



Medicare Levy Act 1986

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About this compilation

This compilation

This is a compilation of the *Medicare Levy Act 1986* that shows the text of the law as amended and in force on 30 June 2018 (the **compilation date**).

The notes at the end of this compilation (the **endnotes**) include information about amending laws and the amendment history of provisions of the compiled law.

Uncommenced amendments

The effect of uncommenced amendments is not shown in the text of the compiled law. Any uncommenced amendments affecting the law are accessible on the Legislation Register (www.legislation.gov.au). The details of amendments made up to, but not commenced at, the compilation date are underlined in the endnotes. For more information on any uncommenced amendments, see the series page on the Legislation Register for the compiled law.

Application, saving and transitional provisions for provisions and amendments

If the operation of a provision or amendment of the compiled law is affected by an application, saving or transitional provision that is not included in this compilation, details are included in the endnotes.

Editorial changes

For more information about any editorial changes made in this compilation, see the endnotes.

Modifications

If the compiled law is modified by another law, the compiled law operates as modified but the modification does not amend the text of the law. Accordingly, this compilation does not show the text of the compiled law as modified. For more information on any modifications, see the series page on the Legislation Register for the compiled law.

Self-repealing provisions

If a provision of the compiled law has been repealed in accordance with a provision of the law, details are included in the endnotes.

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An Act to impose a Medicare levy upon certain incomes

1 Short title

This Act may be cited as the *Medicare Levy Act 1986*.

2 Commencement

This Act shall come into operation on the day on which it receives the Royal Assent.

3 Interpretation

(1) In this Act, unless the contrary intention appears:

AMIT (short for attribution managed investment trust) has the same meaning as in the *Income Tax Assessment Act 1997*.

Assessment Act means the *Income Tax Assessment Act 1936*.

family tier 1 threshold, of a person for a year of income, means the family tier 1 threshold (within the meaning of the *Private Health Insurance Act 2007*) of the person for the financial year corresponding to the year of income.

income for surcharge purposes has the same meaning as in the *Income Tax Assessment Act 1997*.

levy means Medicare levy referred to in section 5.

phase-in limit means:

- (a) for a person who is entitled to a rebate under section 160AAAA of the Assessment Act—\$43,447; or
- (c) in any other case—\$27,475.

singles tier 1 threshold, of a person for a year of income, means the singles tier 1 threshold (within the meaning of the *Private*

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Health Insurance Act 2007) of the person for the financial year corresponding to the year of income.

threshold amount means:

- (a) for a person who is entitled to a rebate under section 160AAAA of the Assessment Act—\$34,758; or
- (c) in any other case—\$21,980.

tier 2 earner has the meaning given by section 3A.

tier 3 earner has the meaning given by section 3A.

- (2) In this Act, a reference to income for surcharge purposes, net income or taxable income is to be read as a reference to that term for the year of income.
- (2A) In section 8B, 8C, 8D, 8E, 8F or 8G, **net income** and **taxable income** have the meanings that they would have in that section if subsection 271-105(1) in Schedule 2F to the Assessment Act were ignored.
- (3) Subject to subsection (3A), for the purposes of this Act:
 - (a) a person shall be deemed not to be married to another person if they are living separately and apart; and
 - (b) where the last person to whom another person was married during a year of income died during the year of income, those persons shall be deemed to have been married on the last day of the year of income.
- (3A) For the purposes of sections 8B, 8C and 8D, if:
 - (a) the last person to whom another person was married during a year of income died during the year of income; and
 - (b) the death occurred while they were married;the living person is taken to be married to the person who died during the period starting on the day he or she died and ending on 30 June of the year of income.
- (4) Subject to the preceding provisions of this section, expressions used in this Act that are also used in Part VIIB of the Assessment

Act have in this Act, unless the contrary intention appears, the same meanings as those expressions have in that Part of the Assessment Act.

- (5) For the purposes of this Act, a person is covered by an insurance policy that provides private patient hospital cover if:
- (a) the policy is a complying health insurance policy (within the meaning of the *Private Health Insurance Act 2007*) that covers hospital treatment (within the meaning of that Act); and
 - (b) any excess payable in respect of benefits under the policy is no more than:
 - (i) \$500 in any 12 month period, in relation to a policy under which only one person is insured; and
 - (ii) \$1,000 in any 12 month period, in relation to any other policy.
- (5A) Paragraph (5)(b) does not apply in relation to an insurance policy under which a person has been insured continuously since the end of 24 May 2000, as long as the amount of any excess payable under the policy has not increased since that time.
- (6) For the purposes of this Act, a person is also covered by an insurance policy that provides private patient hospital cover if:
- (a) the policy is issued by a person to whom subsection 67(3) of the *National Health Act 1953* applied immediately before the commencement of the *Private Health Insurance Act 2007*; and
 - (b) in a case where the person referred to in paragraph (a) had been, immediately before that commencement, a registered organization within the meaning of the *National Health Act 1953*—the policy would have been, immediately before that commencement, an applicable benefits arrangement, within the meaning of section 5A of that Act, to which paragraph 5A(1)(a) of that Act would apply.
- (7) However, for the purposes of this Act a person is not covered by an insurance policy that provides private patient hospital cover if:

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- (a) the person is covered by an insurance policy described in subsection (6); and
- (b) any excess payable in respect of benefits under the policy is more than:
 - (i) \$500 in any 12 month period, in relation to a policy under which only one person is insured; and
 - (ii) \$1,000 in any 12 month period, in relation to any other policy.

