National Foundation for Australian Women

REAL WOMEN. VISIONARY LEADERSHIP

Budget 2020 – Taxation: Business

Taxation: Business Overview

Business taxation measures that were introduced to stimulate the economy included:

- temporary full expensing of assets;
- increased incentives for research and development activities;
- allowing a company to claim losses incurred during the crisis against income taxed in previous years; and
- removing FBT from retraining expenditure paid by an employer for its employees.

To the extent that business has the cash flow to spend on these activities, the measures should help to create employment, but the industries most likely to invest in assets and research and development are the male dominated industries of mining, manufacturing and construction.

The carry back loss provision will help companies that were profitable before the economic crisis to stay afloat but many small and medium business will not be eligible.

Taxation: Business

The Budget

The Budget made a number of significant tax changes in respect of both personal and business taxation.

The following business tax changes are designed to support business and encourage investment during the economic crisis.

JobMaker Plan — temporary full expensing to support investment and jobs

Receipts ($m)	2020-21	2021-22	2022-23	2023-24
Australian Taxation Office	-1,500.0	-11,400.0	-18,100.0	4,300.0

Source: 2020 Budget Paper No 2, Budget Measures 2020-21 — Part 1: Receipt Measures p.20.

Businesses with an aggregated annual turnover of less than $5 bn will be able to claim the cost of new depreciable assets, or improvements to existing assets, purchased after 7.30 pm on 6 October 2020 and installed ready for use before 30 June 2022. Businesses with a turnover of less than $50 m can also claim the cost of second-hand assets. Where a business with a turnover up to $500 m has purchased a second-hand asset under the previously announced rules (Budget

Paper No 2, p. 186, 2020), they can still claim the cost of that asset if installed prior to 30 June 2021.

Businesses with an annual aggregated turnover of less than $10 m can also write off the cost of assets already held in a simplified depreciation pool, and the opt-out rules preventing them from re-entering the simplified system for five years is suspended.

JobMaker Plan — Research and Development Tax Incentive — supporting Australia's economic recovery

Receipts ($m)	2020-21	2021-22	2022-23	2023-24
Australian Taxation Office	-160.0	-210.0	-280.0	-330.0
Related payments ($m)				
Australian Taxation Office	*150.0*	*240.0*	*310.0*	*320.0*

Source: 2020 Budget Paper No 2, Budget Measures 2020-21 — Part 1: Receipt Measures p.19.

This measure will increase the research and development tax incentive available to companies engaged in research and development activities. Companies with a turnover of less than $20m will be entitled to claim eligible expenditure at a rate that is 18.5 per cent higher than their normal tax rate. This change will address the tax differential between base rate entities and other companies.

Larger companies will be entitled to claim expenditure at either 8.5 percent higher than the corporate tax rate where research and development expenditure is less than 2 per cent of total expenditure or 16.5 per cent where it is more than 2 per cent of total expenditure.

This modifies the proposals from the 2019-20 budget, which have not yet passed the Senate.

JobMaker Plan — temporary loss carry-back to support cash flow

Receipts ($m)	2020-21	2021-22	2022-23	2023-24
Australian Taxation Office	-	-3,120.0	-2,270.0	540.0
Related payments ($m)				
Australian Taxation Office	*1.9*	*1.2*	*1.0*	*0.4*

Source: 2020 Budget Paper No 2, Budget Measures 2020-21 — Part 1: Receipt Measures p.21.

The loss carry back measure is designed to provide cash flow support to companies that were profitable before the current economic crisis.

Currently, companies that make a loss can recoup the loss against income in future years, reducing the tax paid in future years. This measure allows a company to claim the loss against taxes already paid in previous years. It is a temporary measure, applying for the tax years ended 20 June 2020, 2021 and 2022; and looking back no further than the 2018-19 income year.

The amount that can be claimed is limited to the greater of the taxable profits in those years, and it cannot exceed the balance in the company franking account. This limits its availability where a company has already paid dividends to shareholders in respect of the earlier years.

Carry back loss provisions are adopted in other jurisdictions. Australia adopted a similar measure in 2013, but it was repealed under the Abbott repeal of the Carbon Price and associated measures.

COVID-19 Response Package — making Victoria's business support grants non-assessable, non-exempt income for tax purposes

Receipts ($m)	2020-21	2021-22	2022-23	2023-24
Australian Taxation Office	-	-	-	-

Source: 2020 Budget Paper No 2, Budget Measures 2020-21 — Part 1: Receipt Measures p.14.

