Superannuation and Tax

# Glossary

**Gross income** – the total money you earn from your job (before tax and anything gets taken out).

**Tax** – money paid to the government for schools, hospitals, fire departments, police, roads, grants for skate parks, playgrounds, libraries, swimming pools etc.

**Medicare levy** – tax for people who don’t have private health insurance.

**Superannuation** – money put into a bank account, so you have money saved when you retire.

## Superannuation

Your boss must put 9.5% of your gross pay into a superannuation account for you.

How much do the following people have to pay into their superannuation account?

Apple earns $500 a year; super =

Banana earns $19200 a year; super =

Carrot earns $50000 a year; super =

Durian earns $150,000 a year; super =

Eggplant earns $200,000 a year; super =

Feijoa earns $1500 **a week**; super (**per year**) =

## Tax

How much do the following people pay in tax?

Apple earns $500 a year; tax =

Banana earns $19200 a year; tax =

Carrot earns $50000 a year; tax =

Durian earns $150,000 a year; tax =

Eggplant earns $200,000 a year; tax =

Feijoa earns $1500 **a week**; tax =

## Medicare levy

There are some different rules about this but simplified version; if you pay tax, and don’t have private health insurance, you pay an extra 2% of your gross income.

Assuming no one has private health insurance, how much do they pay in Medicare levy:

Apple earns $500 a year; Medicare levy =

Banana earns $19200 a year; Medicare levy =

Carrot earns $50000 a year; Medicare levy =

Durian earns $150,000 a year; Medicare levy =

Eggplant earns $200,000 a year; Medicare levy =

Feijoa earns $1500 a week; Medicare levy =

## Net income

Net income is what ever is left over after everything’s been taken out.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Person | Gross Income (per year) | Superannuation (per year) | Tax (per year) | Medicare (per year) | Net income (per year) |
| Apple | $500 |  |  |  |  |
| Banana | $19200 |  |  |  |  |
| Carrot | $50000 |  |  |  |  |
| Durian | $150000 |  |  |  |  |
| Eggplant | $200000 |  |  |  |  |
| Feijoa |  |  |  |  |  |