the mechanic changes the spark plugs in Anna's car. The sale of spark plugs is integral to the car service and, as such, is not a GST-free sale of car parts but a taxable supply of labour services.

Example: GST-free sale of car parts including labour in fitting those parts made during a car service

Jim has a current certificate of medical eligibility. He takes his car to the mechanic for a routine service, including changing the spark plugs. During the course of the service, the mechanic finds that the exhaust system needs to be replaced. While the service itself, including the fitting of spark plugs, is not a GST-free sale of car parts, the sale and fitting of the exhaust system is GST-free.

Purchase of car parts by a business

Car parts purchased by a business for sale to eligible people are not GST-free for the business.

The business:

- must pay GST when it purchases the car parts and can later claim a GST credit (if registered for GST) on their activity statement
- can sell the car parts GST-free to eligible people when presented with a completed declaration.

Checklist – eligibility for a GST car concession

Use this checklist to help you work out if you are eligible for a GST concession when you buy or lease a car.

Last updated 2 June 2025

Question 1. Is the car a motor vehicle that can only carry a load less than one tonne and less than 9 passengers? (If it is a motorcycle, you do not meet this requirement and must answer **No**).

Yes – Go to [question 2](#)

No – The car is not GST-free

Question 2. Are you buying the car jointly with another person?

Yes - The car is not GST-free

No - Go to [question 3](#)

Question 3. Are you leasing the car under a full novation arrangement (that is, your employer leases the car)?

Yes - The car is not GST-free

No - Go to [question 4](#)

Question 4. Have you served in the Australian Defence Force or any other Commonwealth armed force?

(If you are a cadet, a cadets' officer, a cadets' instructor or a 'declared member', you do **not** meet this requirement and must answer **No**).

Yes – Go to [question 5](#)

No – Go to [question 6](#)

Question 5. As a result of that service, you either:

- lost a leg or both arms
- have total and permanent loss of use in a leg or both arms
- receive a totally and permanently incapacitated (TPI) pension

- receive, or are assessed by the Department of Veterans' Affairs as eligible to receive, a special rate disability pension?

Yes – Go to [question 7](#)

No – Go to [question 6](#)

Question 6. Do you have a current certificate of medical eligibility issued in the approved form by a registered medical practitioner that certifies you have lost the use of one or more limbs to the extent that you can't use public transport?

Yes – Go to [question 8](#)

No – The car is not GST-free

Question 7. Do you intend to use the car from the date you get it for your personal transport for at least either 2 years or until the car has travelled 40,000 kilometres?

Yes – Go to [question 9](#)

No – The car is not GST-free

Question 8. Do you intend to use the car from the date you get it for travel for gainful employment for at least either 2 years or until the car has travelled 40,000 kilometres?

Yes – Go to [question 9](#)

No – The car is not GST-free

Question 9. Is the GST inclusive market value of the car less than the car limit (see Car limit for this year's limit)?

Yes – The car is GST-free

No – Go to [question 10](#)

Question 10. Has the car been modified so you can drive or be driven in it?

Yes – The car is GST-free up to the car limit and LCT does not apply up to the LCT threshold.

If the car is specially fitted out for transporting disabled people seated in wheelchairs, LCT does not apply (unless the supply of the car is GST-free).

You must pay GST on the GST inclusive market value of the car above the car limit.

When LCT applies, you must pay LCT above the LCT threshold.

The cost of **modifications** made solely to adapt the car for your use, are not included in the GST value used to calculate the GST payable or the LCT value used to calculate the LCT payable.

Where the car is supplied GST- free, in calculating the luxury car tax payable the LCT value includes the GST that would have been payable.

No – The car is GST-free up to the car limit and LCT does not apply up to the LCT threshold.

You must pay GST on the GST inclusive market value of the car above the car limit.

When LCT applies, you must pay LCT above the LCT threshold.

QC 73044

Superannuation for people with disability

Find out about superannuation rules and how to manage and access your super if you're a person with disability.

Last updated 2 June 2025

About your super

If you're a person with disability, you should be aware of the super rules that regulate when you can access your super. In some situations you can apply for **early access to your super**. Also, if you receive personal injury payments, it can affect the caps that apply to your super contributions.

Self-managed super funds (also called SMSFs) work like any other super fund but the responsibility of managing them rests solely with their trustee. Generally, anyone 18 years or over can be a trustee of a super fund. One restriction is if a person is under a 'legal disability',

which is the term for someone who is not able to manage their own affairs and includes people who have a 'mental impairment'. Find out how to **appoint your trustees or directors**.

For more information, see **Super**.

Super contribution caps

Limits or caps apply to contributions made to your superannuation in a financial year. If you contribute over your cap, you may pay **extra tax**.

The cap amount and how much extra tax you pay once you exceed it depend on whether the contributions are:

- concessional – made from before-tax income
- non-concessional – made from after-tax income.

Super contributions from certain personal injury payments

If the super contribution you are making comes from a personal injury payment (also known as a structured settlement), you may be able to exclude all or part of it from your **non-concessional** contributions cap. This means you will not pay extra tax on the contribution.

You may be able to exclude your contribution from your non-concessional contributions cap if it is an eligible:

- workers' compensation settlement
- personal injury settlement
- court order made for compensation or damages for personal injury you suffered.

You must also meet all the requirements, which are to:

- make your contribution in the required time limit
- get certification from 2 legally qualified medical practitioners that it is unlikely you can ever work in a job for which you are reasonably qualified
- notify your super provider before or when you make the contribution using the **Contributions for personal injury election form (NAT 71162)**.

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.

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