



## Before you start

Find out if you need to lodge a tax return, what's new this year and other important information.

### **Do you need to lodge a tax return? 2013**



Work out if you need to lodge an income tax return for 2013.

### **Important information 2013**



Provides important information and instructions to complete and lodge your tax return.

### **What's new this year? 2013**



A list of new initiatives incorporated in this year's Individual tax return instructions.

### **Will you need the Individual tax return instructions supplement?**



Check the list of supplement questions to see whether you need it to complete your tax return.

# Do you need to lodge a tax return? 2013

Work out if you need to lodge an income tax return for 2013.

**Last updated** 24 August 2016

You can use our [Do I need to lodge a tax return?](#) online tool, or review the following information.

If any of the following applies to you then you must lodge a tax return.

## Reason 1

During 2012-13, you were an Australian resident and you:

- paid tax under the pay as you go (PAYG) withholding or instalment system, or
- had tax withheld from payments made to you.

## Reason 2

You were eligible for the seniors and pensioners tax offset, and your rebate income (not including your spouse's) was more than:

- **\$32,279** if you were single, widowed or separated at any time during the year
- **\$31,279** if you had a spouse but one of you lived in a nursing home or you had to live apart due to illness (see the definition of **Had to live apart due to illness** in T2 Seniors and pensioners (includes self-funded retirees)), or
- **\$28,974** if you lived with your spouse for the full year.

To work out your rebate income, see [Rebate income](#).

## Reason 3

You were not eligible for the seniors and pensioners tax offset but you received a payment listed at [question 5](#) and other taxable payments

which when added together made your taxable income more than \$20,542.

## Reason 4

You were not eligible for the seniors and pensioners tax offset and you did not receive a payment listed at **question 5** or **question 6**, but your taxable income was more than:

- **\$18,200** if you were an Australian resident for tax purposes for the full year
- **\$416**, if you were under 18 years old at 30 June 2013 and your income was not salary or wages
- **\$1** if you were a foreign resident and you had income taxable in Australia which did not have non-resident withholding tax withheld from it, or
- your part-year tax-free threshold amount if you became or stopped being an Australian resident for tax purposes; read **question A2** or phone **13 28 61**.

## Other reasons

You must lodge a tax return if any of the following applied to you:

- You had a reportable fringe benefits amount on your
  - *PAYG payment summary - individual non-business, or*
  - *PAYG payment summary - foreign employment.*
- You had reportable employer superannuation contributions on your
  - *PAYG payment summary - individual non-business*
  - *PAYG payment summary - foreign employment, or*
  - *PAYG payment summary - business and personal services income.*
- You did not claim your full private health insurance rebate entitlement as a premium reduction, or a direct payment from

Medicare, and your **income for surcharge purposes** is below \$84,000 for singles and \$168,000 for families

- The family income threshold is increased by \$1,500 for each Medicare levy surcharge dependent child after the first child.
- You carried on a business.
- You made a loss or you can claim a loss you made in a previous year.
- You were 60 years old or older and you received an Australian superannuation lump sum that included an untaxed element.
- You were under 60 years old and you received an Australian superannuation lump sum that included a taxed element or an untaxed element.
- You were entitled to a distribution from a trust or you had an interest in a partnership and the trust or partnership carried on a business of primary production.
- You were an Australian resident for tax purposes and you had exempt foreign employment income and \$1 or more of other income. (Read question **20 Foreign source income and foreign assets or property** for more information about exempt foreign employment income. For the 2009-10 income year and subsequent years, there are changes limiting the exemption for foreign employment income.)
- You are a special professional covered by the income averaging provisions. These provisions apply to authors of literary, dramatic, musical or artistic works, inventors, performing artists, production associates and active sportspeople.
- You received income from dividends or distributions exceeding \$18,200 (or \$416 if you were under 18 years old on 30 June 2013) and you had
  - franking credits attached, or
  - amounts withheld because you did not quote your tax file number or Australian business number to the investment body.
- You made personal contributions to a complying superannuation fund or retirement savings account and will be eligible to receive a

super co-contribution for these contributions.

- You have exceeded your concessional contributions cap and may be eligible for the Refund of excess concessional contributions offer: see **Super co-contribution**.
- You were a liable parent or a recipient parent under a child support assessment unless you received Australian Government allowances, pensions or payments (whether taxable or exempt) for the whole of the period 1 July 2012 to 30 June 2013, and the total of all the following payments was less than \$22,379
  - taxable income
  - exempt Australian Government allowances, pensions and payments
  - target foreign income (see **IT4 Target foreign income**)
  - reportable fringe benefits
  - net financial investment loss (see **IT5 Net financial investment loss**)
  - net rental property loss (see **IT6 Net rental property loss**), and
  - reportable superannuation contributions.
- You were either a liable parent or a recipient parent under a child support assessment. If this applies to you, you cannot use the short tax return.

