



A Quick overview of the Federal Budget 2024

On Tuesday 14th May, Treasurer Jim Chalmers announced a budget with the aim to help Australians manage their tightened purse strings caused by the high cost of living. .

In an effort to relieve cost of living pressures the following are proposed:

For Everyday Singles & Families:

Energy Bill Relief (Proposed effective date 1/7/2024) – All household will receive **\$300 per year rebate** in **quarterly** instalments on their energy bills

Student Loan Interest rate to be Lowered (Proposed effective date 1/6/2023) – I don't know whether you had noticed but your student debt has been accruing interest at the rate of 7.1% - the treasurer announced that interest rate would be reduced to 3.2% backdated to 1/6/2023 and would then reduce from 4.7% to around 4% in 2024 – this will be received in the form of a credit to your student loan account. if you want to try and work out how much credit you will receive – [have a look here.](#)

Payment of Superannuation for those on paid parental Leave - (Proposed effective date 1/7/2025) As many of you are aware, the new super guarantee rate changes to 12% from 1/7/2025 – the Government are saying that they will pay 12% super on Paid parental leave (At the moment the PPL is currently \$882.75 per week) They are also looking to increase paid parental leave to 26 weeks (At the moment it is 18 weeks for Mums plus 2 weeks available for Dad's "Use it or lose it")

The contributions will be taxed at 15% as normal and count towards the concessional cap. The ATO will make the payments direct to the individual's superannuation fund.

Increasing Rent Assistance - (Proposed effective date 20/9/2024) The government will increase the maximum rent assistance rate by 10% This is in addition to the 15% increase in September 2023 - this affects those receiving Centrelink Payments

Securing Cheaper medicines - (Proposed effective date 1/1/2025) Temporary freeze on the indexing the Pharmaceutical benefits scheme (PBS). in 2024 co payments are :

· \$31.60 for general patients – **(This will see a 1 year freeze)**

Increasing JobSeeker payments for recipients with a partial capacity to work – (Proposed effective date 20/9/2024)

The government is extending eligibility for the higher rate of JobSeeker Payment to single recipients who can only work up to 14 hours per week. The higher rate is currently \$816.90 per fortnight – **increase is \$54.90 per fortnight** (including energy supplement)

The New Tax rates come into play from 1/7/2024

Tax Rate Now*	Taxable Income	New tax Rate*	New taxable Income
0%	\$0 - \$18,200	0%	\$0 - \$18,200
19%	\$18,201 - \$45,000	16%	\$18,201 - \$45,000
32.5%	\$45,001 - \$120,000	30%	\$45,001 – \$135,000
37%	\$120,001 - \$180,000	37%	\$135,000 - \$190,000
45%	\$180K +	45%	\$190K +

(*Excludes 2% Medicare levy)

They are saying that the average wage earner will save around \$1800 per year in tax (\$34.50 per week)

For Retirees/Pensioners:

Deeming Rates will remain the same as now – this is relevant to retirees who are assessed on how much their investments are earning (deemed to be earning) The present deeming rates are 0.25% on the first \$56,400 (if you are single) and around \$46,800 (for a couple) over and above this you are said to be earning 2.25% - these rates will be frozen for two years (to 30/6/2025)

Securing Cheaper medicines - (Proposed effective date 1/1/2025) Temporary freeze on the indexing the Pharmaceutical benefits scheme (PBS). in 2024 co-payments are :

· \$7.70 for concessional patients – **(This will see a 5 year freeze)**

For Small Business:

They will extend the \$20K instant Tax Write – Off – this will be extended by 12 months to the 30/6/2025

Energy Bill Relief (Proposed effective date 1/7/2024) - Eligible businesses with receive \$325 a year