

Withholding declaration

Complete this declaration if you want:

- your payer to adjust the amount withheld from payments made to you, or
- to advise your payer of a change to information you previously provided in a *Tax file number declaration* (NAT 3092).



The information in these instructions is current to **30 June 2009**. You must lodge a new declaration if:

- you leave your current payer and start to receive payments from a new payer, or
- your circumstances change.



If you give the wrong information, you may have insufficient amounts withheld from payments made to you and this may result in a significant tax debt at the end of the income year.



❗ IS THIS THE RIGHT FORM FOR YOU?

Complete this declaration if:

- you are starting a payer/payee relationship – for example, starting employment and you want to claim tax offsets by reducing the amount withheld from payments made to you. You must also provide, or have previously provided, a *Tax file number declaration* (NAT 3092) to this payer, or
- you have completed a *Tax file number declaration* (or *Employment declaration* or *Annuity and superannuation pension declaration* before 1 July 2000) with your current payer and you now want to:
 - advise your payer that you have become, or ceased to be, an Australian resident for tax purposes
 - claim or discontinue claiming the tax-free threshold
 - advise your payer of your Higher Education Loan Programme (HELP) or Financial Supplement repayment obligations, or make changes to them
 - claim your entitlement, or vary your entitlement to a dependent spouse, zone, overseas forces or special (dependent parent, spouse's parent or invalid relative, housekeeper and child-housekeeper) tax offset
 - claim your entitlement to the senior Australians tax offset, or
 - increase the rate or amount to be withheld.

OUR COMMITMENT TO YOU

We are committed to providing you with advice and guidance you can rely on, so we make every effort to ensure that our publications are correct.

If you follow our guidance in this publication and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we must still apply the law correctly. If that means you owe us money, we must ask you to pay it but we will not charge you a penalty. Also, if you acted reasonably and in good faith we will not charge you interest.

If you make an honest mistake in trying to follow our advice and guidance in this publication and you owe us money as a result, we will not charge you a penalty. However, we will ask you to pay the money, and we may also charge you interest.

If correcting the mistake means we owe you money, we will pay it to you. We will also pay you any interest you are entitled to.

You are protected under GST law if you rely on any GST advice in this publication. If you rely on this advice and it later changes,

you will not have to pay any extra GST for the period up to the date of the change.

If you feel that this publication does not fully cover your circumstances, or you are unsure how it applies to you, you can seek further assistance from us.

We regularly revise our publications to take account of any changes to the law, so make sure that you have the latest information. If you are unsure, you can check for a more recent version on our website at www.ato.gov.au or contact us.

This publication was current at **July 2008**.

PRIVACY OF INFORMATION

We are authorised by the *Taxation Administration Act 1953* to collect your tax file number (TFN). You are not required by law to provide your TFN. However, quoting your TFN reduces the risk of administrative errors and having extra tax withheld.

We are authorised to collect information on this declaration by one or more of the following Acts:

- *Income Tax Assessment Act 1936*
- *Income Tax Assessment Act 1997*
- *Higher Education Funding Act 1988*
- *Higher Education Support Act 2003*
- *Social Security Act 1991*
- *Student Assistance Act 1973*
- *Taxation Administration Act 1953*
- *A New Tax System (Family Assistance) Act 1999*
- *A New Tax System (Family Assistance) (Administration) Act 1999*.

The Information you provide will help us to administer these Acts and other tax laws.

Where we are authorised by law to do so, we may give this information to other government agencies. These agencies could include Centrelink and the departments of Families, Housing, Community Services and Indigenous Affairs; Veterans' Affairs; and Education, Employment and Workplace Relations.

If you need more information about how the tax laws protect your personal information, or have any concerns about how the Tax Office has handled your personal information, phone **13 28 61** between 8.00am and 6.00pm, Monday to Friday.

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INTRODUCTION

WHAT BENEFITS CAN YOU CLAIM?

If you cannot estimate your whole-of-year entitlements to certain benefits, you can claim your entitlement at the end of the income year as a lump sum through your tax return. These benefits might include:

- dependent spouse, zone, overseas forces or special (dependent parent, spouse's parent or invalid relative, housekeeper and child-housekeeper) tax offsets, or
- senior Australians tax offset.

! Overestimating your entitlement to any of these benefits may result in a tax debt at the end of the year. Similarly, underestimating may lead to a tax refund.

HOW TO COMPLETE THIS FORM

SECTION A: PAYEE'S DECLARATION

Questions 1 & 2

Fill in your personal information.

Question 3

What is your tax file number (TFN)?

It is not an offence not to quote your TFN. However, your payer must withhold at the highest marginal rate plus Medicare levy (46.5% for 2008–09) from all payments made to you if you do not:

- provide your payer with your TFN, or
- claim an exemption from quoting your TFN.

> NEED TO KNOW YOUR TFN?

You will find your TFN on:

- your income tax notice of assessment
- correspondence sent to you by the Tax Office, or
- a payment summary issued by your payer.

If you have a tax agent, they may also be able to tell you your TFN.

If you still can't find your TFN you can:

- phone **13 28 61** between 8.00am and 6.00pm, Monday to Friday.
- visit your nearest shopfront (phone **13 28 61** to make an appointment)
- complete a *Tax file number application or enquiry for an individual* (NAT 1432).

If you phone or visit us we need to know we are talking to the correct person before discussing your tax affairs. We will ask you for details only you, or your authorised representative would know.

Print in the appropriate box if you:

- have lodged a *Tax file number application or enquiry for an individual* (NAT 1432) or made a phone or counter enquiry to obtain your TFN, or
- are claiming an exemption from quoting a TFN. You are exempt from quoting your TFN if you:
 - are under 18 years of age and do not earn enough to pay tax, or
 - receive certain Centrelink pensions, benefits or allowances or a service pension from the Department of Veterans' Affairs. However you will need to quote your TFN if you receive Austudy, Newstart, sickness or parenting allowance, or
 - receive benefits from the Military Rehabilitation and Compensation Commission.

For more information about privacy and TFNs, see 'Privacy of information' on the opposite page.

Question 4

This question has been removed. From 1 July 2007 your payer must pass your TFN to the superannuation fund to which the payer is making contributions. Giving your TFN to your superannuation fund will:

- make it easier to trace different superannuation accounts in your name so that you receive all your super when you retire
- allow your superannuation fund to accept all types of contributions to your accounts, and
- ensure that the tax on contributions to your superannuation accounts will not increase.

Question 5

Are you an Australian resident for tax purposes?

