

Earning and Managing money

Taxable income

- 1. Eliza earned \$88784 from her employer in the last financial year. She also earned bank interest of \$380. Eliza spent \$240 on books, \$520 on stationery and \$380 on a printer, all of which are needed for her work.
 - a) What is Eliza's gross income?
 - b) What are Eliza's total allowable tax deductions?
 - c) Calculate Eliza's taxable income.
- 2. Daniel is a police officer who earned a gross income of \$63 620. He claimed a tax deduction for a utility belt (\$160), a pair of safety glasses (\$390), bulletproof vest (\$1240) and handcuffs (\$420).
 - a) What is Daniel's total allowable tax deduction?
 - b) Calculate Daniel's taxable income.
- 3. Nicholas earns a gross weekly pay of \$1120. He has tax deductions of \$1460.
 - a) What is Nicholas's gross yearly salary?
 - b) What is Nicholas's taxable income?
- 4. Ulani is a real estate salesperson who earns a commission of 2% on all sales. During the year Ulani sold real estate to the value of \$3 232100.
 - a) What is Ulani's gross annual income?
 - b) Ulani has calculated her tax deductions to be \$4320. What is her taxable income?
- 5. Isabelle works for a travel agency and earns a gross fortnightly pay of \$2780. She pays PAYG tax of \$602 per fortnight and has tax deductions of \$7 per week for dry-cleaning, \$80 for work-related travel per year and \$380 per year for union fees.

- a) What is Isabelle's gross yearly salary?
- b) How much tax is deducted each week?
- c) What is Isabelle's total allowable tax deduction?
- d) Calculate Isabelle's taxable income.