

2025-26 at a glance

\$2,200.40
Refund for 2025-26

\$109,770
Taxable income

\$23,719
Income tax

\$2,195
Medicare levy

23.6%
Average tax rate

30%
Tax rate on the last dollar earned

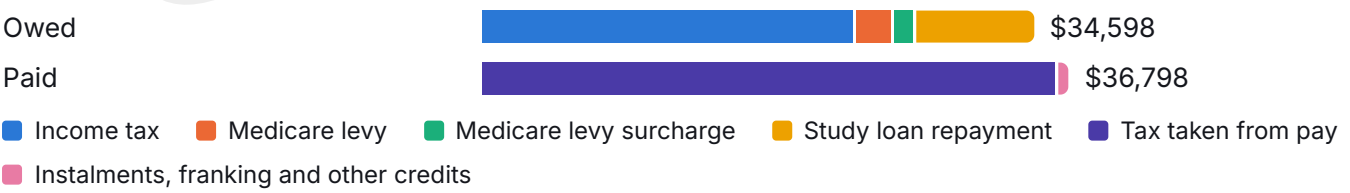
How taxable income is worked out



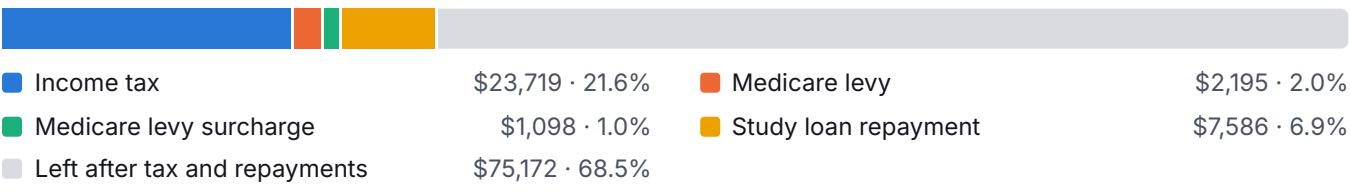
Other income: interest \$420, dividends \$1,400, franking credits \$600. Rental property: rent \$28,600, costs claimed \$36,400.

Where does the \$2,200 refund come from?

Alex paid \$36,798 toward tax during the year. The tax owed came to \$34,598, so \$2,200 comes back as a refund.



Where the \$109,770 went



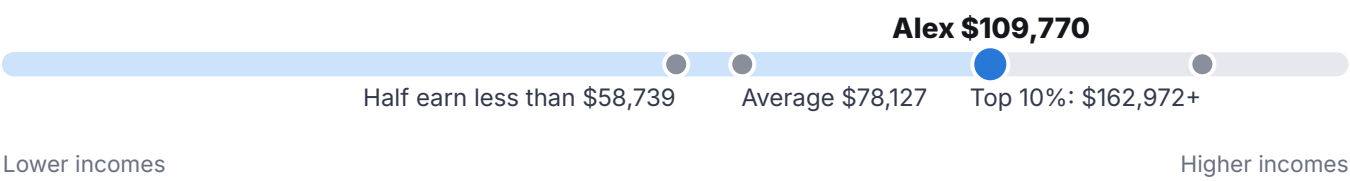
Working from home: 320 hours at 70c an hour, a deduction of \$224.

How does Alex compare with other taxpayers?

Compared with all 13.2 million Australian taxpayers, using the ATO's latest figures (2023-24).

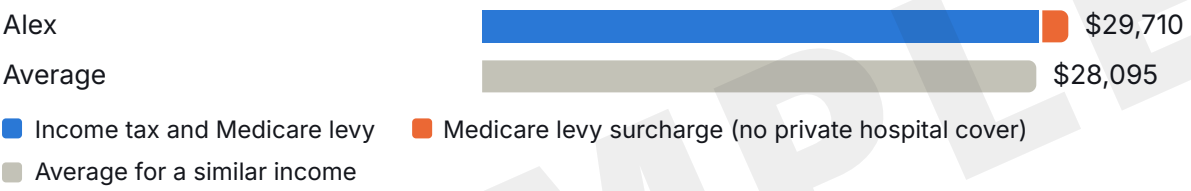
Income

Alex earns more than 74% of Australian taxpayers.