## Deceased estate

If you are looking after the estate of someone who died during 2012-13, consider all the above reasons on their behalf. If a tax return is not required, complete the **Non-lodgment advice 2013** and send it to us. If a tax return is required, see **Completing individual information on your tax return** for more information.

## Franking credits

If you don't need to lodge a tax return for 2012-13, you can claim a refund of franking credits by using the publication **Refund of franking**

credit instructions and application for individuals 2013 (NAT 4105) and lodging your claim by mail, or phone **13 28 65**.

## Non-lodgment advice

If you have read all the above information and know that you do not have to lodge a tax return, you should complete a *Non-lodgment advice* and send it to us, unless one of the following applies to you:

- You have already sent us a tax return, non-lodgment advice, form or letter telling us that you do not need to lodge a tax return for all future years.
- You are lodging an application for a refund of franking credits for 2013.
- Your only income was from an allowance or payment listed at **question 5** or you received a pension, payment or an allowance listed at **question 6**, and
  - your rebate income was less than or equal to the relevant amount in [reason 2](#) (if you are eligible for the seniors and pensioners tax offset), or
  - your 'taxable income' was less than or equal to the relevant amount in [reason 3](#) (the agencies that paid you have provided information for us to determine that you do not need to lodge a tax return).

A Non-lodgment advice 2013 can be submitted using our online services. For more information about online services go to [ato.gov.au/onlineservices](http://ato.gov.au/onlineservices)

Alternatively, complete the Non-lodgment advice 2013 and send it to us.

QC 32362

## Important information 2013

Provides important information and instructions to complete and lodge your tax return.

## Who can complete your tax return?

You can get someone else to complete your tax return for you.

- A **family member or friend** can help you but they cannot charge you a fee. You must still sign it and you are still legally responsible for the accuracy of the information.
- **Tax Help** is a free service provided by community volunteers trained to help people on low incomes prepare their tax returns. Tax Help operates out of approved community-based centres. Volunteers do not charge a fee for their assistance.
- Only a **registered tax agent** can charge you a fee for preparing your tax return.

## Lodge your tax return by 31 October 2013

You have until 31 October 2013 to lodge your tax return, unless we have allowed you to lodge it late, or you have a later due date because a registered tax agent prepares your tax return.

If you cannot lodge your tax return by 31 October 2013 contact us as soon as possible, before 31 October 2013, to find out whether you can lodge at a later date.

## Failure to lodge on time penalty

We may apply a penalty for failure to lodge on time if your tax return is not lodged by the due date.

Generally, we apply a penalty of \$170 for every 28 days (or part thereof) that your tax return is overdue, to a maximum of \$850. We may apply the penalty even where there is no tax payable. However, our policy is not to apply a penalty where:

- you lodge your tax return voluntarily, and
- no tax is payable.

## Where to send your tax return

## Within Australia

If you decide to lodge a paper tax return, you can use the pre-addressed envelope provided to send it to us, or send it to:

**Australian Taxation Office**  
**GPO Box 9845**  
**[insert the name and postcode of your capital city]**

For example;

**Australian Taxation Office**  
**GPO Box 9845**  
**SYDNEY NSW 2001**

## From overseas

You can lodge your tax return online - go to [ato.gov.au/lodgeonline](https://ato.gov.au/lodgeonline) for more information. Most refunds are issued within 12 business days and you have the option to use the pre-filling service which downloads information reported to the ATO directly to your tax return.

Alternatively, you can lodge a paper tax return and use the pre-addressed envelope to send it to us. Change the address by crossing out **IN YOUR CAPITAL CITY** and replace with **SYDNEY NSW 2001, AUSTRALIA**.

It will help us if you cross out the barcode above the address.

## Your right to make a complaint

If you are dissatisfied with our services, actions or a decision we have made, you have the right to make a complaint.

We recommend that you first try to resolve the issue with the tax officer you have been dealing with, or by following the instructions given to you.

If you are not able to resolve your issue you can escalate the matter, for example, by asking to speak to the tax officer's manager.

If your issue is still not resolved, you can phone our complaints line on **1800 199 010**.

Other ways to make a complaint:

- go to [ato.gov.au/complaints](https://ato.gov.au/complaints)



- write to:

**Complaints**  
**Australian Taxation Office**  
**PO Box 1271**  
**Albury NSW 2640**


- send a fax to **1800 060 063**.

## The Commonwealth Ombudsman

You can contact the Commonwealth Ombudsman at any time to make a complaint about the ATO.

The Commonwealth Ombudsman's office can investigate complaints relating to tax administration and may recommend that we provide a solution or remedy to your problem. Investigations are independent, private, informal and free of charge.


To contact the Commonwealth Ombudsman's office:

- go to [ombudsman.gov.au](http://ombudsman.gov.au) 
- phone **1300 362 072**
- email [ombudsman@ombudsman.gov.au](mailto:ombudsman@ombudsman.gov.au)
- write to:

**The Commonwealth Ombudsman**  
**GPO Box 442**  
**Canberra ACT 2601**

## The Privacy Commissioner

The Privacy Commissioner receives complaints under the *Privacy Act 1988* and the *Tax File Number Guidelines 2011* issued under the Act. To contact the Privacy Commissioner:

- go to [oaic.gov.au](http://oaic.gov.au) 
- phone **1300 363 992**
- write to:

**The Privacy Commissioner**  
**GPO Box 5218**  
**Sydney NSW 2001**

QC 32478

## What's new this year? 2013

A list of new initiatives incorporated in this year's Individual tax return instructions.

**Last updated** 28 May 2013

### Individual tax return instructions supplement

From this year, the *Individual tax return instructions supplement 2013* is only available online.

You can get a paper copy of the form *Tax return for individuals (supplementary section) 2013* from our Publications Distribution Service (see inside back cover).

### Business and professional items

The ATO is progressively moving to electronic methods to provide instructions and tax return lodgment options for taxpayers with more complex affairs. For this reason, from this year, if you are required to complete the *Business and professional items schedule* you cannot lodge a paper tax return. You must lodge your tax return online or a registered tax agent.

This will affect you if any of the following applied in 2012-13:

- you were a partner in a partnership that made a loss
- you received income for personal services you provided as a sole trader
- you derived income or incurred a loss from any business
- you conducted a business activity that resulted in a loss.

### Increased tax free threshold

The tax-free threshold has been increased to \$18,200. To check whether you need to lodge a tax return, go to [Do you need to lodge a return?](#)

## Changes to the private health insurance rebate

Your entitlement to the rebate will now depend on your level of income. You will receive a statement from your private health insurer which you will need to complete your tax return.

You may now be eligible for a private health insurance rebate if you were covered by private health insurance, regardless of who paid for the policy. If you are covered as a dependent child on the policy, you are not eligible for the rebate but will not have to pay the Medicare levy surcharge.

## Medicare levy surcharge thresholds

The Medicare levy surcharge is now determined by new income thresholds. There is no change to how the Medicare levy surcharge applies, or to any exemptions that may apply to your circumstances.

	No change	Threshold 1	Threshold 2	Threshold 3
Singles	\$84,000 or less	\$84,001-97,000	\$97,001-130,000	\$130,001 or more
Families	\$168,000 or less	\$168,001-194,000	\$194,001-260,000	\$260,001 or more
Rate	0.0%	1.0%	1.25%	1.5%

The family threshold will increase by \$1,500 for each dependent child after the first.

## Income test labels

You must complete items **IT1** to **IT8**. If you have a spouse, you must also complete all spouse income items.

We use this information to calculate your entitlement to certain offsets or government concessions, and the private health insurance rebate. We will also use the information to work out whether you need to pay tax or the Medicare levy surcharge.

Carefully check the values at the income tests labels before submitting your return.

## Dependant tax offsets

There are changes to how you claim for certain dependants:

- If your spouse was born on or after 1 July 1952, you can no longer claim a dependent spouse tax offset for them at item **T1**.
- You can only claim the housekeeper and child housekeeper tax offsets if you are eligible for a zone or overseas forces tax offset at item **T5**.
- If you are not eligible for a zone or overseas forces tax offset, the new dependent (invalid and carer) tax offset at item **T7** replaces offsets for your:
  - spouse born on or after 1 July 1952
  - parent
  - parent-in-law
  - invalid relative.

To be eligible for the new offset, your dependant must receive a government payment as an invalid or carer or be caring for someone who receives a government payment as an invalid.

At the time of printing these changes had not become law.

Go to for information about the progress of this legislation.

## Net medical expenses tax offset

The amount of net medical expenses tax offset you can claim will now depend on your level of income.

You will only be able to claim an offset of 10% of your net medical expenses over \$5,000 if you have an adjusted taxable income (ATI)

above:

- \$84,000 if you are single, or
- \$168,000 if you are a couple or family.

The family threshold will increase by \$1,500 for each dependent child after the first.