Generally, we consider you to be an Australian resident for tax purposes if you:

- have always lived in Australia or you have come to Australia and now live here permanently
- are an overseas student doing a course that takes more than six months to complete
- have been in Australia continuously for six months or more and for most of that time you worked in the one job and lived at the same place, or
- will be or have been in Australia for more than half of 2008–09 (unless your usual home is overseas and you do not intend to live in Australia).

If you go overseas temporarily and you do not set up a permanent home in another country, you may continue to be treated as an Australian resident for tax purposes.

The criteria we use to determine your residency status are not the same as those used by the Department of Immigration and Citizenship or Centrelink.

⚠ NON-RESIDENT TAX RATES ARE DIFFERENT
 A higher rate of tax applies to non-residents' taxable income, and non-residents are not entitled to a tax-free threshold.

 It is against the law to claim the tax-free threshold and tax offsets if you are a non-resident of Australia for tax purposes. However, there is an exception with zone or overseas forces tax offsets.

If you need help deciding whether or not you are an Australian resident for tax purposes, go to 'More information' on page 18.

If you are not an Australian resident for tax purposes, you must answer 'NO' to this question and questions 6.

Question 6

Are you claiming or do you want to claim the tax-free threshold from this payer?

The tax-free threshold is the amount of income you can earn each year that is not taxed (currently, the tax-free threshold applies to the first \$6,000 of your annual income). It is only available to people who are Australian residents for tax purposes.

Answer 'YES' if you:

- are an Australian resident for tax purposes
- are not currently claiming the tax-free threshold from another payer, and
- want to claim the tax-free threshold.

⚠ CHANGE TO WITHHOLDING FOR LOW INCOME TAX OFFSET
 From 1 July 2008, if you answer 'YES', your payer will reduce your withholding to allow a claim for 50% of the low income tax offset amount relevant to this level of regular earnings.

Answer 'NO' if you:

- answered 'NO' to question 5
- have claimed the tax-free threshold from another payer, or
- do not wish to claim the tax-free threshold.

If you want to change the payer you are currently claiming the tax-free threshold from, you must give the payer this form to advise them that you no longer want to claim the tax-free threshold from them.

⚠ DO YOU HAVE MORE THAN ONE JOB OR PAYER?
 You can claim the tax-free threshold from only one payer at a time. Generally, you should claim it from the payer you expect to pay you the most during the income year.

 If you receive any taxable Centrelink payments or allowances such as Newstart, Austudy or Youth Allowance, you are probably already claiming the tax-free threshold with Centrelink. This means, you cannot also claim it from another payer.

 If you expect to earn more than \$16,500 from the job where you have claimed the tax-free threshold, you may end up with a tax debt at the end of the income year.

 To avoid having a debt, you should ask one or more of your payers to withhold additional amounts by completing a *Withholding declaration – upwards variation* (NAT 5367).

For more information on deciding whether you can claim the tax-free threshold or which payer you should claim it from, see 'More information' on page 18.

Question 7(a)

Do you have an accumulated Higher Education Loan Programme (HELP) debt?

Answer 'YES' if you have an accumulated HELP debt.

Answer 'NO' if you do not have an accumulated HELP debt, or you have repaid all your HELP debt.

! If you had a Higher Education Contribution Scheme (HECS) debt, it became an accumulated HELP debt on 1 June 2006.

HELP

HELP was introduced on 1 January 2005, replacing HECS.

HELP consists of:

- HECS-HELP
- FEE-HELP
- OS-HELP.

If the Australian Government lends you money under any of these schemes you will have a HELP debt.

Repaying your HELP debt

You must start repaying your HELP debt when your repayment income is above the minimum repayment threshold. The minimum repayment threshold for 2008–09 is \$41,594. We will calculate your compulsory repayment for the year and include it on your income tax notice of assessment.

If your annual income is likely to be above the minimum repayment threshold, your payer will regularly withhold additional amounts to cover any compulsory repayment that may be calculated.

If you have claimed the tax-free threshold, the additional withholding for repaying your debt will commence at weekly earnings of \$799. If you have not claimed the tax-free threshold, the additional withholding will commence at weekly earnings of \$482.

Do you have more than one job and a HELP debt?

If your payments from all jobs add up to more than the minimum repayment threshold for the income year, you may have a compulsory repayment included on your next income tax notice of assessment. You can ask one or more of your payers to withhold additional amounts to cover your compulsory repayment by completing a *Withholding declaration—upwards variation* (NAT 5367).

What happens to the additional amounts withheld?

The additional amounts withheld by your payer are not credited to your HELP account during the year but form part of the amount shown on your *PAYG payment summary* at 'Total tax withheld' and on your income tax notice of assessment at 'PAYG withholding credits'. If you had too much withheld during the year and you have no other outstanding debts, we will refund the excess to you.

Have you repaid this debt?

When you have repaid your accumulated HELP debt, you must complete a new *Withholding declaration* (NAT 3093).

For more information about HELP debts, obtain a copy of our guide *Repaying your HELP debt in 2008–09* (NAT 3913), see 'More information' on page 18.

Question 7(b)

Do you have an accumulated Financial Supplement debt?

Answer 'YES' if you have an accumulated Financial Supplement debt.

Answer 'NO' if you do not have an accumulated Financial Supplement debt, or you have repaid all your Financial Supplement debt.

! The Student Financial Supplement Scheme closed on 31 December 2003. Existing Financial Supplement debts will continue to be collected through the tax system.

Repaying your Financial Supplement debt

You must start repaying your Financial Supplement debt when your repayment income is above the minimum repayment threshold. The minimum repayment threshold for 2008–09 is \$41,594. We will calculate your compulsory repayment for the year and include it on your income tax notice of assessment.

If your annual income is likely to be above the minimum repayment threshold, your payer will regularly withhold additional amounts to cover any compulsory repayment that may be calculated.

If you have claimed the tax-free threshold, the additional withholding for repaying your debt will commence at weekly earnings of \$799. If you have not claimed the tax-free threshold, the additional withholding will commence at weekly earnings of \$482.

Do you have more than one job and a Financial Supplement debt?

If your payments from all jobs add up to more than the minimum repayment threshold for the income year, you may have a compulsory repayment included on your next income tax notice of assessment. You can ask one or more of your payers to withhold additional amounts to cover your compulsory repayment by completing a *Withholding declaration – upwards variation* (NAT 5367).

What happens to the additional amounts withheld?

The additional amounts withheld by your payer are not credited to your Financial Supplement account during the year but form part of the amount shown on your *PAYG payment summary* at 'Total tax withheld' and on your income tax notice of assessment at 'PAYG withholding credits'. If you had too much withheld during the year and you have no other outstanding debts, we will refund the excess to you.

Have you repaid this debt?

When you have repaid your accumulated Financial Supplement debt, you must complete a new *Withholding declaration* (NAT 3093).

For more information about Financial Supplement debts, obtain a copy of our guide *Repaying your Financial Supplement loan 2008–09* (NAT 2789), see 'More information' on page 18.

Question 8

This question has been removed.

❗ Family tax benefit cannot be claimed through the tax system **from 1 July 2008**. Claims for family tax benefit should be made through the Family Assistance Office, see 'More information' on page 18.

Question 9

Do you want to claim or vary your dependent spouse, zone, overseas forces or special tax offset entitlement by reducing the amount withheld from payments made to you?

There are three categories of tax offsets in this section:

- A** Dependent spouse tax offset,
- B** Zone or overseas forces tax offset, and
- C** Special tax offsets (including those for a dependent parent, spouse's parent or invalid relative, housekeeper, or child-housekeeper).

❗ **INCOME TEST**

As part of the 2008–09 Budget, the Government announced that the dependent spouse and special tax offsets can only be claimed by taxpayers whose taxable income is \$150,000 or less. Whilst this legislation was not passed at the time this publication was printed, you should consider whether the income test applies to you before choosing to reduce the amount withheld from payments made to you.

Answer 'NO' if you are not entitled to claim any of these tax offsets, or you want to claim your entitlement as a lump sum at the end of the income year.

Answer 'YES' if you want to claim your entitlement to any of these tax offsets by reducing the amount withheld from payments made to you. You will need to calculate your estimated entitlement by working through the calculation tables provided and then transfer your total tax offsets to question 9 on the *Withholding declaration*.

❗ **NON-RESIDENTS**

If you are not a resident of Australia for tax purposes, you are not entitled to claim a dependent spouse tax offset or a special tax offset. You may be entitled to claim the zone or overseas forces tax offset.

❗ **RATES MAY CHANGE**

The income thresholds and tax offset rates stated in this section are for the income year ending 30 June 2009. These amounts are subject to annual indexation.

**Question 9(a)
Dependent spouse tax offset**

Do you have a dependent spouse with a separate net income of less than \$8,918?

! Refer to 'Income test' at the beginning of question 9 on page 4.

Your spouse is the person you are married to or who you live with in a de facto relationship.

Separate net income includes:

- the net amount of salary and wages
- most payments from Centrelink
- interest and dividend income
- business, trust and rental income
- capital gains, and
- some amounts on which you do not pay tax.

You cannot claim a dependent spouse tax offset if you:

- answer 'NO' to this question
- or your spouse, are eligible for family tax benefit Part B at the 100% care rate
- are not an Australian resident for tax purposes.

Do not complete this section – go to question 9(b) 'Zone or overseas forces tax offset' on page 7.

If you answer 'YES', you may be entitled to a dependent spouse tax offset. If you are entitled to claim a dependent spouse tax offset, you will need to complete table A on the next page.

Read the following instructions to help you complete steps 1 to 6.

Step 1: Your maximum tax offset

Are you (or your spouse) eligible for family tax benefit Part B?

If your answer is 'NO', your maximum tax offset is \$2,159. Insert this amount at step 1 in table A. Go to step 2.

If your answer is 'YES', and your family tax benefit Part B entitlement is based on a dependant who is subject to a shared-care arrangement, the maximum tax offset is reduced by the care percentage of the child. You must have had at least 35% care to be eligible for family tax benefit.

Shared care is where you or your spouse, or both of you, care for a child for some of the time during the assessment period and someone else, for example, your ex-spouse, cares for the child for the rest of the time, such as on weekends or during school holidays.

Shared care percentage – use the following table to work out your shared care percentage

No. of nights care (annually)	Percentage of care	FTB shared care percentage
0 to 127	0% to less than 35%	0%
128 to 175	35% to less than 48%	25% plus 2% for each percentage point over 35%
176 to 189	48% to 52%	50%
190 to 237	More than 52% to 65%	51% plus 2% for each percentage point over 53%
238 to 365	More than 65% to 100%	100%

For example, if you are entitled to family tax benefit Part B based on a dependant who has a shared-care percentage of 50%, the maximum tax offset figure of \$2,159 is reduced by 50%. Your reduced maximum tax offset at step 1 in table A would be \$1,079.

➤ NEED HELP?

If you need help with this calculation, phone us on **13 28 61** between 8.00am and 6.00pm, Monday to Friday.

Step 2: Your spouse’s separate net income (SNI)

If your spouse’s separate net income is less than \$286, you are entitled to a dependent spouse tax offset equivalent to your amount at step 1. Transfer this amount to **A** in table J on page 14. This is your dependent spouse tax offset. You do not need to complete steps 3, 4 and 5. Go to question 9(b) ‘Zone or overseas forces tax offset’ on page 7.

If your spouse’s separate net income is \$286 or more and less than \$8,918, you may be able to claim a partial tax offset. Insert your spouse’s separate net income amount at step 2 in table A. Go to step 3.

Steps 3, 4 and 5: Tax offset reduction calculation

The tax offset reduces by \$1 for every \$4 of your spouse’s separate net income that is over \$282.

Complete steps 4 and 5 in table A to calculate the reduction in your tax offset.

Step 6: Your dependent spouse tax offset

If your spouse’s separate net income is \$286 or more, take away your amount at step 5 from your amount at step 1. This is your dependent spouse tax offset. Transfer this amount to **A** in table J on page 14. Go to question 9(b) ‘Zone or overseas forces tax offset’ on page 7.

TABLE A: Dependent spouse tax offset calculation

Step 1	Maximum tax offset (\$2,159, or reduced maximum tax offset)	\$	◀ This is your dependent spouse tax offset if your spouse’s separate net income is less than \$286.	(A)
Step 2	Your spouse’s separate net income, if \$286 or more	\$		
Step 3	SNI at which tax offset begins to reduce	\$282	or	
Step 4	Take the amount at step 3 from the amount at step 2	\$		
Step 5	Divide the amount at step 4 by 4 – do not show cents	\$.00		
Step 6	Take away the amount at step 5 from the amount at step 1	\$	◀ This is your dependent spouse tax offset if your spouse’s separate net income is \$286 or more.	(A)

Question 9(b)

Zone or overseas forces tax offset

Entitlement

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

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

Zone Tax Offset

Remote areas

Remote areas are divided into two zones called zone A and zone B. There are also special areas within these zones. You will need to work out which zone (A or B) or special area you are in, as different zone allowances apply to each of these areas.

There is a list, opposite, of selected localities within the zones. Special areas are listed on page 8. There are also other locations that may be in a zone or special area.

If you do not live or work in a valid remote area, you cannot claim the zone tax offset.

Selected localities within the zones and special areas

Locations that are within 250 radial kilometres of the asterisked (*) locations are also in the relevant zone.

ZONE A

Western Australia	Northern Territory	Queensland
Bidyadanga	Alice Springs*	Camooweal
(Lagrange)	Batchelor	Cloncurry
Broome*	Darwin	Mount Isa*
Carnarvon	Hermannsburg	
Dampier	Katherine*	
Derby	Pine Creek	
Goldsworthy	Santa Teresa	
Karratha	Tindal	
Marble Bar		
Newman*		
Pannawonica		
Paraburdoo		
Port Hedland*		
Roebourne		
Shay Gap		
Tom Price*		
Wittenoom		

ZONE B

Western Australia	New South Wales	Queensland
Boulder	Bourke	Airlie Beach
Coolgardie	Brewarrina	Atherton
Esperance	Broken Hill	Augathella
Kalgoorlie*	Cobar	Ayr
Kambalda	Collarenebri	Barcaldine
Leonora	Lightning Ridge	Blackall
Mullewa	Menindee	Bowen
Norseman	Wilcannia	Cairns
Northampton		Cardwell
Ravensthorpe		Charleville
Southern Cross		Charters Towers
		Clifton Beach
		Collinsville
		Cunnamulla
		Greenvale
		Home Hill
		Ingham
		Innisfail
		Longreach
		Mackay
		Mareeba
		Mossman
		Port Douglas
		Proserpine
		Quilpie
		Sarina
		Tambo
		Townsville
		Tully
		Winton

Contact us if you are unsure whether a location is in a zone or special area, see 'More information' on page 18.

SPECIAL AREAS

Western Australia	Northern Territory	Queensland
Balladonia	Alyangula	Boulia
Deakin	Angurugu	Burketown
Denham	Borrooloola	Cooktown
Eucla	Elliott	Doomadgee
Exmouth	Galiwinku	Georgetown
Fitzroy Crossing	Jabiru	Helen Vale
Halls Creek	Lajamanu/Hooker Creek	Hughenden
Kununurra	Maningrida	Julia Creek
Laverton	Milikapiti	Karumba
Leinster	Milingimbi	Kowanyama
Madura	Nguiu	Normanton
Meekatharra	Ngukurr	Stamford
Mount Magnet	Nhulunbuy (Gove)	Thargomindah
Onslow	Numbulwar	Weipa
Rawlinna	Oenpelli	Windorah
Turkey Creek (Bow River)	Papunya	
Wiluna	Ramingining	
Wyndham	Tennant Creek	
	Yirrkala	
	Yuendumu	
	Yulara	
South Australia	Islands and territories	Tasmania
Amata Aboriginal Community	Australian Antarctic Territory	Furneaux Group Islands
Cooper Pedy	Cocos (Keeling) Islands	King Island
Cook	Heard Island	
Innamincka	Lord Howe Island	New South Wales
Leigh Creek	Macquarie Island	White Cliffs
Marree	McDonald Islands	
Nullarbor	Norfolk Island	
Oodnadatta	Palm Isles Group	
Penong		
Roxby Downs		
Tarcoola		

Conditions you need to meet to qualify for a zone tax offset

If you live or work in a remote area, you also need to meet the following conditions to qualify for a zone tax offset.

You must live or work in a remote area (not necessarily continuously) for:

- 183 days or more during 2008–09, or
- 183 days or more during the period 1 July 2007 to 30 June 2009 (including at least one day in this income year) and you did not claim a zone tax offset in your 2007–08 tax return.

If you live in a zone for less than 183 days in 2008–09, you may still be able to claim a tax offset as long as:

- you lived in a zone for a continuous period of less than five years after 1 July 2003
- the total of the days you were there in the first year and in 2008–09 is 183 or more, and
- you could not claim a zone tax offset in that first year because you were there less than 183 days.

EXAMPLE

Gary lived in a remote area from 1 March 2004 to 30 September 2008, a continuous period of less than five years. He could not claim a zone tax offset for the first year because he had lived there for only 122 days. However, he could carry forward these unused days to 2008–09.

He now adds the number of days from 1 March 2004 to 30 June 2004 (122) and the number of days from 1 July 2008 to 30 September 2008 (92). As the total (214) is more than 183 days (over the two income years), Gary can claim the tax offset in his 2008–09 tax return.

If you do not meet the above time conditions, you cannot claim the zone tax offset.

Overseas forces tax offset

Conditions you need to meet to qualify for an overseas forces tax offset

You may be eligible for an overseas forces tax offset if you serve in a specified overseas locality as a member of the Australian Defence Force or a United Nations armed force in 2008–09 and income relating to that service is not specifically exempt from tax. Periods of service for which your income is exempt foreign employment income are excluded in working out your eligibility for the tax offset. Your employer will be able to advise you whether you serve in a locality which qualifies for the overseas forces tax offset.

Contact us to get details of localities that qualify for the overseas forces tax offset, see 'More information' on page 18.

To claim the full tax offset, you must serve in the overseas locality for 183 days or more in 2008–09. Unlike the zone tax offset, you cannot carry forward any unused days from previous years to make up 183. However, if your overseas service is less than 183 days, you may be able to claim part of the tax offset.

You may still be entitled to claim the full overseas forces tax offset if you serve in an overseas locality for less than 183 days and the total number of days served, when added to the number of days spent in one or more zones, is 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.

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

Calculation of zone or overseas forces tax offset

If you are entitled to claim a zone or overseas forces tax offset, read below to find out how to calculate your offset.

1 Notional spouse (and spouse with child) tax offsets

If you have a dependent spouse, you may be entitled to claim a notional spouse tax offset as a component of your zone or overseas forces tax offset. Alternatively, you may be able to claim a notional spouse with child tax offset if you have a dependent child or student.

Do you have a dependent spouse?

If you answer 'NO', insert '0' at **B** in table E on page 11.

If you have a dependent child or student, go to '2 Do you have dependent children or students?' on page 10.

If you do not have a dependent child or student, go to '3 Total zone or overseas forces tax offset components' on page 11.

If you answer 'YES', and you do not have a dependent child or student and your spouse has a separate net income of less than \$8,918, complete column 1 of table B below.

If you have a dependent child or student, and your spouse has separate net income of less than \$18,314, complete column 2 of table B below.

A dependent child must:

- be under 21
- not be a student
- be treated as an Australian resident
- have a yearly separate net income of less than \$1,786, and
- be maintained by you.

A dependent student must:

- be under 25
- be a full-time student at school, college or university
- be treated as an Australian resident
- have a separate net income of less than \$1,786, and
- be maintained by you.

TABLE B: Notional spouse tax offset component

Tax offset entitlement		Column 1	Column 2
		Notional spouse tax offset Work out your zone or overseas forces tax offset if you do not have a dependent child or student.	Notional spouse with child offset Work out your zone or overseas forces tax offset if you have a dependent child or student.
Step 1	Maximum tax offset	\$2,159	\$2,508
Step 2	Your spouse's separate net income	\$	\$
Step 3	Income after which tax offset begins to reduce	\$282	\$282
Step 4	Take the amount at step 3 from the amount at step 2	\$	\$
Step 5	Divide the amount at step 4 by 4 – do not show cents	\$.00	\$.00
Step 6	Take the amount at step 5 from the amount at step 1	\$	\$

Transfer your amount at step 6 (for either column 1 or column 2) to **B** in table E on page 11.

If your dependent spouse or dependent child or student's separate net income is more than the maximum threshold, insert '0' at **B** in table E on page 11.

Complete steps 2, 4, 5 and 6 for column 1 or 2, and transfer your step 6 amount to **B**, table E on page 11.

2 Do you have dependent children or students?

If you answer 'NO', insert '0' at **A** in table E on page 11. Go to '3 Total zone or overseas forces tax offset components' on page 11.

If you answer 'YES', the relevant maximum tax offsets are shown in table C opposite. You cannot claim for a dependant if their separate net income is higher than the cut-off amount in this table.

In table D below, list the names and ages of your dependent children or students who do not have a separate net income that is higher than the relevant cut-off amount shown in table C. If there is not enough space, attach an additional sheet of paper.

For each dependent child or student with a separate net income of \$285 or less, ignore steps 1 to 5. Find the relevant maximum tax offset shown in table C and insert that amount at step 6, table D below.

TABLE C: Maximum tax offset

	Maximum	Tax offset reduces if separate net income exceeds	Tax offset cuts out if separate net income exceeds
First child under 21 who is not a student	\$376	\$285	\$1,785
Each other child under 21 who is not a student	\$282	\$285	\$1,409
Student under 25 receiving full-time education	\$376	\$285	\$1,785

For each dependent child or student with a separate net income of more than \$285 but less than the relevant cut-off amount shown in table C, you may claim a partial tax offset. The tax offset reduces by \$1 for every \$4 of your dependant's separate net income over \$282. Work out the reduced tax offset by completing steps 2 to 6 in table D below.

TABLE D: Dependent children or student component

		Dependant 1	Dependant 2	Dependant 3	Dependant 4	
		Name:	Name:	Name:	Name:	
		Age:	Age:	Age:	Age:	
Step 1	Maximum tax offset	\$	\$	\$	\$	
Step 2	Your dependant's separate net income	\$	\$	\$	\$	
Step 3	Income after which tax offset begins to reduce	\$282	\$282	\$282	\$282	
Step 4	Take the amount at step 3 from the amount at step 2	\$	\$	\$	\$	
Step 5	Divide the amount at step 4 by 4 – do not show cents	\$.00	\$.00	\$.00	\$.00	
Step 6	Take the amount at step 5 from the amount at step 1	\$	\$	\$	\$	\$

Transfer your total step 6 amount to **A** in table E on the next page.

Total step 6

3 Total zone or overseas forces tax offset components

If you are a sole parent with one or more dependent children, a notional sole parent tax offset of \$1,652 applies at **C** in table E below.

Items **D**, **E**, **F** and **G** relate to question 9(c) 'Special tax offsets' on pages 12 and 13.

TABLE E: Total zone or overseas forces tax offset components

	Amount claimed	
Total amount for dependants at step 6 in table D on previous page	\$	A
Notional spouse tax offset from column 1 or 2, step 6, in table B on page 9	\$	B
Notional sole parent tax offset of \$1,652 (if applicable)	\$	C
See housekeeper tax offset on page 12	\$	D
See child-housekeeper tax offset on page 13	\$	E
See invalid relative tax offset on page 12	\$	F
See parent or spouse's parent tax offset on page 12	\$	G
Add the amounts at A to G	\$	H

Transfer the amount at **H** above to 'Total from **H**, table E' in table F below, in the appropriate column for your zone (Zone A/overseas forces, Zone B or Special area).

TABLE F: Zone or overseas forces tax offset calculation

	Zone A/ overseas forces		Zone B		Special area
Total from H , table E	\$	Total from H , table E	\$	Total from H , table E	\$
Divide by 2	\$	Divide by 5	\$	Divide by 2	\$
Add zone allowance	\$338	Add zone allowance	\$57	Add zone allowance	\$1,173
Zone or overseas forces tax offset	\$ (B)	Zone tax offset	\$ (B)	Zone tax offset	\$ (B)

Transfer your zone or overseas forces tax offset amount at **(B)** above to **B** in table J on page 14.

**Question 9(c)
Special tax offsets**

! Refer to 'Income test' at the beginning of question 9 on page 4.

This section will help you decide whether you are entitled to claim the maximum tax offset for one or more of the special tax offsets. Special tax offsets include:

- dependent parent, spouse's parent or invalid relative tax offset
- housekeeper tax offset, and
- child-housekeeper tax offset.

Contact us (see 'More information' on page 18) for more details about special tax offsets, particularly if:

- you are eligible for a special tax offset at a rate less than the maximum rate
- you or your spouse are receiving, or intend to claim, family tax benefit Part B (this may affect the amount of offset you can claim)
- you are claiming a zone or overseas forces tax offset. Any tax offsets you would have been entitled to if the family tax benefit had not been introduced have been notionally retained to calculate the amount of your zone or overseas forces tax offset.

Dependent parent, spouse's parent or invalid relative tax offset

Your parent, spouse's parent or invalid relative must be a dependant who is maintained by you. This means:

- you and the dependant resided together
- you gave the dependant food, clothing and lodging, or
- you helped them pay for their living, medical and educational costs.

An invalid relative is a person 16 years or older who is your child, brother or sister who:

- receives a disability support pension, special needs disability, support pension or rehabilitation allowance, and
- is eligible to receive an invalid pension or has a certificate from an Australian Government-approved doctor stating that they have a continuing inability to work.

