



Greg Jarvis <gregjarvis5@gmail.com>

Re: Tax Anomaly for Working Pensioners

1 message

Greg Jarvis, Working Pensioners <greg@workingpensioners.com.au>
To: "Doyle, Mary (MP Office)" <Mary.Doyle.MP@aph.gov.au>

Tue, Jul 22, 2025 at 2:28 PM

22nd July 2025

Jacob O'Brien
Electorate Officer

Jacob

In response to your first comment; *As the Treasury is responsible for administering the ITA Act, you may wish to contact them with any further questions on this matter.* Jacob, I have had communication with Treasury without any satisfactory explanation, I am currently waiting on a response from my latest communication, that's why I want to involve Mary.

On what basis do you suspect I may be overestimating the size of reductions? As stated in the example the figures were approximate only to demonstrate the problem, however actual figures show the reductions were conservative.

Actual figures for 2023/24:

Gross Income	\$ 25,216.00
Maximum Pension	\$ 21,448.90
Pension Received	\$ 16,412.00
Pension Reduction	\$ 5,036.90 each
or a total deduction of	\$ 10,073.80.

One member of a couple earning \$28,000 would increase the deducted amount. This is also subject to interpretation of terms such as Pension, do the figures include pension and energy supplements?

Please do not complicate the point by including the Free Income Area, the FIA has no influence on Working Pensioners as it is available to all Pensioners and therefore has no influence if a Pensioners decides to obtain legitimate gainful employment or not. Income from investments etc is subject to unpredictable deeming rates set by the Government, not actual returns on investment. Deeming rates are exposed to domestic and international financial factors, political cycles and Government whims, they are outside the control of the Pensioner and have no bearing on actual investment returns.

The remainder of your email is merely stating the current situation as I am fully aware and have been advised on several occasions. I'm starting to suspect that the typical Government response is to ignore the stated issue and explain the current situation to defer and delay. I do not understand why there is so much resistance to evaluate the potential benefit of increasing and indexing the Work Bonus threshold.

Regarding the Pension Reduction, one of us is wrong! This is exactly the reason why I need to meet with Mary face to face to clarify terminologies, understandings etc. in an environment suitable for detailed discussion.

Regards

Greg

Greg Jarvis
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On Tue, Jul 22, 2025 at 11:27 AM Doyle, Mary (MP Office) <Mary.Doyle.MP@aph.gov.au> wrote:

Good morning Greg,

Thank you for your patience.

The department has provided the following clarifications and advice.

I understand the Australian Taxation Office has explained why your wife's pension reduction (due to your work income) cannot be deducted from your assessable income under Section 8-1 of the Income Tax Assessment Act 1997 (ITA Act). As the Treasury is responsible for administering the ITA Act, you may wish to contact them with any further questions on this matter.

Your correspondence also raises concerns regarding the pension income test and Work Bonus. For your reference, the example you provided may be overestimating the size of the reductions that would result from one member of a couple earning \$28,000 per year from employment. To assist, I would like to clarify the operation of the Work Bonus.

As you are aware, the pension income test is comprised of an 'income free area' (which is the allowable amount of income a person can have before their payment begins to reduce), followed by a withdrawal – or 'taper' – rate, which gradually reduces income support as the recipient's private income increases. The income test assesses recipients' gross income from all sources, including income earned from employment. From 1 July 2025, a partnered age pensioner can receive the maximum rate of pension if the couple's joint income is below \$380 a fortnight, with each dollar above this amount reducing each individual pension by 25 cents a fortnight. This allows for a part-rate of pension to be paid to couples with a joint income below \$3,844.40 a fortnight.

Importantly, the Work Bonus operates in addition to the income free area. Under the Work Bonus, the first \$300 of employment (and self-employment income) a fortnight is not counted in the pension income test. This would allow, for example, a partnered age pensioner to earn up to \$680 a fortnight from work and still receive the maximum rate of Age Pension, provided the couple has no other assessable income.

Hopefully this advice provides some clarifications and assistance to you.


Please let me know if you have any other enquiries.


Kind regards
Jacob


Jacob O'Brien

Electorate Officer


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Mary Doyle MP
Federal Member for Aston

 Our office acknowledges the Bunurong & Wurundjeri people of the Kulin Nation, the
Traditional Custodians of the land and water which the electorate of Aston encompasses,
and pay our respect to culture and Elders past, present and emerging.



Keep up to date with Mary Doyle MP & what is happening in Aston



From: Greg Jarvis, Working Pensioners <greg@workingpensioners.com.au>

Sent: Thursday, 17 July 2025 5:10 PM

To: Doyle, Mary (MP Office) <Mary.Doyle.MP@aph.gov.au>

Subject: Re: Tax Anomaly for Working Pensioners

Jacob,

Thanks for the update.

Previous advice from Departments have just stated the current situation without considering solutions, hopefully this will be different.

Regards

Greg

On Thu, Jul 17, 2025 at 12:23 PM Doyle, Mary (MP Office) <Mary.Doyle.MP@aph.gov.au> wrote:

Good afternoon Greg,

Thank you for contacting Mary Doyle MP regarding work bonus.

Apologies for the delay in response, to your first email. I have been just working through the case as I have escalated it and am gaining some clarification from the department about the specifics of your case and the scenario you described.

I am hoping to have some greater advice and information soon.

I understand you have been in correspondence with Sunny about a meeting with Mary. This is being processed through the diary team and we will get back to you once the team has consulted with Mary about appropriate times.

Hope this makes sense and thank you for your patience.

Kind regards

Jacob

Jacob O'Brien

Electorate Officer

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Keep up to date with Mary Doyle MP & what is happening in Aston



From: Greg Jarvis, Working Pensioners <greg@workingpensioners.com.au>

Sent: Sunday, 22 June 2025 10:43 AM

To: Mary Doyle <mary.doyle@vic.alp.org.au>

Subject: Tax Anomaly for Working Pensioners

Mary,

Further to our previous discussion regarding the Aged Pension Work Bonus threshold I would also like to raise the question regarding inflated tax payable by the working member of a couple.

Basically the amount deducted from the non-worker remains on the workers payable taxation.

I recently dropped off an explanation in hard copy at your office which is attached, I have also attached the response to my private ruling application to the ATO.

Mary, could you please ensure this is considered as responses to date seem to be automatic replies stating the current situation known by all rather than addressing the issue.

Thank you for your consideration.

Yours sincerely

Greg Jarvis

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