*These notes are for individuals who are leaving Australia to move overseas for work or business purposes or change in lifestyle.*

**AUSTRALIAN RESIDENCY**

A taxpayer is likely to cease being an Australian Resident for tax purposes if he/she:

* Is emigrating to another country on a permanent basis;
* Has been living in Australia on a temporary basis and is leaving to return to their home country or another foreign country; or
* Is planning to set up a home in another country for more than 2 years.

As a result, generally speaking:

|  |  |
| --- | --- |
| **If you…** | **Then you….** |
| * **Go overseas temporarily, and** * **Do not set up a permanent home in another country** | * May continue to be treated as an Australian resident for tax purposes |
| * **Leave Australia permanently** | * Will generally not be considered an Australian resident for tax purposes, from the date of departure. |

In some cases, certain taxpayers who earn income while working overseas would be exempt from tax. Taxpayers who fall into the following main categories:

* The delivery of Australian Official Development Assistance by the individual employers;
* Individuals operating in ‘developing country relief fund’ or ‘a public disaster relief fund’;
* Individuals who are employed by a charitable or religious institution that is exempt from Australian income tax;
* Individuals who are deployed outside Australia by the Australian government as a member of a disciplined force.

**FOREIGN INVESTMENT INCOME**

Non-residents are taxed in Australia on Australian sourced income. As a result, any Australian Real Property that is disposed of will be subject to CGT. For tax purposes, Australian Real Property is defined to include land and buildings, mining, quarrying or prospecting right to minerals, petroleum or quarrying materials that are situated in Australia or either the subject of the right is situated in Australia.

**OVERSEAS HELP/TSL REPAYMENTS**

The Australian Government has introduced changes that mean if you have moved overseas and have a Higher Education Loan Programme (HELP) or Trade Support Loan (TSL) debt, you now have the same repayment obligations as those who live in Australia. This applies if you already live or intend to move overseas for a total of more than six months in any 12-month period.

If you already reside overseas, you will need to update your details no later than 1 July 2017.

From 1 July 2017, if you are living overseas and earning an income that exceeds the minimum repayment threshold, you will be required to make compulsory repayments towards your debt.

**MISSION SERVICE EXPENSES**

Expenses incurred in earning your income as a missionary are considered as allowable deductions against that income, so that only the net amount is used to determine your Australian taxable income. Consider the following: *costs of travel to and from Australia (if not provided by your employer), costs of travel on work related purposes in the foreign country, office running costs, such as prayer letters, postage, stationery, telephone and office equipment, reference materials, books, journals, freight, insurance and self-education (e.g. professional development courses).*

**FURLOUGH OUTSIDE AUSTRALIA**

If you are likely to be absent from Australia for leave or home service, your Australian tax residency status becomes uncertain. We need to know your actual or expected period of absence from Australia, and any comments regarding your intention to return. If you are an expat missionary arriving here for the first time, you will need to provide your passport to the Australian Tax Office to establish proof of residency and obtain an Australian Tax File Number (TFN).

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LOCATIONS DURING 2016/17

*Please provide us with the following details so that we can determine any impact on the taxing of your income during the periods of your physical presence overseas.*

|  |  |  |  |
| --- | --- | --- | --- |
| **Country** | **From** | **To** | **Total Number of**  **Days Overseas**  (if applicable) |
|  | 01/07/16 |  |  |
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**Provide us with a copy of your 2017 tax return or your 2016/17 tax return**

**that has been lodged in your home country.**

**FOREIGN INVESTMENT INCOME** $AUD $AUD

|  |  |  |  |
| --- | --- | --- | --- |
| **Country where invested** | **Type of Income**  **Interest / Dividend / etc** | **Your Share of**  **Income** | **Your Share of**  **Foreign Tax** |
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**FOREIGN INVESTMENT EXPENSES** $AUD

|  |  |  |
| --- | --- | --- |
| **Type of Expense** | **Which Type of Income above**  **is this expense related to?** | **Your Share of Expense** |
|  |  |  |
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