*These notes are designed for use by individuals who have moved to Australia from overseas for either living or work purposes. If you are a non-resident for tax purposes please attach evidence of this status.*

**AUSTRALIAN RESIDENCY**

Broadly speaking a taxpayer will be considered an Australian Resident for tax purposes if he/she has:

* Always lived in Australia
* Come to Australia to live here permanently
* Been in Australia continuously for six months or more and for most of the time has been in the one job and at the same place; or
* Been in Australia for more than half of the year unless his/her usual home is not in Australia and the intention is not to live here.

**Please note that holders of a working holiday visa (subclass 417 & 462) will be taxed at working holiday maker tax rates.**

As a result, generally speaking:

|  |  |
| --- | --- |
| **If you…** | **Then you….** |
| * **Are an overseas student enrolled in a course at an Australian institution that is more than six months long** | * Are generally treated as an Australian resident for tax purposes |
| * **Are visiting Australia for more than six months and for most of that time work in the one job and live at the same place** | * Are generally treated as an Australian resident for tax purposes |
| * **Are holidaying in Australia, or** * **Are visiting for less than six months** | * will generally not be considered as an Australian resident for tax purposes |
| * **Migrate to Australia; and** * **Intend to reside here permanently** | * Are generally treated as an Australian resident for tax purposes from the date of arrival |

Generally, Australian residents are taxed on all income sources regardless of where the income came from. However, non-residents are only required to pay tax on income which is derived from Australia only. As a result, the following table summarises how residents and non-residents are taxed:

|  |  |  |
| --- | --- | --- |
|  | **Residents** | **Non-Residents** |
| **Taxed on Australian Income?** | Yes | Yes |
| **Taxed on Foreign Income?** | Yes | No |
| **Entitled to tax-free threshold?** | Yes | No |
| **Eligible to claim most tax offsets?** | Yes | No |
| **Liable to Medicare Levy?** | Yes | No |
| **Subject to which tax rates?** | Resident rates | Non-Resident Rates |
| **Liable to withholding tax on investment income?** | No | Yes |

**NON-RESIDENTS AND CGT**

Generally, foreign residents are only subject to tax on Australian Real property. 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. As a result, if an Australian Real property is sold then it is subject to CGT.

**AUSTRALIAN v FOREIGN INCOME**

Be careful to distinguish between Australian earned and foreign earned income, particularly if you were overseas for only part of the year (along with any expenses associated to these incomes). Include your Australian salary/earnings and investment income on Page 3 of the *2019 Personal Income Tax worksheet* and your foreign income on the following page of this worksheet.

We need to know your movements in out of Australia during 2018/19 and how many days that you spent in Australia on each of: *Annual Leave, Furlough, Deputation, Business, Sick Leave, Compassionate Leave, Unpaid Leave and Long Service Leave*. The reasons for being in Australia can impact on how your overseas income is taxed in Australia.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **POWER OF ATTORNEY** | | | | | |
| **Full name** |  | | | | |
| **Contact Telephone** | (     ) | | | | |
| **E-mail Address** |  | | | | |
| **Mailing Address** |  | | | | |
| **Suburb** |  | **State** |  | **Postcode** |  |

2018/19 MOVEMENTS IN & OUT OF AUSTRALIA

*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 in Australia.*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Country** | **From** | **To** |  | **Reason for being in Australia** | **No. of Days in Australia** |
|  | 01/07/18 |  |  | Annual Leave |  |
|  |  |  |  | Furlough |  |
|  |  |  |  | Deputation |  |
|  |  |  |  | Business Meetings |  |
|  |  |  |  | Sick Leave |  |
|  |  |  |  | Compassionate Leave |  |
|  |  |  |  | Unpaid Leave |  |
|  |  |  |  | Long Service Leave |  |
|  |  |  |  |  |  |

###### FOREIGN INVESTMENT INCOME $AUD $AUD

|  |  |  |  |
| --- | --- | --- | --- |
| **Country where invested** | **Type of Income Interest/Dividend** | **Your Share of Income** | **Your Share of Foreign Tax** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **Less:** Expenses incurred in earning investment income\* *(refer to notes on previous page)* | |  |  |
| Net Foreign Investment Income | |  |  |

###### FOREIGN SERVICE INCOME / ALLOWANCES $AUD $AUD

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Country of Service** | **Period payment was in relation to**  **From To** | | **Your Share of Income** | **Your Share of Foreign Tax** |
|  |  |  |  |  |
|  |  |  |  |  |

#### FOREIGN SERVICE EXPENSES $AUD

#### 

|  |  |
| --- | --- |
| **Details** | **Amount** |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |