

How will the carbon price affect you?

How it works...



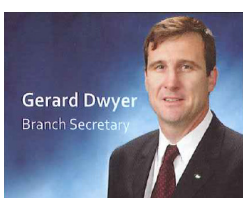
Eugenie has a part-time job paying \$340 a week, or \$17,680 a year.

In 2012, she will get a tax cut of \$177 per year. The higher tax-free threshold means she gets to keep all her wages and may not have to lodge a tax return.

Thousands of SDA members may be better off because of the tax reforms which are part of the Government's carbon price compensation.

The Australian community has been talking about a price on carbon for a decade and it has been subject to intense political debate over the past four years.

On 8 November 2011, the Australian Parliament passed **the Clean Energy Future bills** and these will **come into effect on 1 July 2012.**



Gerard Dwyer
Branch Secretary

On average, Australian households will see cost increases of \$9.90 a week, but they will receive assistance of \$10.10 a week.

But SDA members will be particularly interested in the Government's decision to raise the tax-free threshold from \$6,000 to \$18,200.

From 2012, this significant reform to our taxation system will result in more than one million Australians no longer needing to lodge a tax return.

As a result, thousands of SDA members working part time and earning an income below the new \$18,200 tax-free threshold will have more money in their pockets and may not need to lodge an annual tax return.

In 2015, the tax-free threshold will increase to \$19,400 and an additional 100,000 Australians will be free from having to lodge a tax return.

As well, the first round of tax cuts will be delivered from 1 July 2012, and approximately 60 per cent of taxpayers will get a tax cut of at least \$300.

For more information on financial assistance, including the tax cuts you can expect to receive, go to www.cleanenergyfuture.gov.au

Source: *Supporting Australian Households*
www.cleanenergyfuture.gov.au

Australian Unions successfully argued that low and middle income households must be protected from any cost of living increases arising from the Federal Government's price on carbon.

The government has introduced a compensation package to offset the cost of its carbon pricing which will ensure that six million will be either no worse off, or will be even better off.

The package includes **financial assistance for 9 out of 10 households through tax cuts, extra payments or both**, and ensures more than four million Australian households will get financial assistance which is at least 20 per cent more than the carbon price.