3A Meaning of *tier 2 earner* and *tier 3 earner*

- (1) Subject to this section, for the purposes of this Act:
 - (a) ***tier 2 earner***, for a year of income, means a tier 2 earner (within the meaning of the *Private Health Insurance Act 2007*) for the financial year corresponding to the year of income; and
 - (b) ***tier 3 earner***, for a year of income, means a tier 3 earner (within the meaning of that Act) for the financial year corresponding to the year of income.
- (2) In determining whether a person is a ***tier 2 earner*** or ***tier 3 earner*** for a year of income for the purposes of this Act, section 22-30 of the *Private Health Insurance Act 2007* operates with the modification set out in subsection (3).
- (3) Replace paragraph 22-30(1)(b) of the *Private Health Insurance Act 2007* with the following paragraph:
 - (b) on any day in the year, the person has one or more dependants (within the meaning of the *A New Tax System (Medicare Levy Surcharge—Fringe Benefits) Act 1999*), other than a dependant to whom the person is married (within the meaning of that Act):

4 Incorporation

The Assessment Act is incorporated, and shall be read as one, with this Act.

5 Imposition of Medicare levy

Medicare levy, to the extent that that levy is payable in accordance with Part VIIB of the Assessment Act, is imposed in accordance with this Act at the rate applicable in accordance with this Act.

Note: Subdivision 61-L (tax offset for Medicare levy surcharge (lump sum payments in arrears)) of the *Income Tax Assessment Act 1997* might provide a tax offset for a person if Medicare levy surcharge (within the meaning of that Act) is payable by the person.

6 Rate of levy

- (1) The rate of levy payable by a person upon a taxable income is 2%.
- (2) The rate of levy payable by a person in the capacity of a trustee of a trust estate upon a share of the net income of the trust estate to which a beneficiary is presently entitled, being income in respect of which the trustee is liable to be assessed pursuant to section 98 of the Assessment Act, is 2%.
- (3) The rate of levy payable by a person in the capacity of a trustee of a trust estate upon the net income of the trust estate or a part of that net income, being income in respect of which the trustee is liable to be assessed and pay tax pursuant to section 99 or 99A of the Assessment Act, is 2%.
- (4) The rate of levy payable by a person in the capacity of a trustee of an AMIT in respect of an amount mentioned in subsection 276-405(2) of the *Income Tax Assessment Act 1997*, being an amount in respect of which the trustee is liable to be assessed pursuant to that subsection, is 2%.
- (5) The rate of levy payable by a person in the capacity of a trustee of an AMIT in respect of an amount mentioned in subsection 276-415(2) of the *Income Tax Assessment Act 1997*,

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being an amount in respect of which the trustee is liable to be assessed pursuant to that subsection, is 2%.

- (6) The rate of levy payable by a person in the capacity of a trustee of an AMIT in respect of an amount mentioned in subsection 276-420(2) of the *Income Tax Assessment Act 1997*, being an amount in respect of which the trustee is liable to be assessed pursuant to that subsection, is 2%.

7 Levy in cases of small incomes

- (1) Where the taxable income of a person does not exceed the threshold amount, no levy is payable by the person upon that taxable income.
- (2) Where the taxable income of a person exceeds the threshold amount but does not exceed the phase-in limit, the amount of levy payable by the person upon that taxable income but for sections 8 and 9 shall not exceed 10% of the amount of the excess.
- (3) Where the net income of a trust estate or a part of that net income, being income in respect of which a person in the capacity of a trustee of a trust estate is liable to be assessed pursuant to section 99 of the Assessment Act, does not exceed \$416, no levy is payable by the person upon that net income or part, as the case may be.
- (4) Where the net income of a trust estate or a part of that net income, being income in respect of which a person in the capacity of a trustee of a trust estate is liable to be assessed and pay tax pursuant to section 99 of the Assessment Act, exceeds \$416 but does not exceed \$520, the amount of levy payable by the person upon that net income shall not exceed 10% of the amount of the excess.

8 Amount of levy—person who has spouse or dependants

- (1) Where a person:
- (a) is a married person on the last day of the year of income; or

- (b) is entitled to a tax offset under Subdivision 61-A of the *Income Tax Assessment Act 1997* for the year of income in respect of the person's child (within the meaning of that Act); or
- (c) is entitled to a notional tax offset under Subdivision 961-B of the *Income Tax Assessment Act 1997* for the year of income; and the family income in relation to the person does not exceed the family income threshold in relation to the person, no levy is payable by the person upon the taxable income of the person.
- (2) Subject to subsection (3), where a person (in this subsection referred to as the **relevant person**):
- (a) was a married person on the last day of the year of income; or
- (b) is entitled to a tax offset under Subdivision 61-A of the *Income Tax Assessment Act 1997* for the year of income in respect of the person's child (within the meaning of that Act); or
- (c) is entitled to a notional tax offset under Subdivision 961-B of the *Income Tax Assessment Act 1997* for the year of income; and the family income in relation to the relevant person exceeds the family income threshold in relation to the relevant person, the amount of the levy payable by the relevant person upon the taxable income of the relevant person but for this section and section 9 shall be reduced by the amount (if any) calculated in accordance with the formula:

$$2\% \text{ of the family income threshold in relation to the relevant person} - \left(0.08 \times \left(\begin{array}{c} \text{The family income in relation to the relevant person} \\ \text{The family income threshold in relation to the relevant person} \end{array} - \begin{array}{c} \text{The family income threshold in relation to the relevant person} \\ \text{The family income threshold in relation to the relevant person} \end{array} \right) \right)$$

- (3) Where:
- (a) but for this subsection, the amount of levy payable by a person upon the taxable income of the person but for this section and section 9 would be reduced by an amount (in this

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subsection referred to as the **reduction amount**) ascertained in accordance with subsection (2);

- (b) the person was a married person on the last day of the year of income; and
- (c) but for this section and section 9, the spouse of the person would be liable to pay levy upon the taxable income of the spouse;

the reduction amount shall, subject to subsection (4), be reduced by so much of the reduction amount as bears to the reduction amount the same proportion as the amount of the taxable income of the spouse bears to the family income in relation to the person.

(4) Where:

- (a) subsection (3) applies for the purposes of ascertaining the levy payable by a person upon the taxable income of the person but for section 9; and
- (b) the amount of the reduction of that levy ascertained in accordance with subsections (2) and (3) exceeds the amount of the levy payable by the person upon the taxable income of the person but for this section and section 9;

the amount of levy payable by the spouse of the person upon the taxable income of the spouse but for this subsection and section 9 shall be reduced by the amount of the excess.

(5) In this section:

family income, in relation to a person, means:

- (a) if the person was a married person on the last day of the year of income—the sum of the taxable income of the person and the taxable income of the spouse of the person; and
- (b) in any other case—the taxable income of the person.

family income threshold, in relation to a person (the **relevant person**), means \$37,089 increased by \$3,406 for each person covered by paragraph 961-5(1)(c) of the *Income Tax Assessment Act 1997* in respect of whom:

- (a) in a case to which paragraph (b) does not apply—the relevant person; or

- (b) if the relevant person was a married person on the last day of the year of income—the relevant person or the spouse of the relevant person;
is entitled to a notional tax offset under Subdivision 961-A of the *Income Tax Assessment Act 1997* for the year of income.
- (6) In the application of the definition of **family income threshold** in subsection (5) in determining the family income threshold in relation to a person in relation to a year of income, being a person who was not a married person on the last day of the year of income, the amount of \$37,089 referred to in that definition shall not be increased on account of another person unless family tax benefit under the *A New Tax System (Family Assistance) (Administration) Act 1999* was payable to the first-mentioned person in respect of that other person in respect of the whole or any part of the year of income.
- (7) Subsections (5) and (6) apply in relation to a person who is entitled for the year of income to a rebate under section 160AAAA of the Assessment Act as if each reference to \$37,089 were a reference to \$48,385.

8B Levy surcharge—person without dependants who is not married during whole or part of a financial year

- (1) This section applies to a person during a period if during the whole of the period:
- (a) the person is not a married person; and
 - (b) the person does not have any dependants; and
 - (c) the person is not covered by an insurance policy that provides private patient hospital cover; and
 - (d) the person is not a prescribed person.

Note 1: Subsection 251R(2) of the Assessment Act treats certain persons who are not married as if they were married.

Note 2: For **dependant** see sections 251R and 251V of the Assessment Act.

Note 3: For **prescribed person** see section 251U of the Assessment Act.

- (2) If the person's income for surcharge purposes exceeds the person's singles tier 1 threshold for the year of income, the amount of the levy that, apart from this section, would have been payable by the person under this Act for the year of income is to be increased:
- (a) if this section applies to the person for the whole of the year of income—by 1% of the person's taxable income; or
 - (b) if this section applies to the person for only some of the days in the year of income—by the amount worked out using the formula:

$$(1\% \text{ of the person's taxable income}) \times \frac{\text{Number of those days}}{\text{Number of days in the year of income}}$$

- (3) Increase the amount of each percentage mentioned in subsection (2) by 0.25 of a percentage point if the person is a tier 2 earner for the year of income.
- (4) Increase the amount of each percentage mentioned in subsection (2) by 0.5 of a percentage point if the person is a tier 3 earner for the year of income.

8C Levy surcharge—person with dependants who is not married during whole or part of a financial year

- (1) This section applies to a person during a period if during the whole of the period:
- (a) the person is not a married person; and
 - (b) the person has one or more dependants; and
 - (c) the person or at least one of the person's dependants (other than a dependant who is, or would, apart from subsection 251U(2) of the Assessment Act, be taken to be, a prescribed person) is not covered by an insurance policy that provides private patient hospital cover; and
 - (d) the person is not, or is taken under section 251VA of the Assessment Act not to be, a prescribed person.

Note 1: Subsection 251R(2) of the Assessment Act treats certain persons who are not married as if they were married.

Note 2: For *dependant* see sections 251R and 251V of the Assessment Act.

Note 3: For *prescribed person* see section 251U of the Assessment Act.

- (2) For the purposes of paragraph (1)(c), a person to whom section 251VA of the Assessment Act applies is taken to be covered during the whole of the period by an insurance policy that provides private patient hospital cover.
- (3) If the person's income for surcharge purposes exceeds the person's family tier 1 threshold, the amount of the levy that, apart from this section, would have been payable by the person under this Act for that year is to be increased:
 - (a) if this section applies to the person for the whole of the year of income—by the amount of 1% of the person's taxable income; or
 - (b) if this section applies to the person for only some of the days in the year of income—by the amount worked out using the formula:
$$(1\% \text{ of the person's taxable income}) \times \frac{\text{Number of those days}}{\text{Number of days in the year of income}}$$
- (4) Increase the amount of each percentage mentioned in subsection (3) by 0.25 of a percentage point if the person is a tier 2 earner for the year of income.
- (5) Increase the amount of each percentage mentioned in subsection (3) by 0.5 of a percentage point if the person is a tier 3 earner for the year of income.

8D Levy surcharge—person who is married during whole or part of a financial year

- (1) This section applies to a person during a period if during the whole of the period:
 - (a) the person is a married person; and
 - (b) the person or at least one of the person's dependants (other than a dependant who is, or would, apart from

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subsection 251U(2) of the Assessment Act, be taken to be, a prescribed person) is not covered by an insurance policy that provides private patient hospital cover; and

- (c) the person is not, or is taken under section 251VA of the Assessment Act not to be, a prescribed person.

Note 1: Subsection 251R(2) of the Assessment Act treats certain persons who are not married as if they were married.

Note 2: For *dependant* see sections 251R and 251V of the Assessment Act.

Note 3: For *prescribed person* see section 251U of the Assessment Act.

- (2) For the purposes of paragraph (1)(b), a person to whom section 251VA of the Assessment Act applies is taken to be covered during the whole of the period by an insurance policy that provides private patient hospital cover.
- (3) The amount of the levy that, apart from this section, would have been payable by a person under this Act for the year of income is to be increased by the amount of 1% of the person's taxable income if:
- (a) this section applies to the person for the whole of the year of income; and
 - (b) the sum of the person's income for surcharge purposes and the person's spouse's income for surcharge purposes exceeds the person's family tier 1 threshold; and
 - (c) the person's income for surcharge purposes exceeds \$21,980.
- (4) The amount of the levy that, apart from this section, would have been payable by a person under this Act for the year of income, being a person to whom this section applies for only some of the days in the year of income, is to be increased by the amount worked out using the formula:

$$(1\% \text{ of the person's taxable income}) \times \frac{\text{Number of those days}}{\text{Number of days in the year of income}}$$

if:

- (a) both of the following conditions are met if the person is married for the whole of the year of income:
 - (i) the sum of the person's income for surcharge purposes and the person's spouse's income for surcharge purposes exceeds the person's family tier 1 threshold;
 - (ii) the person's income for surcharge purposes exceeds \$21,980; or
 - (b) the person's income for surcharge purposes exceeds the person's family tier 1 threshold, if the person is married for only some of the year of income.
- (4A) Increase the amount of each percentage mentioned in subsections (3) and (4) by 0.25 of a percentage point if the person is a tier 2 earner for the year of income.
- (4B) Increase the amount of each percentage mentioned in subsections (3) and (4) by 0.5 of a percentage point if the person is a tier 3 earner for the year of income.
- (5) In this section:
- income for surcharge purposes*, in relation to the person's spouse, includes any share in the net income of a trust estate:
- (a) to which the spouse is presently entitled as a beneficiary; and
 - (b) in respect of which the trustee of the trust estate in that capacity is liable to be assessed under section 98 of the Assessment Act.

8E Levy surcharge for certain trustees—beneficiary a person to whom section 8B applies

- (1) This section applies to a person who is a beneficiary of a trust estate during a period if:
 - (a) section 8B applies to the beneficiary during the whole of the period; and
 - (b) the trustee of the trust estate in that capacity is liable to be assessed under section 98 of the Assessment Act in respect of a share of the net income of the trust estate to which the

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beneficiary is presently entitled (the *beneficiary's trust income*).

- (2) If the amount of the beneficiary's trust income exceeds the beneficiary's singles tier 1 threshold for the year of income, the amount of the levy that, apart from this section, would have been payable under this Act by the trustee in the capacity of trustee of the trust estate in relation to the beneficiary for the year of income is to be increased:
- (a) if this section applies to the beneficiary for the whole of the year of income—by the amount of 1% of the beneficiary's trust income; or
 - (b) if this section applies to the beneficiary for only some of the days in the year of income—by the amount worked out using the formula:

$$(1\% \text{ of the beneficiary's trust income}) \times \frac{\text{Number of those days}}{\text{Number of days in the year of income}}$$

- (3) Increase the amount of each percentage mentioned in subsection (2) by 0.25 of a percentage point if the beneficiary is a tier 2 earner for the year of income.
- (4) Increase the amount of each percentage mentioned in subsection (2) by 0.5 of a percentage point if the beneficiary is a tier 3 earner for the year of income.

8F Levy surcharge for certain trustees—beneficiary a person to whom section 8C applies

- (1) This section applies to a person who is a beneficiary of a trust estate during a period if:
- (a) section 8C applies to the beneficiary during the whole of the period; and
 - (b) the trustee of the trust estate in that capacity is liable to be assessed under section 98 of the Assessment Act in respect of a share of the net income of the trust estate to which the

beneficiary is presently entitled (the *beneficiary's trust income*).

- (2) If the amount of the beneficiary's trust income exceeds the beneficiary's family tier 1 threshold, the amount of the levy that, apart from this section, would have been payable under this Act by the trustee in the capacity of trustee of the trust estate in relation to the beneficiary for the year of income is to be increased:
- (a) if this section applies to the beneficiary for the whole of the year of income—by the amount of 1% of the beneficiary's trust income; or
 - (b) if this section applies to the beneficiary for only some of the days in the year of income—by the amount worked out using the formula:

$$(\text{1\% of the beneficiary's trust income}) \times \frac{\text{Number of those days}}{\text{Number of days in the year of income}}$$

- (3) Increase the amount of each percentage mentioned in subsection (2) by 0.25 of a percentage point if the beneficiary is a tier 2 earner for the year of income.
- (4) Increase the amount of each percentage mentioned in subsection (2) by 0.5 of a percentage point if the beneficiary is a tier 3 earner for the year of income.

8G Levy surcharge for certain trustees—beneficiary a person to whom section 8D applies

- (1) This section applies to a person who is a beneficiary of a trust estate during a period if:
- (a) section 8D applies to the beneficiary during the whole of the period; and
 - (b) the trustee of the trust estate in that capacity is liable to be assessed under section 98 of the Assessment Act in respect of a share of the net income of the trust estate to which the beneficiary is presently entitled (the *beneficiary's trust income*).

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- (2) The amount of the levy that, apart from this section, would have been payable under this Act by the trustee in the capacity of trustee of the trust estate in relation to the beneficiary for the year of income is to be increased by 1% of the beneficiary's trust income if:
- (a) this section applies to the beneficiary for the whole of the year of income; and
 - (b) the sum of the beneficiary's trust income and the beneficiary's spouse's income for surcharge purposes exceeds the beneficiary's family tier 1 threshold; and
 - (c) the amount of the beneficiary's trust income exceeds \$21,980.
- (3) If this section applies to the beneficiary for only some of the days in the year of income, the amount of the levy that, apart from this section, would have been payable under this Act by the trustee in the capacity of trustee of the trust estate in relation to the beneficiary for the year of income is to be increased by the amount worked out using the formula:

$$(1\% \text{ of the beneficiary's trust income}) \times \frac{\text{Number of those days}}{\text{Number of days in the year of income}}$$

if:

- (a) in the case of a beneficiary who is a married person for the whole of the year of income:
 - (i) the sum of the beneficiary's trust income and the beneficiary's spouse's income for surcharge purposes exceeds the beneficiary's family tier 1 threshold; and
 - (ii) the beneficiary's trust income exceeds \$21,980; or
 - (b) in the case of a beneficiary who is a married person for only some of the year of income—the beneficiary's trust income exceeds the beneficiary's family tier 1 threshold.
- (3A) Increase the amount of each percentage mentioned in subsections (2) and (3) by 0.25 of a percentage point if the beneficiary is a tier 2 earner for the year of income.

- (3B) Increase the amount of each percentage mentioned in subsections (2) and (3) by 0.5 of a percentage point if the beneficiary is a tier 3 earner for the year of income.

- (4) In this section:

income for surcharge purposes, in relation to the beneficiary's spouse, includes any share in the net income of a trust estate:

- (a) to which the spouse is presently entitled as a beneficiary; and
- (b) in respect of which the trustee of the trust estate in that capacity is liable to be assessed under section 98 of the Assessment Act.

9 Reduction of levy—person who is prescribed person for part of year of income

- (1) In the case of a person who was a prescribed person during a part or parts only of the year of income, the amount of levy (other than an increase in the levy payable under section 8B, 8C, 8D, 8E, 8F or 8G) payable by the person but for this section shall be reduced by so much of that amount as bears to that amount the same proportion as the number of days in the part, or the sum of the numbers of days in the parts, of the year of income during which the person was a prescribed person bears to the number of days in the year of income.

10 Levy payable by a trustee assessable under section 98 of the Assessment Act

- (1) Where a person in the capacity of a trustee of a trust estate is liable to be assessed pursuant to section 98 of the Assessment Act in respect of a share of the net income of the trust estate to which a beneficiary is presently entitled, the amount of levy payable by the trustee upon that share of that net income shall not exceed the amount of levy that would be payable by the beneficiary if the amount of that share were the taxable income of the beneficiary.
- (2) For the purposes of working out the amount of levy that would be payable by the beneficiary, any rebate that the trustee is entitled to

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under section 160AAAB of the Assessment Act is taken to be a rebate that the beneficiary is entitled to under section 160AAAA of that Act.

11 Financial years for which levy is payable

The levy imposed by this Act is levied, and shall be paid, for the financial year commencing on 1 July 1986 and for all subsequent financial years until the Parliament otherwise provides.

Endnotes

Endnote 1—About the endnotes

The endnotes provide information about this compilation and the compiled law.

The following endnotes are included in every compilation:

Endnote 1—About the endnotes

Endnote 2—Abbreviation key

Endnote 3—Legislation history

Endnote 4—Amendment history

Abbreviation key—Endnote 2

The abbreviation key sets out abbreviations that may be used in the endnotes.

Legislation history and amendment history—Endnotes 3 and 4

Amending laws are annotated in the legislation history and amendment history.

The legislation history in endnote 3 provides information about each law that has amended (or will amend) the compiled law. The information includes commencement details for amending laws and details of any application, saving or transitional provisions that are not included in this compilation.

The amendment history in endnote 4 provides information about amendments at the provision (generally section or equivalent) level. It also includes information about any provision of the compiled law that has been repealed in accordance with a provision of the law.

Editorial changes

The *Legislation Act 2003* authorises First Parliamentary Counsel to make editorial and presentational changes to a compiled law in preparing a compilation of the law for registration. The changes must not change the effect of the law. Editorial changes take effect from the compilation registration date.

If the compilation includes editorial changes, the endnotes include a brief outline of the changes in general terms. Full details of any changes can be obtained from the Office of Parliamentary Counsel.

Misdescribed amendments

A misdescribed amendment is an amendment that does not accurately describe the amendment to be made. If, despite the misdescription, the amendment can

Endnotes

Endnote 1—About the endnotes

be given effect as intended, the amendment is incorporated into the compiled law and the abbreviation “(md)” added to the details of the amendment included in the amendment history.

If a misdescribed amendment cannot be given effect as intended, the abbreviation “(md not incorp)” is added to the details of the amendment included in the amendment history.

Endnote 2—Abbreviation key

Endnote 2—Abbreviation key

ad = added or inserted	o = order(s)
am = amended	Ord = Ordinance
amdt = amendment	orig = original
c = clause(s)	par = paragraph(s)/subparagraph(s) /sub-subparagraph(s)
C[x] = Compilation No. x	pres = present
Ch = Chapter(s)	prev = previous
def = definition(s)	(prev...) = previously
Dict = Dictionary	Pt = Part(s)
disallowed = disallowed by Parliament	r = regulation(s)/rule(s)
Div = Division(s)	reloc = relocated
ed = editorial change	renum = renumbered
exp = expires/expired or ceases/ceased to have effect	rep = repealed
F = Federal Register of Legislation	rs = repealed and substituted
gaz = gazette	s = section(s)/subsection(s)
LA = <i>Legislation Act 2003</i>	Sch = Schedule(s)
LIA = <i>Legislative Instruments Act 2003</i>	Sdiv = Subdivision(s)
(md) = misdescribed amendment can be given effect	SLI = Select Legislative Instrument
(md not incorp) = misdescribed amendment cannot be given effect	SR = Statutory Rules
mod = modified/modification	Sub-Ch = Sub-Chapter(s)
No. = Number(s)	SubPt = Subpart(s)
	<u>underlining</u> = whole or part not commenced or to be commenced

Endnotes

Endnote 3—Legislation history

Endnote 3—Legislation history

Act	Number and year	Assent	Commencement	Application, saving and transitional provisions
Medicare Levy Act 1986	110, 1986	4 Nov 1986	4 Nov 1986	
Medicare Levy Amendment Act 1987	110, 1987	26 Nov 1987	26 Nov 1987	s. 4
Medicare Levy Amendment Act 1988	93, 1988	24 Nov 1988	24 Nov 1988	s. 4
Medicare Levy Amendment Act 1989	137, 1989	23 Nov 1989	23 Nov 1989	s. 4
Medicare Levy Amendment Act 1990	86, 1990	6 Nov 1990	6 Nov 1990	s. 4
Taxation Laws Amendment Act (No. 5) 1990	135, 1990	28 Dec 1990	s. 37: Royal Assent (a)	—
Taxation Laws Amendment Act (No. 2) 1991	100, 1991	27 June 1991	ss. 89–91: Royal Assent (b)	s. 91
Medicare Levy Amendment Act 1991	212, 1991	24 Dec 1991	24 Dec 1991	s. 4
Medicare Levy Amendment Act 1992	155, 1992	11 Dec 1992	11 Dec 1992	s. 5
Medicare Levy Amendment Act (No. 2) 1992	157, 1992	11 Dec 1992	11 Dec 1992	s. 5
Taxation (Deficit Reduction) Act (No. 1) 1993	57, 1993	27 Oct 1993	27 Oct 1993	s. 42
Medicare Levy Amendment Act 1995	56, 1995	28 June 1995	Schedule 2: Royal Assent Remainder: 27 June 1995	Sch. 1 (item 2) and Sch. 2 (item 10)

Endnote 3—Legislation history

Act	Number and year	Assent	Commencement	Application, saving and transitional provisions
Medicare Levy Amendment Act 1996	16, 1996	27 June 1996	Schedule 1: 1 July 1996 Schedule 2: 1 July 1997 Remainder: Royal Assent	Sch. 1 (item 6) and Sch. 2 (item 6)
Medicare Levy Amendment Act (No. 1) 1997	64, 1997	30 May 1997	Schedule 1 (Part 1): 1 July 1996 Schedule 1 (Part 2) and Schedule 2: 1 July 1997 Remainder: Royal Assent	Sch. 1 (items 6, 9) and Sch. 2 (item 7)
Medicare Levy Amendment Act 1998	29, 1998	17 Apr 1998	Schedule 1 (items 2, 5– 8): (c) Remainder: 1 July 1997	Sch. 1 (item 9)
Medicare Levy Consequential Amendment (Trust Loss) Act 1998	30, 1998	17 Apr 1998	17 Apr 1998	Sch. 1 (item 2)
Social Security and Veterans' Affairs Legislation Amendment (Budget and Other Measures) Act 1998	93, 1998	15 July 1998	Schedule 7 (item 46): 1 April 1998 (d)	—
A New Tax System (Fringe Benefits Reporting) Act 1999	17, 1999	19 Apr 1999	Schedule 4: Royal Assent (e)	Sch. 4 (item 8)
A New Tax System (Family Assistance) (Consequential and Related Measures) Act (No. 1) 1999	82, 1999	8 July 1999	Schedule 8 (items 27– 29): (f)	Sch. 8 (item 29)

Endnotes

Endnote 3—Legislation history

Act	Number and year	Assent	Commencement	Application, saving and transitional provisions
A New Tax System (Family Assistance) (Consequential and Related Measures) Act (No. 2) 1999	83, 1999	8 July 1999	Sch 10 (items 65, 68(1)): 1 July 2000 (s 2(2))	Sch 10 (item 68(1))
A New Tax System (Family Assistance and Related Measures) Act 2000	45, 2000	3 May 2000	Sch 4 (item 30): repealed on commencement (s 2(10)) Sch 4 (item 31): 3 May 2000 (s 2(1))	Sch 4 (item 31)
as amended by				
Taxation Laws Amendment Act (No. 3) 2003	101, 2003	14 Oct 2003	Sch 6 (item 1): 1 July 2000 (s 2(1) item 8)	—
A New Tax System (Fringe Benefits) Act 2000	52, 2000	30 May 2000	30 May 2000	Sch. 3 (item 2)
Medicare Levy Amendment (CPI Indexation) Act 2000	54, 2000	30 May 2000	30 May 2000	Sch. 1 (item 10)
Taxation Laws Amendment Act (No. 6) 2000	76, 2000	28 June 2000	28 June 2000	Sch. 3 (item 6)
Medicare Levy Amendment (CPI Indexation) Act (No. 1) 2001	12, 2001	22 Mar 2001	22 Mar 2001	Sch. 1 (item 13)
Taxation Laws Amendment (Changes for Senior Australians) Act 2001	44, 2001	25 May 2001	25 May 2001	Sch. 2 (item 8)

Endnote 3—Legislation history

Act	Number and year	Assent	Commencement	Application, saving and transitional provisions
Taxation Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Act 2002	39, 2002	26 June 2002	26 June 2002	Sch. 1 (item 15) and Sch. 2 (item 8)
Taxation Laws Amendment Act (No. 2) 2002	57, 2002	3 July 2002	Sch 8: 3 July 2002 (s 2(1) item 7)	Sch 8 (item 3)
Taxation Laws Amendment (Personal Income Tax Reduction) Act 2003	45, 2003	24 June 2003	24 June 2003	s. 4
Taxation Laws Amendment Act (No. 6) 2003	67, 2003	30 June 2003	Schedule 1 (items 1–12, 15): Royal Assent	Sch. 1 (item 15)
Tax Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Act 2004 as amended by	84, 2004	25 June 2004	25 June 2004	s. 4 s. 5 (rep. by 75, 2010, Sch. 6 [item 116])
Tax Laws Amendment (2010 Measures No. 2) Act 2010	75, 2010	28 June 2010	Schedule 6 (item 116): 29 June 2010	—
Tax Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Act 2005 as amended by	62, 2005	26 June 2005	26 June 2005	Sch. 1 (item 13) s. 4 (rep. by 75, 2010, Sch. 6 [item 117])
Tax Laws Amendment (2010 Measures No. 2) Act 2010	75, 2010	28 June 2010	Schedule 6 (item 117): 29 June 2010	—

Endnotes

Endnote 3—Legislation history

Act	Number and year	Assent	Commencement	Application, saving and transitional provisions
Tax Laws Amendment (Personal Income Tax Reduction) Act 2005	101, 2005	12 Aug 2005	12 Aug 2005	s. 4
Tax Laws Amendment (Personal Tax Reduction and Improved Depreciation Arrangements) Act 2006	55, 2006	19 June 2006	Schedules 1, 3 and 4: 1 July 2006 Remainder: Royal Assent	Sch. 4 (item 8)
Tax Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Act 2006	59, 2006	22 June 2006	22 June 2006	Sch. 1 (item 13)
Tax Laws Amendment (2006 Measures No. 3) Act 2006	80, 2006	30 June 2006	Schedule 6 (item 9): Royal Assent	—
Private Health Insurance (Transitional Provisions and Consequential Amendments) Act 2007	32, 2007	30 Mar 2007	Schedule 2 (items 75–79): 1 Apr 2007 (<i>see</i> s. 2(1))	—
Tax Laws Amendment (2007 Budget Measures) Act 2007	75, 2007	21 June 2007	21 June 2007	Sch. 1 (item 26)
Tax Laws Amendment (Personal Income Tax Reduction) Act 2007	76, 2007	21 June 2007	21 June 2007	Sch. 1 (item 11)
Tax Laws Amendment (Personal Income Tax Reduction) Act 2008	29, 2008	23 June 2008	Schedule 1 (items 7–10): 1 July 2008 Schedule 1 (items 17–20): 1 July 2009 Schedule 1 (items 27–30): 1 July 2010	Sch. 1 (items 10, 20, 30)

Endnote 3—Legislation history

Act	Number and year	Assent	Commencement	Application, saving and transitional provisions
Tax Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Act 2008	50, 2008	25 June 2008	Schedule 1 (items 2–13): Royal Assent	Sch. 1 (item 13)
Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (2008 Budget and Other Measures) Act 2008	63, 2008	30 June 2008	s. 4: Royal Assent Schedule 1 (items 12– 16): 1 July 2008	s. 4 and Sch. 1 (item 16)
Tax Laws Amendment (Medicare Levy Surcharge Thresholds) Act (No. 2) 2008	110, 2008	31 Oct 2008	31 Oct 2008	s. 4 and Sch. 1 (items 11, 12)
Tax Laws Amendment (2009 Measures No. 1) Act 2009	27, 2009	26 Mar 2009	Schedule 3 (items 48–61, 102(1)): 27 Mar 2009	Sch. 3 (item 102(1))
Tax Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Act 2009	41, 2009	23 June 2009	Schedule 1 (items 2–13): Royal Assent	Sch. 1 (item 13)
Tax Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Act 2010	78, 2010	29 June 2010	Schedule 1 (items 2–13): Royal Assent	Sch. 1 (item 13)
Paid Parental Leave (Consequential Amendments) Act 2010	105, 2010	14 July 2010	Schedule 1 (items 54– 57) and Schedule 2 (items 1, 2): 1 Oct 2010 (see s. 2(1))	Sch. 2 (items 1, 2)
Tax Laws Amendment (2011 Measures No. 2) Act 2011	41, 2011	27 June 2011	Schedule 5 (item 398): Royal Assent	—

Medicare Levy Act 1986

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Compilation No. 43

Compilation date: 30/6/18

Registered: 6/7/18

Endnotes

Endnote 3—Legislation history

Act	Number and year	Assent	Commencement	Application, saving and transitional provisions
Tax Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Act 2011	44, 2011	27 June 2011	Schedule 1 (items 2–13): Royal Assent	Sch. 1 (item 13)
Clean Energy (Tax Laws Amendments) Act 2011	159, 2011	4 Dec 2011	Schedule 2 (items 2–11) and Schedule 3 (items 22–24): 1 July 2012	Sch. 2 (item 11) and Sch. 3 (item 24)
as amended by				
Tax Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Act 2012	86, 2012	28 June 2012	Schedule 1 (items 15, 16): Royal Assent	—
Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Act 2012	27, 2012	4 Apr 2012	Schedule 1: 1 July 2012 (<i>see</i> s. 2(1)) Remainder: Royal Assent	Sch. 1 (item 23)
Tax Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Act 2012	86, 2012	28 June 2012	Schedule 1 (items 2–13): Royal Assent	Sch. 1 (item 13)
Medicare Levy Amendment (DisabilityCare Australia) Act 2013	43, 2013	28 May 2013	28 May 2013	Sch. 1 (item 7)
Tax Laws Amendment (Medicare Levy) Act 2013	81, 2013	28 June 2013	28 June 2013	Sch. 1 (item 4)
Tax and Superannuation Laws Amendment (2014 Measures No. 2) Act 2014	68, 2014	30 June 2014	Sch 1 (items 2–6): Royal Assent	Sch 1 (item 6)

Endnote 3—Legislation history

Act	Number and year	Assent	Commencement	Application, saving and transitional provisions
Tax and Superannuation Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Act 2015	69, 2015	25 June 2015	Sch 1 (items 2–13): 25 June 2015 (s 2)	Sch 1 (item 13)
Tax and Superannuation Laws Amendment (2015 Measures No. 1) Act 2015	70, 2015	25 June 2015	Sch 2 (items 30–32, 38) 25 June 2015 (s 2(1) item 7)	Sch 2 (item 38)
Tax and Superannuation Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Act 2016	39, 2016	4 May 2016	Sch 1 (items 2–14): 4 May 2016 (s 2(1) item 1)	Sch 1 (item 14)
Medicare Levy Amendment (Attribution Managed Investment Trusts) Act 2016	50, 2016	5 May 2016	Sch 1: 5 May 2016 (s 2(1) item 2)	—
Treasury Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Act 2017	58, 2017	22 June 2017	Sch 1 (items 2–14): 23 June 2017 (s 2(1) item 1)	Sch 1 (item 14)
Treasury Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Act 2018	69, 2018	29 June 2018	Sch 1 (items 2–14): 30 June 2018 (s 2(1) item 1)	Sch 1 (item 14)

(a) The *Medicare Levy Act 1986* was amended by section 37 only of the *Taxation Laws Amendment Act (No. 5) 1990*, subsection 2(1) of which provides as follows:

- (1) Subject to this section, this Act commences on the day on which it receives the Royal Assent.

Endnotes

Endnote 3—Legislation history

- (b) The *Medicare Levy Act 1986* was amended by sections 89–91 only of the *Taxation Laws Amendment Act (No. 2) 1991*, subsection 2(1) of which provides as follows:
- (1) Subject to this section, this Act commences on the day on which it receives the Royal Assent.
- (c) The *Medicare Levy Act 1986* was amended by Schedule 1 only of the *Medicare Levy Amendment Act 1998*, subsection 2(2) of which provides as follows:
- (2) Items 2, 5, 6, 7 and 8 of Schedule 1 are taken to have commenced on 1 July 1997, immediately after the commencement of Part 2 of Schedule 1 to, and Schedule 2 to, the *Medicare Levy Amendment Act (No. 1) 1997*.
- (d) The *Medicare Levy Act 1986* was amended by Schedule 7 (item 46) only of the *Social Security and Veterans' Affairs Legislation Amendment (Budget and Other Measures) Act 1998*, subsection 2(9) of which provides as follows:
- (9) Schedule 7 commences, or is taken to have commenced, on 1 April 1998.
- (e) The *Medicare Levy Act 1986* was amended by Schedule 4 only of the *A New Tax System (Fringe Benefits Reporting) Act 1999*, subsection 2(1) of which provides as follows:
- (1) This Act commences on the day on which it receives the Royal Assent.
- (f) The *Medicare Levy Act 1986* was amended by Schedule 8 (items 27 and 28) only of the *A New Tax System (Family Assistance) (Consequential and Related Measures) Act (No. 1) 1999*, subsection 2(2) of which provides as follows:
- (2) Schedule 1, item 3 of Schedule 2 and Schedules 3 to 8 commence, or are taken to have commenced, immediately after the commencement of:
- (a) the *A New Tax System (Family Assistance) Act 1999*; and
- (b) Schedules 1, 2 and 3 of the *A New Tax System (Compensation Measures Legislation Amendment) Act 1999*.
- The *A New Tax System (Family Assistance) Act 1999* and Schedules 1, 2 and 3 commenced on 1 July 2000.

Endnote 4—Amendment history

Endnote 4—Amendment history

Provision affected	How affected
s 3	am No 135, 1990; No 64, 1997; No 30, 1998; No 17, 1999; No 76, 2000; No 44, 2001; No 39, 2002; No 57, 2002; No 45, 2003; No 67, 2003; No 84, 2004; No 62, 2005; No 101, 2005; No 55, 2006; No 59, 2006; No 32, 2007; No 75, 2007; No 76, 2007; No 29, 2008; No 50, 2008; No 110, 2008; No 27, 2009; No 41, 2009; No 78, 2010; No 41, 2011; No 44, 2011; No 159, 2011 (as am by No 86, 2012); No 27, 2012; No 86, 2012; No 69, 2015; No 39, 2016; No 50, 2016; No 58, 2017; No 69, 2018
s 3AA.....	ad No 110, 2008 rep No 27, 2012
s 3A.....	ad No 64, 1997 rs No 110, 2008; No 27, 2012
s 5	am No 80, 2006
s 6	am No 110, 1987; No 157, 1992; No 56, 1995; No 16, 1996; No 43, 2013; No 50, 2016
s 7	am No 110, 1987; No 93, 1988; No 137, 1989; No 86, 1990; No 155, 1992; No 57, 1993; No 56, 1995; No 64, 1997; No 29, 1998; No 54, 2000; Nos 12 and 44, 2001; No 55, 2006; No 43, 2013
s 8	am No 110, 1987; No 93, 1988; No 137, 1989; No 86, 1990; No 135, 1990; No 100, 1991; No 212, 1991; No 155, 1992; No 157, 1992; No 57, 1993; No 56, 1995; No 16, 1996; No 64, 1997; No 29, 1998; No 93, 1998; No 82, 1999; No 83, 1999; No 54, 2000; No 12, 2001; No 44, 2001; No 39, 2002; No 67, 2003; No 84, 2004; No 62, 2005; No 55, 2006; No 59, 2006; No 75, 2007; No 76, 2007; No 29, 2008; No 50, 2008; No 63, 2008; No 41, 2009; No 78, 2010; No 105, 2010; No 44, 2011; No 159, 2011; No 86, 2012; No 43, 2013; No 81, 2013; No 68, 2014; No 69, 2015; No 70, 2015; No 39, 2016; No 58, 2017; No 69, 2018
s 8A.....	ad No 16, 1996 rep No 16, 1996
s 8B.....	ad No 64, 1997 am No 17, 1999; No 110, 2008; No 27, 2009; No 27, 2012
s 8C.....	ad No 64, 1997 am No 17, 1999; No 27, 2009; No 27, 2012

Endnotes

Endnote 4—Amendment history

Provision affected	How affected
s 8D.....	ad No 64, 1997 am No 29, 1998; No 17, 1999; No 52, 2000; No 54, 2000; No 12, 2001; No 39, 2002; No 67, 2003; No 84, 2004; No 62, 2005; No 59, 2006; No 75, 2007; No 50, 2008; No 27, 2009; No 41, 2009; No 78, 2010; No 44, 2011; No 159, 2011 (as am by No 86, 2012); No 27, 2012; No 86, 2012; No 69, 2015; No 39, 2016; No 58, 2017; No 69, 2018
s 8E.....	ad No 64, 1997 am No 110, 2008; No 27, 2012
s 8F.....	ad No 64, 1997 am No 27, 2009; No 27, 2012
s 8G.....	ad No 64, 1997 am No 29, 1998; No 17, 1999; No 54, 2000; No 12, 2001; No 39, 2002; No 67, 2003; No 84, 2004; No 62, 2005; No 59, 2006; No 75, 2007; No 50, 2008; No 27, 2009; No 41, 2009; No 78, 2010; No 44, 2011; No 159, 2011 (as am by No 86, 2012); No 27, 2012; No 86, 2012; No 69, 2015; No 39, 2016; No 58, 2017; No 69, 2018
s 9.....	am No 16, 1996; No 64, 1997; No 27, 2009
s 10.....	am No 44, 2001
s 11.....	am No 110, 1987 rs No 93, 1988 am No 137, 1989 rs No 86, 1990