Tax

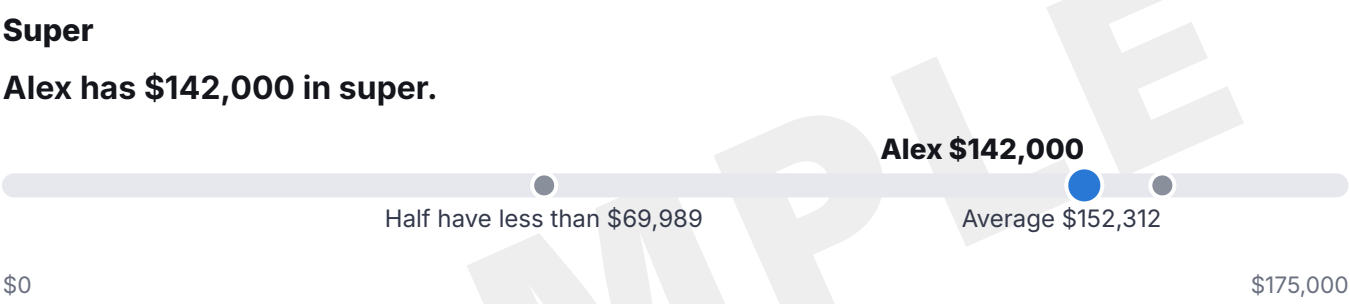
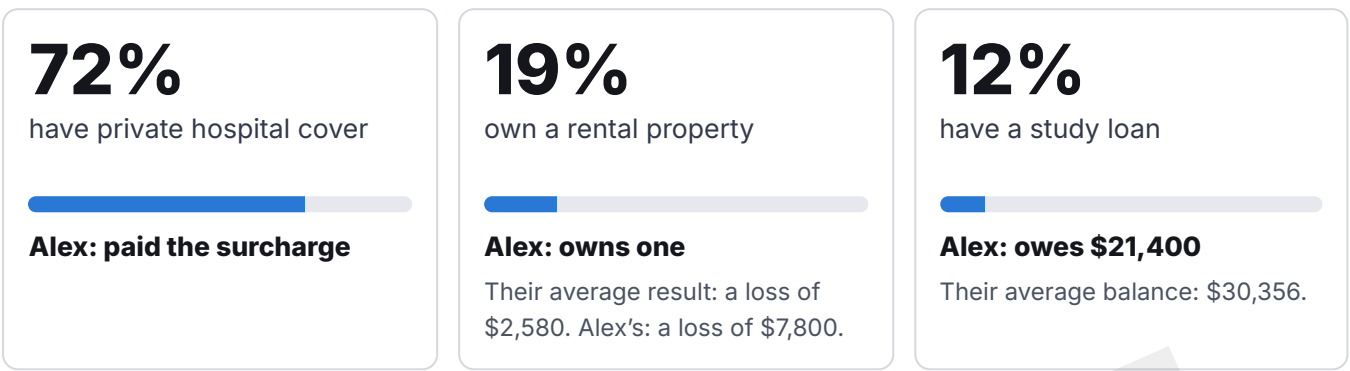
Alex paid \$1,615 more tax than the average person on a similar income.



Similar income: \$108,198 to \$110,369. Tax worked out at 2023-24 rates, the year of the ATO's figures. Source: Australian Taxation Office, Taxation Statistics 2023-24 (CC BY 2.5 AU).

How does Alex compare with people on a similar income?