Maximum offset and reduced tax offset

The maximum tax offset is \$792 for each dependent invalid relative and \$1,583 for each dependent parent or spouse's parent. Your tax offset is reduced if:

- your dependant's separate net income was \$286 or more
- you maintained your dependant for only part of the year
- another person helped to maintain your dependant, or
- your dependant resided in Australia for only part of the year.

If you are eligible to claim this tax offset and none of these reduction factors apply, you may claim the maximum tax offset for your dependant(s). Use table G to calculate your tax offset amount.

TABLE G: Dependent parent, spouse's parent or invalid relative tax offset

Invalid relative tax offset \$792 each	\$	
Parent or spouse's parent tax offset \$1,583 each	\$	
Total tax offset claimed	\$	(C)

Transfer your amount at **(C)** above to **C** in table J on page 14.

If you are claiming a zone or overseas forces tax offset:

- transfer the invalid relative tax offset amount to **F** in table E on page 11, and
- transfer the parent or spouse's parent tax offset amount to **G** in table E on page 11.

Housekeeper tax offset

What is a housekeeper?

A housekeeper is a person who worked full time in keeping house for you and cared for:

- a child of yours under 21, irrespective of the child's separate net income
- any other child under 21 (including a student under 21) who was your dependant and whose separate net income was less than \$1,786
- your invalid relative who is your dependant and for whom you can claim a dependant tax offset, or
- your spouse who received a disability support pension.

! 'Keeping house' means more than just child-minding or performing domestic duties. It includes having some responsibility for the general running of the household.

Special circumstances

There are special circumstances that may enable you to qualify for this tax offset even if your spouse was not on a disability support pension. Examples of special circumstances include:

- your spouse deserted you and your children, and you are not living in a de facto relationship
- you have a child with a severe mental disability who requires constant attention, or
- your spouse suffers from an extended mental illness and is medically certified as being unable to take part in the care of your children.

How much can you claim?

The amount of housekeeper tax offset you can claim is \$1,759. This amount is increased to \$2,108 if you have an eligible dependent child under 21 years old or student under 25. Your maximum housekeeper tax offset is reduced if:

- you maintained your dependant for only part of the financial year, or
- another person helped to maintain your dependant.

! You cannot claim the housekeeper tax offset for the same period you are eligible to claim the child-housekeeper tax offset.

If you are eligible to claim this tax offset and none of these reduction factors apply, you may claim a tax offset amount of \$1,759 or \$2,108 at **(D)** in table H below.

TABLE H: Housekeeper tax offset

Housekeeper tax offset claimed	\$	(D)
--------------------------------	----	------------

Transfer your amount at **(D)** above to **D** in table J on page 14.

If you are claiming a zone or overseas forces tax offset, work out how much of the housekeeper tax offset to use in the calculation, ignoring any adjustment for family tax benefit. Insert this notional housekeeper tax offset amount at **D** in table E on page 11.

Child-housekeeper tax offset

A child-housekeeper is your child, adopted child or stepchild who kept house for you full time. A child who is a full-time student or a full-time employee is not considered to keep house full time.

! 'Keeping house' means more than just child-minding or performing domestic duties. It includes having some responsibility for the general running of the household. You cannot claim a child-housekeeper for any period that you lived with your spouse (married or de facto).

Child-housekeeper eligibility checklist

You are eligible to claim a child-housekeeper tax offset for any period in 2008–09 that you had a child-housekeeper and all of the following apply:

- you maintained your child-housekeeper
- your child-housekeeper was a resident of Australia
- you were a resident of Australia at any time in 2008–09
- you were not eligible for a dependent spouse tax offset, and
- you were not entitled to family tax benefit Part B or were entitled to it only at the shared-care rate.

How much can you claim?

If you do not have another dependent child under 21 or student under 25, the amount of child-housekeeper tax offset you may be able to claim is \$1,759. This amount is increased to \$2,108 if you have an additional dependent child under 21 or student under 25.

Your maximum child-housekeeper tax offset is reduced if:

- your child-housekeeper's separate net income for the period you are claiming was \$286 or more
- you maintained a child-housekeeper for only part of the year, or
- you met all the above eligibility tests for only part of the income year.

! You cannot claim a child-housekeeper tax offset if you had a child-housekeeper for the whole year and your child-housekeeper's separate net income was over \$7,317 (or \$8,713 if you had an eligible dependent child or student).

If you are eligible to claim this tax offset and none of these reduction factors apply, you may claim a tax offset amount of \$1,759 or \$2,108 at **(E)** in table I below.

TABLE I: Child-housekeeper tax offset

Child-housekeeper tax offset claimed	\$	(E)
--------------------------------------	----	------------

Transfer your amount at **(E)** above to **E** in table J on the next page.

If you are claiming a zone or overseas forces tax offset, work out how much of the child-housekeeper tax offset to use in the calculation, ignoring any adjustment for family tax benefit. Insert this notional child-housekeeper tax offset amount at **E** in table E on page 11.

TABLE J: Total tax offsets

Dependent spouse tax offset – from page 6	\$	A	YOUR TOTAL TAX OFFSETS
Zone or overseas forces tax offset – from page 11	\$	B	
Special tax offset – parent, spouse's parent or invalid relative – from page 12	\$	C	
Special tax offset – housekeeper – from page 13	\$	D	
Special tax offset – child-housekeeper – from page 13	\$	E	
Total tax offsets	\$	F	

Transfer your amount from **F** in table J above to question 9 on the *Withholding declaration* form.

! If you are eligible for family tax benefit, this may affect your entitlement to the housekeeper tax offset or child-housekeeper tax offset. Contact us for more information, see page 18.

Question 10

Do you want to claim the senior Australians tax offset by reducing the amount withheld from payments made to you?

Answer 'NO' if you are not eligible or if you want to claim your entitlement to the tax offset as a lump sum in your end-of-year income tax assessment.

Answer 'YES' if you choose to receive the senior Australians tax offset by reducing the amount withheld from payments made to you during the year.

⊖ CLAIM THE TAX OFFSET FROM ONLY ONE PAYER

It is against the law to claim tax offsets from more than one payer at the same time.

If your income comes from more than one source, do not complete this question for any of your payers. Contact us for more information, see page 18.

To be eligible for the senior Australians tax offset, you must meet conditions 1, 2, 3 and 4 explained below.

Condition 1: Age

To meet this condition, on 30 June 2009 you must be:

- a male aged 65 years or more, or a female aged 63 years and 6 months or more, or
- a male veteran or war widower aged 60 years or more, or a female veteran or war widow aged 58 years and 6 months or more who meets the veteran pension age test.