Grants to business paid to provide financial support during the economic crisis will not be taxable. Generally as they are to replace income they would be included as income.

Although currently restricted to Victoria, this will be extended to other similar state based schemes for small and medium businesses, on application.

Fringe Benefits Tax — exemption to support retraining and reskilling

Receipts ($m)	2020-21	2021-22	2022-23	2023-24
Australian Taxation Office	-1.0	-2.0	-2.0	-2.0

Source: 2020 Budget Paper No 2, Budget Measures 2020-21 — Part 1: Receipt Measures p.15.

This measure will ensure that fringe benefits tax is not payable on amounts outlaid by employers to retrain employees where the training is not connected to their current employment. This will not include University places or HECS fees. This is not a temporary measure.

The Government will also consider broadening the circumstances in which an employee can claim self-education expenses to include retraining, which is currently not tax deductible.

JobMaker Plan — supporting small business and responsible lending

Payments ($m)	2020-21	2021-22	2022-23	2023-24
Australian Securities and Investments Commission	0.3	0.2	-	-
Related receipts ($m)				
Australian Securities and Investments Commission	*0.3*	*0.2*	*0.2*	*0.2*

Source: 2020 Budget Paper No 2, Budget Measures 2020-21 — Part 2: Payment Measures p.164.

This proposal was announced on 24 September 2020 to simplify the insolvency process for eligible small business, and complements the loan guarantee announced in March and set out below:

COVID-19 Response Package — Government support for immediate cash flow needs to small and medium enterprises

Payment ($m)	2019-20	2020-21	2021-22	2022-23	2023-24
Department of the Treasury	-	1.3	1.2	1.3	1.9

Source: 2020 Budget Paper No 2, Budget Measures 2020-21 - Appendix A: Policy decisions published in the July 2020 Economic and Fiscal Update p. 276

Gender implications

Why is this an issue for women?

The business stimulus package has been designed to provide tax incentives to help businesses to keep operating and to maintain employment. This affects women who own businesses, and women who are employed in those businesses. Women are also shareholders in businesses that may be eligible for these incentives.

The data show that women make up about 33% of business owners in Australia, and that these businesses are primarily in the services sector (PMC, 2015 figure 2.7). Female employment is also underrepresented in the manufacturing and industry sectors. ABS data show that women make up 16% of Technicians and Trade Workers and 11.5% of Machinery Operators and Drivers, compared to 70% of Community and Personal Service Workers and 58% of Sales Workers.

What are the 2020 Budget impacts on women?

The largest element of the package is capital intensive: $26.7 bn over four years for full expensing of assets with a further $2 bn for research and development expenditure. The full expensing provision is bringing forward a cost that would be spread over the useful life of the plant that has been acquired which could be up to 20 years.

The research and development and full expensing measures provide an opportunity for business to upgrade plant and equipment, and to develop new technologies and processes. While not limited to particular sectors, these measures are likely to be more utilised by businesses in the male dominated manufacturing and mining sectors as these sectors are more reliant on plant and equipment, and the purchases are higher in value. Making this deduction available to businesses with a turnover of up to $5 bn will also encourage investment by major mining and construction companies.

ABS data shows in the 2019 year that spending on plant, machinery and equipment in the Mining, Manufacturing and Construction was more than 3 times higher than in the Retail Sales and Health Care and Social Assistance. ATO data shows that in 2018 claims for the research and development tax incentive were nearly 15 times higher in the mining, manufacturing sectors than retail sales and health care and social assistance.

Data also show that nearly half of the plant and equipment purchased in 2019 was imported, raising questions over the extent to which spending in these areas will support the Australian economy. The Treasurer's Budget Speech stated that the immediate expensing and loss carry-back would create 50,000 jobs, which Alan Kohler has calculated is at a cost of $652,600 per job over four years.

One of the key concerns is whether business has the cash flow necessary to invest in assets or research and development. Small and medium sized companies are unlikely to have the resources required to make substantial investment. The government has provided support for companies in financial difficulties by guaranteeing loans and simplifying the liquidation process, but there are concerns that this will prolong the life of a non-viable business.

