

Where do I get the forms?

- Declaration forms and further exemption information is available at www.ato.gov.au/floodlevy

Completing your 2012 tax return

You will need to confirm your exemption when you lodge your 2012 tax return so that the flood levy is not included in your income tax assessment. Any flood levy amounts overpaid by you during the year will be credited in your 2012 income tax assessment.

More information

For more information about the flood levy:

- visit our website at www.ato.gov.au/floodlevy
- phone us on **13 28 61** between 8.00am and 6.00pm, Monday to Friday.

For more information about declared natural disasters go to www.disasterassist.gov.au

The flood levy

Helping you understand the flood levy and how it affects you.

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 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 more recent information on our website at www.ato.gov.au or contact us.

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What is the flood levy?

To assist affected communities recover from recent natural disasters the Australian Government has introduced a Temporary Flood and Cyclone Reconstruction Levy (flood levy).

The flood levy will only apply to income earned between 1 July 2011 and 30 June 2012.

Are you exempt from the flood levy?

You will not pay the flood levy if you have:

- a taxable income of \$50,000 or less
- been affected by a declared natural disaster.

How much flood levy will I pay?

The flood levy is an increase in tax on that part of your income above \$50,000.

Your taxable income	Flood levy payable
\$0 to \$50,000	Nil
\$50,001 to \$100,000	half a cent for each \$1 over \$50,000
Over \$100,000	\$250 plus 1 cent for each \$1 over \$100,000

Example

Lloyd earns taxable income of \$80,000 and has not been affected by a natural disaster. He does not pay the levy on the first \$50,000 of income, he pays the levy on \$30,000 (\$80,000-\$50,000). Lloyd will pay a levy of \$150.00 for the year. Lloyd is paid weekly so his net pay will decrease by \$2.88 a week.

How will I pay the flood levy?

Employees

If you earn over \$50,000, your employer will withhold an extra amount from your regular pay from 1 July 2011.

Pay as you go instalment payers

For pay as you go instalment taxpayers, the ATO will increase your instalment obligation to include the flood levy in 2011-12.

What do I do if I am exempt?

If you are eligible for exemption, you may need to take some steps to let us know that you are exempt from paying the flood levy, depending on your circumstance.

Employees

If you earn more than \$50,000 in salary and wages, you can use a *Flood levy exemption declaration* (NAT 73797) to tell your employer you are exempt from the levy.

It is not compulsory that you tell your employer that you are exempt as any flood levy amounts overpaid by you will be credited in your 2012 income tax assessment.

Pay as you go instalment taxpayers

If we can identify you as exempt, we will not include the flood levy in your instalment rate or amount.

If we do not identify you as being exempt, you may wish to vary your instalment during 2011-12 on your activity statement.