Veteran pension age test

You meet the veteran pension age test if one of the following applies to you and you would be eligible for a pension, allowance or benefit under the *Veterans' Entitlements Act 1986*:

- you have eligible war service – that is, service in World War I or World War II or operational service as a member of Australia's Defence Forces
- you are a Commonwealth or allied veteran who served in a conflict in which Australia's forces were engaged during a period of hostilities – that is, World War I or World War II, or in Korea, Malaya, Indonesia or Vietnam
- you are an Australian or allied mariner who served during World War II
- you are the war widow or war widower of a former member of the Australian Defence Forces.

'Pension, allowance or benefit' includes disability pension, service pension and white or gold Repatriation Health Cards for treatment entitlements.

If you are unsure whether you meet the veteran pension age test, contact the Department of Veterans' Affairs, see 'More information' on page 18.

Condition 2: Eligibility for an Australian Government age pension or similar type of payment

To meet this condition, you must fit into one of the following categories.

- A** You are receiving an Australian Government age pension, or a pension allowance or benefit from the Department of Veterans' Affairs, at any time during the 2008–09 income year.
- B** You would be eligible for an Australian Government age pension, but are not receiving one because you have not made a claim or because of the application of the income test or the assets test and you satisfy one of the following:
 - you have been an Australian resident for age pension purposes for either 10 continuous years, or for more than 10 years, of which five years were continuous
 - you have a qualifying residence exemption (because you arrived in Australia as a refugee or under a special humanitarian program)
 - you are a woman who was widowed in Australia (at a time when both you and your late partner were Australian residents) and you have made a claim for the age pension and you had two years' residence immediately prior to your claim
 - you received a widow B pension, widow allowance, mature age allowance or partner allowance immediately before turning age pension age, or
 - you qualify under an international social security agreement.
- C** You are a veteran with eligible war service or a Commonwealth veteran, allied veteran or allied mariner with qualifying service and you are eligible for a pension, allowance or benefit from the Department of Veterans' Affairs but are not receiving it because you have not made a claim or because of the application of the income test or the assets test.

See 'More Information' on page 18 if you need help working out your eligibility for:

- social security or Centrelink pension – contact Centrelink
- a veteran payment – contact the Department of Veterans' Affairs
- all other enquiries relating to the senior Australians tax offset – contact us.

Condition 3: Taxable income threshold

To meet this condition for the 2008–09 income year, you must satisfy one of these income thresholds:

- you do not have a spouse (married or de facto) and your taxable income will be less than \$46,707
- you have a spouse (married or de facto) and your combined taxable income will be less than \$74,992, or
- you have a spouse (married or de facto) and for some or all of the income year you have to live apart due to illness or because one of you is in a nursing home and you and your spouse's combined taxable income will be less than \$87,840.

The threshold amounts shown here relate to determining your eligibility for the senior Australians tax offset – they are not tax-free thresholds.

! 'Have to live apart due to illness' is a term used to describe a situation where the living expenses of you and your spouse (married or de facto) are increased because you are unable to live together in your home due to the indefinitely continuing illness or infirmity of either or both of you.

Condition 4: Not in jail

To meet this condition, you must not have been in jail for the whole income year (1 July 2008 to 30 June 2009).

How your income affects the amount of your tax offset

If you meet conditions 1, 2, 3 and 4 described above, you are eligible for the senior Australians tax offset. Being eligible means that you are entitled to the senior Australians tax offset but it does not mean you will automatically get an amount of senior Australians tax offset. Your own taxable income will be used to work out the amount of your tax offset. The combined income

amounts set out in condition 3 are used for eligibility purposes and not for working out the amount of your entitlement.

Your tax payable will be reduced to nil if you are entitled to the senior Australians tax offset and your taxable income is equal to or below the income thresholds shown in column 1 in table K below. A reduced tax offset will apply where your taxable income is above the thresholds shown in column 1 but less than the cut-out threshold shown in column 2.

You may not have to lodge an income tax return if your income from all sources is equal to or below the threshold shown in column 1.

Contact us for more information about the senior Australians tax offset, see page 18.

TABLE K: Income thresholds for senior Australians tax offset

	Column 1	Column 2
Senior Australians	Tax-free threshold	Cut-out threshold
Single	\$28,867	\$46,707
Each member of a couple	\$24,680	\$37,496
Each member of an illness-separated couple	\$27,600	\$43,920

Question 11

Do you want to increase the rate or amount withheld from payments made to you?

You can agree with your payer to have the rate or amount of withholding increased to suit your individual circumstances. You may want to do this if, for example, you need to cover the tax payable on other income (such as interest or rent), or where you have more than one job and an accumulated HELP or Financial Supplement debt.

The varied rate or increased amount withheld cannot result in a lesser amount being withheld than would otherwise apply under the pay as you go (PAYG) withholding tax tables or by regulation for the relevant withholding event. This includes payments made:

- to an employee, company director or office holder
- in respect of a superannuation payment, an employment termination payment, an annuity, a benefit or a compensation payment
- under a labour hire arrangement, or
- under a voluntary agreement to withhold.

! If you complete this question you will also need to fill out the *Upwards variation agreement* at the back of this declaration. This agreement authorises your payer to increase the amount withheld from payments to you, starting from the date you specify.

You can end the *Upwards variation agreement* at any time. All you have to do is notify your payer in writing that the amount withheld from future payments is to be in accordance with the PAYG withholding tax tables or at a rate specified by regulation, and not at the increased rate.

You can also apply to reduce the rate or amount withheld to suit your individual circumstances. To apply for a reduced amount to be withheld, you must complete a *PAYG income tax withholding variation (ITWV) application* (NAT 2036) and send it to us.

Declaration

Make sure that you have signed and dated the declaration. Give your completed declaration to your payer.

SECTION B: PAYER'S DECLARATION

This section is to be completed by the payer. The following information will help you comply with your pay as you go (PAYG) withholding obligations.

Payer obligations

If you withhold amounts from payments, or are likely to withhold amounts, the payee may give you this form with Section A completed. A *Withholding declaration* applies to payments made after the declaration is provided to you. The information provided on this form is used to determine the amount of tax to be withheld from payments based on the PAYG withholding tax tables published by the Tax Office. If the payee gives you another declaration, it overrides any previous declarations.

Storing and disposing of withholding declarations

The information in the completed *Withholding declaration* form must be treated in confidence. Once you have completed, signed and dated the declaration, file the declaration form.

If the declaration is accompanied by a completed *Upwards variation agreement*, return the signed agreement to the payee for their records. **Do not send the declaration or agreement to the Tax Office.**

Under the TFN guidelines in the *Privacy Act 1988*, you must use secure methods when storing and disposing of TFN information. Under tax laws, if a payee submits a new *Withholding declaration* or leaves your employment, you must still keep this declaration for the current and next financial year.

UPWARDS VARIATION AGREEMENT

The *Upwards variation agreement* needs to be completed by you and your payer if you wish to increase the amount withheld from payments made to you. You must answer 'YES' to question 11 on the *Withholding declaration* and complete this agreement. Once the declaration and agreement are signed, the agreement will be returned to you by your payer for your records.

➤ MORE INFORMATION

Useful Products

You can get the following forms and publications from our website www.ato.gov.au/onlineordering or by phoning **1300 720 092** (some of these products are also available from most newsagents):

- *Tax file number declaration* (NAT 3092)
- *Medicare levy variation declaration* (NAT 0929)
- *Withholding declaration – upwards variation* (NAT 5367)
- *Withholding declaration short version for senior Australians* (NAT 5072)
- *Repaying your HELP debt in 2008–09* (NAT 3913)
- *Repaying your Financial Supplement loan 2008–09* (NAT 2789)
- *Tax file number - application or enquiry for an individual* (NAT 1432)
- *Tax file numbers* (NAT 1753)
- *PAYG income tax withholding variation (ITWV) application* (NAT 2036)

Internet

- Visit www.ato.gov.au – download publications, rulings and other general tax information.

Phone

- Personal tax enquiries phone **13 28 61** between 8.00am and 6.00pm, Monday to Friday. You can get help to complete this form, receive information about HELP and Financial Supplement debts, claiming the tax-free threshold, Australian residency, zones or special areas, qualifying for overseas forces tax offset, entitlement to housekeeper or child-housekeeper tax offset, senior Australians tax offset and varying your withholding amounts upwards.
- PAYG withholding variation enquiries phone **1300 360 221** between 8.00am and 6.00pm, Monday to Friday. You can also receive information on claiming the tax offset if you have income from more than one source.

Other Services

If you do not speak English well and want to talk to a tax officer, phone the Translating and Interpreting Service on **13 14 50** for help with your call.

If you have a hearing or speech impairment and have access to appropriate TTY or modem equipment, phone **13 36 77**. If you do not have access to TTY or modem equipment, phone the Speech to Speech Relay Service on **1300 555 727**.

Other agencies

Centrelink

For help working out your eligibility for a social security or Centrelink pension:

- visit www.centrelink.gov.au or
- phone **13 23 00** between 8.30am and 5.00pm, Monday to Friday.

Department of Veterans' Affairs

If you are a veteran and not sure whether you are eligible for a payment:

- visit www.dva.gov.au or
- phone **13 32 54** between 8.30am and 5.00pm, Monday to Friday.

Family Assistance Office

For advice on how you should claim your family tax benefit:

- visit www.familyassist.gov.au or
- phone **13 61 50** between 8.00am and 8.00pm, Monday to Friday.



Complete this declaration to authorise your payer to adjust the amount withheld from payments made to you.

You must provide, or have previously provided, your payer with a completed *Tax file number declaration* (NAT 3092) (or *Employment declaration* or *Annuity and superannuation pension declaration* completed before 1 July 2000), quoting your tax file number or claiming an exemption from quoting it, before you can make a *Withholding declaration*.

! The information in the completed *Withholding declaration* form must be treated in confidence.

- Refer to the Instructions to help you complete this declaration.
- Print neatly in BLOCK LETTERS and use a black or dark blue pen.
- Print in the appropriate boxes.

Section A: Payee's declaration

➔ To be completed by payee.

1 What is your name? Title: Mr Mrs Miss Ms Other

Family name

Given names

2 What is your date of birth? Day / Month / Year

➔ See 'Privacy of information' inside the front cover of the Instructions.

3 What is your tax file number (TFN)?

If you have not provided your TFN, indicate if any of the following reasons apply:

- I have lodged a TFN application. I am claiming an exemption because I am a pensioner. I am claiming an exemption because I am under 18 years of age and do not earn enough to pay tax.

4 This question has been removed. Refer to **Question 4** in the Instructions.

5 Are you an Australian resident for tax purposes? Yes No You must answer 'NO' at questions 6.

6 Are you claiming or do you want to claim the tax-free threshold from this payer? Yes No You must answer 'NO' at questions 9 and 10 unless you are a non-resident claiming a senior Australians, zone or overseas forces tax offset.

7 (a) Do you have an accumulated Higher Education Loan Programme (HELP) debt? Yes No

(b) Do you have an accumulated Financial Supplement debt? Yes No

8 This question has been removed. Refer to **Question 8** in the Instructions.

9 Do you want to claim or vary your dependent spouse, zone, overseas forces or special tax offset by reducing the amount withheld from payments made to you? Yes No

Insert your estimated total tax offset amount from table J on page 14. **\$**

10 Do you want to claim the senior Australians tax offset by reducing the amount withheld from payments made to you? Yes No

Are you: single a member of an illness-separated couple a member of a couple



Upwards variation agreement

Complete this agreement if you wish to increase the amount withheld from payments made to you. You must answer 'YES' to question 11 on the *Withholding declaration*.

- Refer to the Instructions to help you complete this agreement.
- Print neatly in BLOCK LETTERS and use a black or dark blue pen.

! The information in the completed *Upwards variation agreement* must be treated in confidence.

Step 1: Election by payee

➔ To be completed by the payee.

I elect that the payer will:

- (a) withhold amounts from payments made to me at the rate of . %
or
(b) increase the amount that would otherwise be withheld by \$, ~~00~~ per payment.

This applies to payments made to me from the / / pay period.

I understand that the varied rate or increased amount will apply only to the payments made to me starting from the pay period indicated above, when it results in a higher amount being withheld than would otherwise apply under the PAYG withholding tax tables or by regulation for the relevant withholding event.

Step 2: Declaration by payee

● There are penalties for deliberately making a false or misleading statement.

I declare that the information I have given on this agreement is true and correct.

Signature of payee

Date / /

Name of payee

Step 3: Complete the *Withholding declaration* form

➔ Complete the *Withholding declaration* form on the previous page and give this agreement and the declaration to your payer. Your payer will sign both the agreement and declaration, retain the declaration and return this agreement to you for your records.

Step 4: Declaration by payer

➔ To be completed by the payer.

I agree to increase the amount withheld from payments made as indicated at (a) or (b).

Signature of payer

Date / /

Australian business number (ABN) or withholding payer number (WPN)

Registered business name or trading name (or individual name if not in business)

➔ PAYER: RETURN THE COMPLETED AGREEMENT TO THE PAYEE