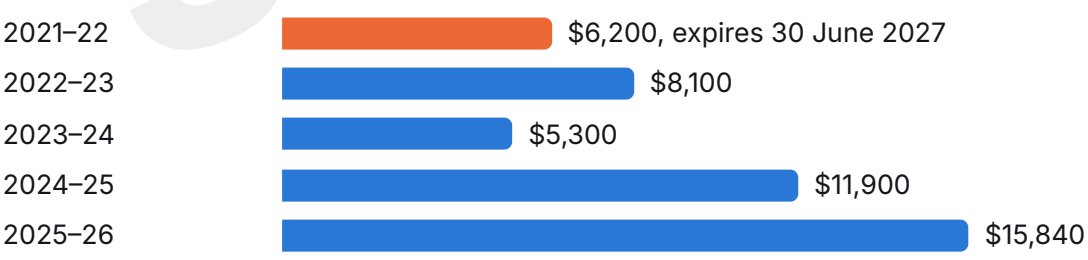
People who earned \$108,198 to \$110,369 in 2023–24.



People with taxable income of \$45,001 to \$120,000. The ATO publishes super by income, not age.

Unused before-tax super cap

Alex has \$47,340 of unused cap from earlier years. \$6,200 of it expires on 30 June 2027.



Source: Australian Taxation Office, Taxation Statistics 2023–24 (CC BY 2.5 AU).

What does 2026–27 look like?

An estimate for the year to 30 June 2027, based on the assumptions at the bottom of this page.

\$113,186
Taxable income
Up \$3,416 on last year

\$26,740
Income tax and Medicare levy
Up \$826 on last year

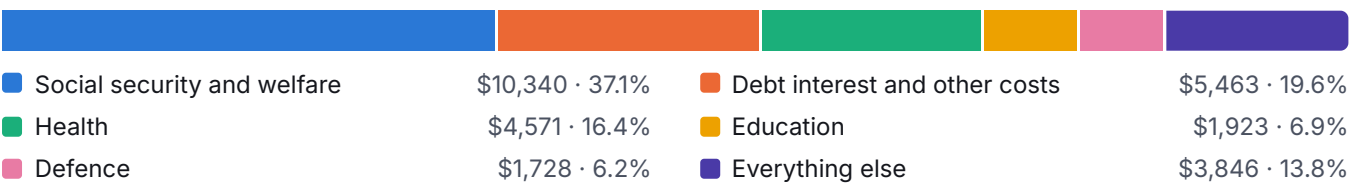
\$2,346
Refund
Up \$146 on last year

	2025–26	2026–27 (ESTIMATE)
Salary	\$118,000	\$121,776
Deductions	\$2,850	\$3,210
Taxable income	\$109,770	\$113,186
Income tax	\$23,719	\$24,476
Medicare levy	\$2,195	\$2,264
Medicare levy surcharge	\$1,098	\$1,132
Study loan repayment	\$7,586	\$7,719
Tax taken from pay	\$36,198	\$37,336
Result	Refund \$2,200	Refund \$2,346

What this estimate assumes

- Pay rises 3.2%, in line with the Wage Price Index, June quarter 2026 (ABS).
- Work-related expenses are \$1,000, the new standard deduction from 2026–27. It replaces the \$640 claimed in 2025–26.
- Everything else stays as it was in 2025–26.
- Tax taken from pay follows the ATO’s 2026–27 tax tables.
- The 2026–27 Medicare levy low-income threshold isn’t out yet, so the 2025–26 figure is used.

Where Alex’s 2026–27 tax goes



Estimated tax of \$27,871, split by the 2026–27 Budget’s spending shares.

What if...

Each question changes one thing. Figures are 2026–27 estimates.

What if Alex had private hospital cover?

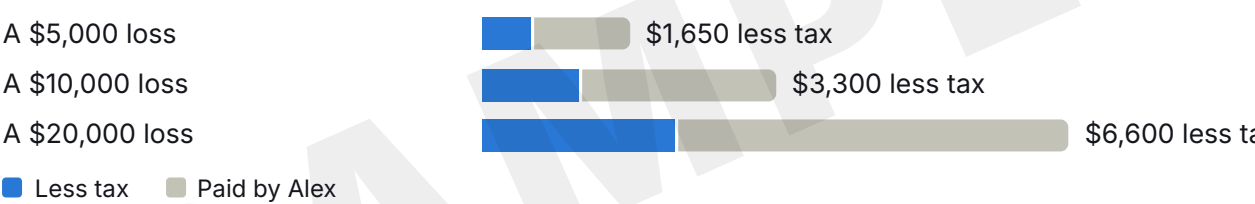
Without cover, Alex pays a surcharge of about \$1,132 a year. The cheapest basic hospital cover in NSW costs \$1,032 a year.



Cover held all year removes the surcharge (for a single, with an excess of \$750 or less). Price: CHOICE, cheapest Basic hospital policy by state, singles under 65, premiums after the rebate, \$750 excess (updated 22 June 2026). Some policies add a daily co-payment.

What does a rental loss do to Alex's tax?

Every \$1,000 of rental loss cuts Alex's tax by \$330. The other \$670 comes out of Alex's pocket.



From 1 July 2027, a loss on an established home bought after 12 May 2026 no longer cuts tax on salary. New builds are not affected.

How much could Alex borrow?

The 6-times-income line

Banks treat a home loan of 6 times income or more as high debt. For Alex, that's \$913,176. Alex's current loan is \$415,000, leaving \$498,176 below that line.



Since February 2026 only 1 in 5 new home loans can be at this level (APRA); new builds are exempt. Income used: \$152,196, salary, interest, dividends and rent (2026–27 estimate).

What a lender's test allows

The more Alex spends each month, the less a lender's test allows.



Tested at 9.24% (the loan's 6.24% plus APRA's 3% buffer) over 30 years, on income after tax, less current loan repayments of \$3,517 a month. A guide, not a loan offer.

Average new home loan



ABS Lending Indicators, June quarter 2026. The ABS doesn't publish loan sizes by income.

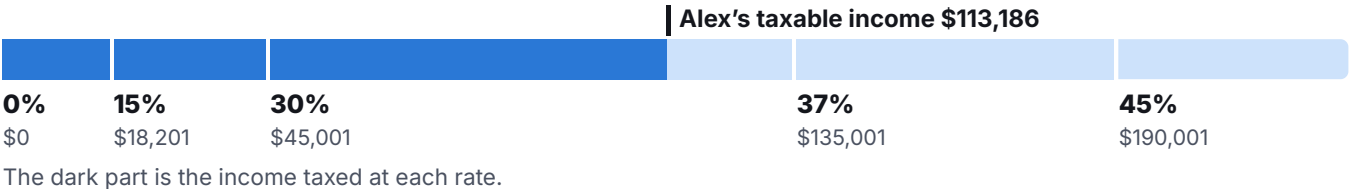
What if interest rates change?

At the current 6.24%, interest on Alex's loan over the next year is about \$25,710. Each 1% rise adds about \$4,152.



Tax rates and thresholds for 2026–27

Tax rates



Where Alex sits against each threshold

	THRESHOLD	ALEX		DIFFERENCE
The 37% tax rate starts	\$135,000	\$113,186		\$21,814 below
Low income tax offset ends	\$66,667	\$113,186		\$46,519 above
Medicare levy surcharge starts (singles)	\$105,000	\$120,986		\$15,986 above
Study loan repayments start	\$69,528	\$120,986		\$51,458 above
Extra 15% tax on super contributions (Division 293)	\$250,000	\$135,146		\$114,854 below
Before-tax super contributions cap	\$32,500	\$14,160		\$18,340 below

The black line on each bar marks the threshold.

Key dates

30 June 2027	End of the 2026–27 financial year
30 June 2027	Unused super cap from 2021–22 expires
1 July 2027	Negative gearing and capital gains rules change

General information from the client's 2025–26 figures. Figures for 2026–27 are estimates.