The loss carry-back measures could be a lifeline for companies that have been profitable, but are experiencing liquidity issues. However the limit on claims to the balance in the franking account will exclude many small and medium companies who pay dividends to shareholders. The limit is appropriate as it excludes profits that have been returned to the shareholders, but the 2017-18 Taxation Statistics (Table 7) shows that fewer than half of private companies with a total income of less than $100 m, which are more likely to have active female owners, retained a franking credit balance at the end of the year.

Recommendations

1. The asset full expensing measure should be better targeted by reducing the $5 bn income limit for eligibility and capping the value of the assets eligible for the measure.

2. The asset full expensing measure should not apply to imported assets over a specified value unless a specific case can be made for the job creation capacity of that asset.

3. The funds saved through limiting the measures, as recommended above, should be redirected to increased capacity and quality in the care sector.

Budget 2020 – Taxation: Individuals

Taxation: Individuals Overview

The changes to personal taxation consisted of:

- Increasing the tax thresholds for the two middle tax brackets;
- Increasing the Low Income Tax Offset (LITO) and
- Extending the Low and Middle Income Tax Offset (LMITO) until 30/6/2021.

For the year ended 30 June 2021 there is support for taxpayers earning less than $90,000, but this support expires after the current tax year and is paid after the taxpayer submits their annual tax return. This will result in most of these taxpayers being significantly worse off in the 2021-2022 and following tax years.

The highest value of benefits is delivered to people earning more than $120,000. These tax cuts do not expire after the 2020-21 year and provide higher levels of tax relief to higher income earners, who will receive the benefits in their take-home pay.

These changes have already been legislated, with the Bill passing the Senate on 8 October 2020.

Taxation: Individuals

The Budget

The Budget made a number of significant tax changes in respect of both personal and business taxation.

JobMaker Plan — bringing forward the Personal Income Tax Plan and retaining the low and middle income tax offset

Receipts ($m)

	2020-21	2021-22	2022-23	2023-24
Australian Taxation Office	-6,940.0	-16,870.0	5,730.0	250.0

The Government will bring forward the second stage of its Personal Income Tax Plan by two years to 1 July 2020 while retaining the low and middle income tax offset (LMITO) for 2020-21. The changes will provide immediate tax relief to individuals and support the economic recovery and jobs by boosting consumption.

Source: 2020 Budget Paper No 2, Budget Measures 2020-21 — Part 1: Receipt Measures p.18.

The individual tax changes are expected to stimulate the economy by increasing the disposable income of consumers.

The tax plan was announced in the 2017-18 budget as a three stage plan. Stage 1 was implemented, and further changes were introduced in the 2018-19 budget. Government analysis of the effect of the changes compares the proposed changes with pre 2018 tax rates.

Stage 1 introduced a tax offset to assist middle income earners, the Low and Middle Income Tax Offset (LMITO) which was due to be removed from July 2021 when the reduced tax thresholds were introduced.

The tax rates and offsets prior to the budget, were:

Pre 2018		**STAGE 1 1 July 2018**		**STAGE 2 ~~1 July 2022~~ Now 1July 2020**		**STAGE 3 1 July 2024**	
Income threshold	Tax rate	Income threshold	Tax rate	Income threshold	Tax rate	Income threshold	Tax rate
$18,200	19%	$18,200	19%	$18,200	19%	$18,200	19%
$37,000	32.5%	$37,000	32.5%	$45,000	32.5%	$45,000	30%
$87,000	37%	$90,000	37%	$120,000	37%	$200,000	45%
$180,000	45%	$180,000	45%	$180,000	45%		

The Tax Offsets were:

	STAGE 1 1 July 2018		**STAGE 2 ~~1 July 2022~~ Now 1 July 2020**	
Low Income Tax Offset (LITO)	<$37,000	$445	< $37,500	$700
	$37,001 - $66,666	$445 Phased out @ 1.5%	$37,501- $45,000	$700 phased out at 5%
	> $66,666	nil	$45,001 - $66,666	$700 phased out at 1.5%
			>$66,667	nil
Low and Middle Income Tax Offset (LMITO)			**Scheduled to end on 30 June 2020 Extended until 30 June 2021**	
	<$37,000	$255	<$37,000	$255
	$37,001 - $48,000	$255 + 7.5% of income over $37,000	$37,001 - $48,000	$255 + 7.5% of income over $37,000
	$48,001 - $90,000	$1,080	$48,001 - $90,000	$1,080
	$90,001 - $126,000	$1080 Phased out @ 3%	$90,001 - $126,000	$1080 Phased out @ 3%
	>$126,000	nil	>$126,000	nil

The main difference between tax relief provided as a lower tax rate compared to a tax offset is that a tax offset is not refunded until the annual tax return is lodged whereas a reduction in the tax rate can be provided through a payroll adjustment. Tax offsets are also non-refundable so the value is limited to the amount of tax payable. The increase to the LITO raises the effective tax free threshold from $18,200 to $23,226.

The LMITO was originally designed to expire at the same time that the Stage 2 tax cuts came into effect. Retaining the LMITO for a further 12 months will provide a temporary tax boost to taxpayers earning less than the cut-off of $126,000.

Supporting Older Australians — exempting granny flat arrangements from capital gains tax

The cost of this measure over the forward estimates cannot be reliably estimated

Source: 2020 Budget Paper No 2, Budget Measures 2020-21 — Part 1: Receipt Measures p.23

This measure is discussed in detail in the Housing section of this paper.

Philanthropy — updates to the list of specifically listed deductible gift recipients

Receipts ($m)

	2020-21	2021-22	2022-23	2023-24
Australian Taxation Office	..	-1.9	-1.8	-0.4

A number of philanthropic organisations have been added to the list of deductible gift recipients:

- Royal Agricultural Society Foundation Limited from 1 July 2020
- Judith Neilson Institute for Journalism and Ideas from 1 July 2020
- The Andy Thomas Space Foundation from 1 July 2020
- The Royal Humane Society of New South Wales from 1 July 2020
- Youthsafe from 1 July 2020
- Alliance for Journalists' Freedom from 1 July 2020
- The Great Synagogue Foundation Trust Fund from 1 July 2020 to 30 June 2025.

Source: 2020 Budget Paper No 2, Budget Measures 2020-21 — Part 1: Receipt Measures p.21-22

Privileges and Immunities — clarify income tax exemptions available to individuals engaged by the International Monetary Fund and the World Bank Group

The cost of this measure over the forward estimates cannot be reliably estimated

Source: 2020 Budget Paper No 2, Budget Measures 2020-21 — Part 1: Receipt Measures p.22

This measure grants income tax exemption to Australians working on short term projects for the IMF and World Bank, and is consistent with our international obligations.

Gender implications

Why is this an issue for women?

A reduction in the higher tax rates will benefit more men than women. Tax rates and systems are gender blind: they do not take account of gender. The gendered effect of tax cuts is a consequence of the gender pay gap that results in women being underrepresented in the higher income brackets.

Labour market participation rates are highly dependent on effective marginal tax rates (Kalb, 2017). The effective marginal tax rate takes account of the tax rate payable on an additional dollar of income and the rate at which social security benefits, such as the Family Tax Benefit, are withdrawn. In deciding whether to take on additional work the taxpayer will take into account the effective marginal tax rate and additional child care costs to decide whether it is worth taking on the extra hours of work.

The latest tax data give a picture of the gender breakdown of individual tax returns in each of the tax brackets.

Percentage of 2017-18 year Individual Tax Returns in income brackets, by Gender.

Income Bracket	New tax rate	Female	Male	Total
$18,200 or less	nil	10.56%	8.16%	18.72%
$18,201 to $45,000	19%	17.32%	13.02%	30.34%
$45,000 to $120,000	32.5%	18.23%	23.41%	41.64%
$120,000 to $180,000	37%	1.64%	4.30%	5.94%
Over $180,000	45%	0.89%	2.46%	3.35%
		48.64%	51.36%	100%

Extracted from Taxation Statistics 2017-18, Individuals Table 3A (updated 5 Aug 2020) Data.gov.au
Note that this data does not reflect people who do not submit a tax return, for example pensioners or retirees may not earn enough taxable income to lodge a return.

The data show that women represent a far smaller proportion than men in the highest tax brackets, with less than 30% of taxpayers earning more than $120,000 being women. While the difference is smaller in the middle tax rate of 32.5%, women, who submit fewer than half as many tax returns, make up more than half of people returning incomes under $45,000.

Therefore when designing changes to the tax system, changes that benefit lower income earners will assist women more than men. It will increase the financial incentive to participate in the workforce as well as putting more cash in the purses of low income earners.

What are the 2020 Budget impacts on women?

Analysis of the changes incorporated in this budget shows that the benefits delivered in the 2021 year are significantly reduced in the following year for all except the highest 20% of income earners. Although 75% of Australians benefit in the 2020-21 year either through the tax changes or through the coronavirus supplements payable to eligible welfare recipients, this drops significantly in the 2021-22 year when the LMITO and supplements are withdrawn. Taxpayers earning over $120,000 will receive a permanent tax cut of $2,430 pa.

Women will receive 40% of the tax benefits in the 2020-21 year, dropping to 31% of the benefits in the 2021-22 year.

Lower and middle income earners, who are predominately female, will receive their benefit as a tax offset that is delivered as a refund after the end of the financial year. The boost to take-home pay for people earning between $45,000 and $87,000, which constituted 63% of taxpayers in 2017-18, will be $360 per annum or about $7 per week from lower tax rates, with the balance of $1,080 delivered after the end of the 2020-2021 financial year as a tax offset.

The extension of the LMITO has directed additional relief to middle income earners, however the timing of the tax offset does not achieve the goal of stimulating the economy through increased consumer spending, and recipients will be worse off after it is withdrawn.

Taxpayers earning more than $120,000, who are predominately male, will be entitled to a tax cut of $2,430 pa, or $47 pw. This can be received in their take-home pay though an adjustment to tax withholding rates, and will not expire at 30 June 2021.

The structure of the 2020 tax relief package suffers from the same problems that NFAW identified in the 2017-18 Gender Lens when the package was introduced.

Recommendations

NFAW recommends that

- Tax offsets for low- and middle-income earners should be converted to a transfer payment available in conjunction with other payments, instead of being delivered through the tax system.
- If delivered through the tax system, the tax offset component of tax relief should be delivered to wage earners in their take home pay through an adjustment to tax withholding rates.
- The benefit currently delivered as the Low and Middle Income Tax Offset must be continued past 30 June 2021, either as real tax cuts or as a transfer payment.

Budget 2020 – Superannuation

Superannuation Overview

The changes that have been announced to superannuation reflect recommendations of the Productivity Commission.

The most significant change is that a person's first superannuation account will become their default superannuation account throughout their working life, unless they chooses to move their account to another fund. This will address the concern around multiple accounts that may be set up when a person changes jobs, and will reduce overall account fees.

There is nothing in the budget to help restore the superannuation balances of people who accessed their superannuation early under the COVID-19 measures.

Taxation: Superannuation

The Budget

Superannuation Reform
Payments ($m)

	2020-21	2021-22	2022-23	2023-24
Australian Taxation Office	18.4	21.5	12.3	7.2
Department of the Treasury	16.9	0.3	0.1	0.1
Australian Prudential Regulation Authority	0.7	0.9	0.6	0.6
Total — Payments	36.0	22.7	13.0	7.9
Related receipts ($m)				
Australian Taxation Office	-	*5.0*	*13.0*	*-64.0*
Australian Prudential Regulation Authority	-	*1.5*	*0.7*	*0.7*
Total — Receipts	-	*6.5*	*13.7*	*-63.3*

Source: 2020 Budget Paper No 2, Budget Measures 2020-21 — Part 2: Payment Measures p. 164.

This budget package consists of the following measures:

- A superannuation fund will be "stapled" to an employee as the default fund for that employee for superannuation guarantee purposes. When the person changes employers, the new employer will be required to make contributions to that fund. Currently an employer can nominate a default fund in the absence of the employee nominating a specific fund. This can result in a person having multiple superannuation funds.
- ATO systems will be developed to help employees to select a MySuper product through the YourSuper portal.
- APRA will conduct benchmarking tests on superannuation funds to provide information to members. This will be funded by fees levied on financial institutions

- There will be enhanced transparency requirements on superannuation funds.

The following policy decisions were introduced as part of the COVID response package in March 2020. They are included here for completeness.

COVID-19 Response Package – temporary early access to superannuation

Receipts ($m)

	2019-20	2020-21	2021-22	2022-23	2023-24
Australian Taxation Office	-30.0	-490.0	-540.0	-560.0	-600.0

Source: 2020 Budget Paper No 2, Budget Measures 2020-21 —Appendix A: Policy decisions published in the July 2020 Economic and Fiscal Update p. 186.

This measure allowed the early release of superannuation, up to $10,000 prior to 1 July 2020 with a second tranche of $10,000 after 30 June 2020 to 31 December 2021 to people whose employment or income had been severely reduced by the COVID economic crisis.

COVID-19 Response Package — temporarily reducing superannuation minimum drawdown rates

The nature of the measure is such that a reliable estimate cannot be provided.

Source: 2020 Budget Paper No 2, Budget Measures 2020-21 —Appendix A: Policy decisions published in the July 2020 Economic and Fiscal Update p. 186.

This measure halved the minimum drawdown from superannuation for people in retirement phase for the years ended 30 June 2020 and 2021, to allow for the expected lower rates of return on superannuation fund investments.

Gender implications

Why is this an issue for women?

Superannuation is an important element of financial security in retirement. The gender superannuation gap emerges early: Clare notes that as at 30 June 2018 female employees aged between 55 and 65 had around two-thirds of the superannuation balances of their male counterparts (at p. 15). Lower superannuation balances at retirement contribute to economic insecurity and the increasing risk of homelessness among older women.

Women are more likely to experience career interruptions and intermittent work as a part of their career history. The Productivity Commission Report did not provide data on the gender breakdown of multiple account holders, however it did note that low income earners and intermittent workers are likely to be particularly affected by fees and insurances on multiple accounts (at p. 532).

The Consultation Paper for the Retirement Income Review acknowledged that gender does have an effect on the outcomes of the superannuation system (p. 15). The final report of that review has not yet been released.

What are the 2020 Budget impacts on women?

The budget announcement implements Productivity Commission Recommendation No 1 in respect of multiple superannuation accounts. Women are likely to benefit from the change to ensure that superannuation payments are paid into an existing superannuation account rather than the employer default account. We do note that there may be some industrial agreements under which a higher rate of superannuation is payable, and these arrangements must be reviewed to ensure that workers are not disadvantaged if they do not join the superannuation fund specified in this agreement.

The COVID-19 response plan allowed early release of superannuation to people whose employment or income was substantially affected as a consequence of the COVID-19 economic crisis. Answers to questions on notice asked by the Senate Select Committee on COVID-19 indicate that the early release scheme has been predominately taken up by people under the age of 35, and that more males than females have accessed the scheme. APRA data show that the average amount withdrawn prior to 1 July 2020 was $7,503, and $8,374 after that date, although this data is not broken down by gender.

Information from superannuation funds prior to the second round of applications opening on 1 July 2020 indicates that around 25 per cent of applicants had less than $6,000 remaining in their account after making the withdrawal, 40 per cent had less than $10,000 and 5 to 10 per cent had a nil or very low balance (Clare, 2020 at p. 11). Given that young women already have balances lower than their male counterparts, the effect of withdrawals on the superannuation accounts of young women must be monitored, and the superannuation system must facilitate additional contributions to catch up on these early withdrawals.

In respect of the reduced drawdown on retirement accounts, there were some people receiving allocated pensions who were not aware of the change prior to the fund automatically reducing their pensions. The amount of a pension drawdown is a decision made by the account holder, as long as it is not less than the required minimum, and this seems to have been a transitional issue that has been resolved by superannuation funds on a case by case basis. In most case the long-term effects on superannuation investments seem to have stabilised, although ongoing low interest rates will affect women with portfolios weighted toward cash and bonds.

We also note that the Low Income Superannuation Tax Offset threshold should be increased to reflect the changes in the income tax thresholds. The purpose of this offset is to ensure that superannuation is not taxed at a higher rate than other income, accordingly the threshold should be pegged to the 30 per cent tax threshold which has been increased from $37,000 to $45,000. This will benefit all low income earners, but will disproportionately benefit women.

Recommendations

1. The Government should encourage people who have accessed their superannuation early through the COVID early access arrangements to restore their superannuation by:
    a. Relaxing contribution caps for people who have accessed their superannuation early

   b. Increasing the Government Co-contribution payable on voluntary non-concessional contributions to superannuation.
2. The Government should release the report of the Review into Superannuation and Retirement Income.
3. NFAW reiterates our recommendations to the Retirement Income Review that superannuation should be payable on paid parental leave, and in respect of employment where the income is less than $450 per month.
4. The threshold for the Low Income Superannuation Tax Offset should be raised to $45,000, consistent with the new income tax thresholds.