

Oz Taxes – Everything you Need to Know!

Your trip to Australia is fast approaching. Tax is probably the last thing on your mind but there's a very good reason to be clued in. Two words – TAX REFUNDS. This sheet will tell you everything you need to know about your tax refund and what you need to do to get started. We've gathered together the questions we get most from new arrivals.

Will I be eligible for a tax refund?

Yes. When you work in Australia, you will be due a tax refund at the end of the tax year provided you follow the Australia tax rules of staying in the country over 183 days. Alliance Abroad has joined forces with Taxback to provide a tax refund service. This will ensure you get back the maximum tax refund possible.

What's a TFN?

A TFN or Tax File Number is a tax identification number. Taxback will apply for this on your behalf and your employer will ask for it when you start working.

What's a Tax File Number Declaration Form?

This is an official form on which you declare your TFN, personal details and correct tax status. Your correct tax status is nonresident and so it's vital that you indicate this on the form. You will most likely fill this form out the first day of work.

Why do I need to choose 'non-resident' on the form?

For the first six months in Australia, you are legally classified as a non-resident for tax purposes. It is vital that you are categorized as a non-resident as it can otherwise lead to fines and penalties. No matter what you hear from other backpackers it is illegal to claim to be a resident before you have been in the country 183 days. By paying the correct amount of tax on the non-resident rate, you will be due a tax refund and will get back all the additional money taken under the non-resident tax title in your refund.

Do I need to file a tax return?

Yes. Under the terms of your visa, you must file a tax return. Australian tax law requires all non-residents who earn any income from Australian sources to file a tax return – even if they are just working there temporarily. Also, most importantly, without filing a tax return you can't get a tax refund.

What happens if you don't file a tax return?

If you don't file a tax return you're open to fines and penalties, but don't panic, Taxback does all the paperwork so you don't have to worry about making mistakes.

Apart from avoiding fines, why should I file a tax return?

TAX REFUND! When we file your Australian tax return, we also check if you're due back money. The average Oz income tax refund is \$4000. Starting to make sense?

How do I claim my tax back?

You can give us a call, come to one of our many offices below or apply through our website, www.oztaxteam.com.au.

We also have offices in the following locations:
Cairns Brisbane Sydney Melbourne Darwin Perth

What documents do I need to apply for a tax refund?

The more info you can provide the better. We also recommend keeping the following:

- Payment documents such as pay slips (your final pay slip (PAYG) from each job is the most important so keep them safe). When you finish a job, your employer will give you a PAYG.
- Any proof of address in Australia including bank statements, TFN statement, Lease Agreement, Gym Membership, Phone or Utility Bill
- Any work-related expense receipts e.g. for Uniform, Work Courses, Tools/Equipment or Car/transport

When can I apply for my tax refund?

You can apply when the tax year ends or when you leave Australia. The tax year in Australia runs from July 1st to June 30th. However, you have to be in Australia six months before you apply for a tax refund. If you're still working in Australia when the tax year ends but haven't been there six months, you simply wait until you have been there six months to apply for your tax refund.

What's a superannuation or super fund?

If you earn over \$450 a month in Australia your employer is legally obliged to pay into a superannuation fund for you. They should be paying the equivalent of 9% of your basic earnings into a nominated superannuation fund. This contribution does not come out of your wages; it is an expense incurred by your employer. Many employers will have a default super fund that they will pay into; however, we recommend that you try to have only ONE fund.

All you need to do is give each of your employers the name of the fund and your member number so they continue to pay into the same one. This means you'll be able to claim a refund from one provider rather than trying to track down refunds from lots of different funds. Furthermore, the more super funds you are part of, the more fees you'll have to pay when you're claiming back your super refund)

Can I claim my super refund back?

Yes. However, you can only claim your superannuation refund when you have left Australia or your visa has expired. Taxback can take care of applying for your super refund for you.

What do I need to do?

The most important thing to do is to make sure you provide us with an up-to-date contact number. Taxback is your registered tax agent so we're on hand to help you with any tax issues and remind you when it's time to apply for your tax refund. Having your most up to date contact number will help us to do that.