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Understanding the Tax System and having a Look on Australia Tax Rates 2011 by Russell Hart

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Australia Tax rates 2011 would determine the amount of revenue generated in Australia from income tax alone. Income tax in Australia is one of the major sources that generate revenues for the government. Australia is one of the countries that generate revenues from income tax due to its high rates of interest.

Now letâ€™s discuss in detail the rates of interest applicable to individuals in income tax for the financial year 2011.

â€¢ Personal income tax rate is maximum 45% of the annual income and varies for each income group.

â€¢ 1.5% of flood levy is applicable for people having an income above $50,000 after the Queensland floods in 2010. This is not included in the income tax payable, itâ€™s an additional levy.

â€¢ Residents pay 1% of Medicare levy, but foreigners are exempted from this levy.

â€¢ Foreigners staying more than 1 year in Australia and having income from Australian sources are liable to pay income tax.

â€¢ The income tax payable range for residents is $6000, whereas foreigners are liable to pay income tax over an income of $37,000.

â€¢ The rates of interest for residents are as follows;

1. For annual income of $6001 - $37,000 tax rate is 0-12% and 15c for each $1 above $6000 is to be paid.

2. $37,001 - $80,000 income group the rate of income tax is 12.6-21.9% and $4,650 plus 30c per $1 over $37,000 is to be paid by the tax payer.

3. $80,001 - $180,000 the tax rate is 21.9-30.3% and $17,550 is paid along with 37c per $1 above $80,000.

4. $180,001 and over the tax payer has to pay 30.3-45% and $54,550 for each 45c for each $1 over $180,000.

â€¢ Flood levy is collected in the following rates of interest;

1. $50,000 - $100,000 the rate of income tax is 0-0.25% ans $0.005 for each $1 over $50,000 is to be paid by the tax payer.

2. For income range $100,001 and over the income tax rate is 0.25-1% and $250 plus $0.01 for each $1 over $100,000 is charged.

â€¢ Now comes the income tax paid by minor children below 18 years age, who earn from part time or full time employment

1. $416 - $1,307 they pay 0-45% along with 66c for each $1 over $416.

2. $1,307 and above, they have to pay 45% of total income.

â€¢ Foreign residents pay income tax in the following rates for the financial year 2011;

a) 0- $37,000 29c for each $1

b) For income between $37,000 - $80,000 the income tax payable is $10,730 plus 30c per $1 over $37,000.

c) $80,001-$180,000 income group the liable income tax is $23,630 with 37c per $1 over $80,000.

d) $180,001 and above the income tax rate is $60, 630 and 45c per $1 over $180,000.

â€¢ Apart from that each state of Australia has its own payroll tax as per the income group and cost of living.

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Australianincometax.com being a fairly simple site that offers information about a Australia Tax Rates 2011 and Income Tax Rates in Australia is catering the Australian residents to a great extent. Using the a Australia Tax Calculator they can find out tax payable amount within minutes.

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