

Good morning,

Below is a summary of the 2016 federal budget provided by Taxpayers Australia Ltd. (a valuable member of Peron's professional network).

I will provide more detailed emailed over the next few days once we have an understanding of the details contained within each of the changes that may affect you.

So far the news is good for:

Small business company taxpayers within a reduction of the tax rate to 27.5% and an increase of the turnover threshold from \$2M to \$10M
Individuals whose taxable income is over \$80,000, with the 37% tax rate now starting at \$87,000, up from \$80,000.

Not so good news for:

Taxpayers with taxable incomes above \$250,000 – extra tax 15% on superannuation contributions
Taxpayers with super balances above \$1.5M
Concessional Super contributions cap reduced to \$25,000 per year (down from \$30,000)
Non-concessional cap changed to a life-time limit of \$500,000 instead of the annual cap amount of \$180,000.

Stay tuned for more detailed analysis.

Regards

Peter Medwin
Director