If your ATI is below these income thresholds, you are not affected by this change and can continue to claim an offset of 20% of your net medical expenses over \$2,120.

At the time of printing these changes had not become law.

Go to for information about the progress of this legislation.

## **Pensioner tax offset and Senior Australians tax offset**

The pensioner tax offset and the senior Australians tax offset have been combined to form the seniors and pensioners tax offset, which can be claimed at item **T2**.

## **Low Income Super Contribution (LISC)**

From 1 July 2012, you may be entitled to a low income super contribution (LISC) if your adjusted taxable income (ATI) is no more than \$37,000 and at least 10% of your total income is from employment or business.

The LISC is a government super payment to help low income earners save for their retirement. The payment is 15% of the concessional (before tax) contributions made by you or your employer to your complying super fund, up to a maximum payment of \$500 (minimum payment is \$10).

The ATO will calculate your entitlement using information you provide in your tax return.

## **Mature age worker tax offset**

The eligibility test for the mature age worker tax offset has changed. From 1 July 2012, this tax offset is only available to taxpayers born before 1 July 1957.

## Employment termination payments tax offset

Employment termination payments (ETPs) are now taxed differently. A \$180,000 cap, based on your yearly taxable income, is now applied to limit the concessional tax treatment of certain types of ETPs.

Transitional termination payments ended on 30 June 2012, although earlier year payments may affect the tax treatment of your ETP this year if they relate to the same termination of employment. Instructions at this question have been updated to reflect this change.

You can go to [for more information](#).

## Conservation tillage refundable tax offset

The government has introduced a refundable tax offset for purchase of an eligible no-till seeder used in conservation tillage farming practices. Qualifying primary producers may be entitled to a refundable tax offset of 15% of the cost of the seeder. To be eligible for the offset, seeders must be installed and ready for use between 1 July 2012 and 30 June 2015.

The offset can be claimed at item **T11** in the supplementary section of your tax return.

You can go to [for more information](#).

QC 32502

## Will you need the Individual tax return instructions supplement 2013?

Check the list of supplement questions to see whether you need it to complete your tax return.

**Last updated** 28 May 2013

You might need *Individual tax return instructions supplement 2013* which contains questions that are not included in *Individual tax return instructions 2013*. Check the list below of questions covered in *Individual tax return instructions supplement 2013* to see whether you need it to complete your tax return.

## Income

<b>13</b>	Income from partnerships and trusts*
<b>14</b>	Personal services income (PSI)*
<b>15</b>	Net income or loss from business*
<b>16</b>	Deferred non-commercial business losses*
<b>17</b>	Net farm management deposits or repayments
<b>18</b>	Capital gains (from all sources including shares, real estate and other property)
<b>19</b>	Foreign entities
<b>20</b>	Foreign source income and foreign assets or property, including foreign source pension or annuity
<b>21</b>	Rent
<b>22</b>	Bonuses from life insurance companies and friendly societies
<b>23</b>	Forestry managed investment scheme income
<b>24</b>	Other income - that is, income not listed elsewhere

\* If you were a partner in a partnership that derived a loss, or you are required to complete income question 14, 15 or 16, you cannot lodge a

paper return this year. You must lodge your tax return using e-tax or a registered tax agent.

## Deductions

<b>D11</b>	Deductible amount of undeducted purchase price of a foreign pension or annuity
<b>D12</b>	Personal superannuation contributions (generally for the self-employed)
<b>D13</b>	Deduction for project pool
<b>D14</b>	Forestry managed investment scheme deduction
<b>D15</b>	Other deductions - that is, deductions not claimable at items <b>D1</b> to <b>D15</b> or elsewhere on your tax return

## Tax offsets

<b>T4</b>	Superannuation contributions on behalf of your spouse
<b>T5</b>	Zone or overseas forces
<b>T6</b>	Total net medical expenses
<b>T7</b>	Dependent relative (invalid and carer)
<b>T8</b>	Landcare and water facility
<b>T9</b>	Net income from working - supplementary section
<b>T10</b>	Other non-refundable tax offsets
<b>T11</b>	Other refundable tax offsets



## Adjustment

<b>A4</b>	Amount on which family trust distribution tax has been paid
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## Credit for interest on tax paid

<b>C1</b>	Credit for interest on early tax payments
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## How to get Individual tax return instructions supplement 2013

The publication *Individual tax return instructions supplement 2013* is only available online from this year at **[ato.gov.au/instructions2013](http://ato.gov.au/instructions2013)**.

You can still get a copy of the *Tax return for individuals (supplementary section) 2013* return form from our Publications Distribution Service.

QC 32452

## 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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