

Calculating Income Tax

Use this worksheet after reading the lesson to practise the key ideas and prove you can meet the success criteria.

Name	_____
Date	_____
Class	_____

1. Key Ideas

Apply Australian income tax brackets and the Medicare levy to calculate tax payable, then determine refunds or debts from PAYG withheld.

- The 2024–25 Australian income tax brackets and how to read them
- Why the marginal rate applies only to income above the bracket threshold

2. Success Criteria

By the end, you should be able to:

- The 2024–25 Australian income tax brackets and how to read them
- That Medicare levy = 2% of taxable income, added separately
- The formulas for tax refund and tax debt

3. Key Terms

Progressive Tax

A tax system where higher income earners pay a higher percentage of their income in tax.

Marginal Tax Rate

The rate of tax applied to the last dollar earned within a particular tax bracket.

Tax Bracket

A range of income that is taxed at a particular rate.

Tax Payable

The total amount of income tax owed to the government before offsets.

Tax Offset

A direct reduction in the amount of tax payable, such as the low income tax offset.

4. Activity: Build the Lesson Map

Use the lesson to complete the table. Keep answers brief but specific.

Prompt	Your answer
Main concept	
Important example	
Common mistake to avoid	
How this links to the next lesson	

5. Short Answer Questions

1. Explain this lesson goal in your own words: "The 2024–25 Australian income tax brackets and how to read them". Use one specific example from the lesson.

BAND 3 **2 MARKS**

2. Apply this idea to a new example: "That Medicare levy = 2% of taxable income, added separately". Show your reasoning clearly.

BAND 4 **3 MARKS**

3. Analyse why this idea matters for understanding Calculating Income Tax: "The formulas for tax refund and tax debt".

BAND 5 **4 MARKS**

6. Extend: Apply the Idea

BAND 5/6 **5 MARKS**

A student gives a memorised answer about Calculating Income Tax but does not use evidence or reasoning.

Improve the answer by writing a stronger response that uses accurate terminology, a relevant example and a clear explanation.

7. Multiple Choice

1. What is the best first step when answering a question about Calculating Income Tax?

- A. Identify the key concept being tested
- B. Write every fact from memory
- C. Ignore the command word
- D. Skip examples and evidence

2. Which answer would show stronger understanding of Calculating Income Tax?

- A. An answer with accurate terms and reasoning
- B. A copied definition only
- C. A single-word response
- D. An answer with no example

3. What should you do if a question asks you to explain?

- A. Link the idea to a reason or cause
- B. List unrelated facts
- C. Only draw a diagram
- D. Write the shortest possible answer

8. Success Criteria Proof

Finish with evidence that you can do each success criterion.

SUCCESS CRITERION 1

Prove that you can: The 2024–25 Australian income tax brackets and how to read them

BAND 3 **2 MARKS**

SUCCESS CRITERION 2

Prove that you can: That Medicare levy = 2% of taxable income, added separately

BAND 4 **3 MARKS**

SUCCESS CRITERION 3

Prove that you can: The formulas for tax refund and tax debt

BAND 5 **4 MARKS**

One thing I still need help with:
