

Tax FAQs 2016

What is the Private Health Insurance Statement?

The Private Health Insurance Statement is a record of rebatable premiums received by Teachers Health Fund in the 2015/16 financial year and shows the entitlements to the Australian Government Rebate on private health insurance. The statement is based on the date payments were received by the Fund, which may be different to the date the payment was made.

What is the Lifetime Health Cover (LHC) Annual Statement?

The Federal Government Lifetime Health Cover initiative rewards those who take out Hospital cover earlier in life, allowing them to pay a lower contribution compared to others who take out Hospital cover when they're older. The Lifetime Health Cover Annual Statement is a form that will keep you up-to-date with your entry age at joining Hospital cover and loading (if applicable). It's for your information only and is not needed when completing your tax statement.

What is the Standard Information Statement?

The Standard Information Statement is specific to your cover and provides a summary of the key product features.

When will you send my tax and rebate statements?

All tax statements will be mailed to members by 15 July 2016 and will be available via online member services from 8 July 2016.

Can I download the tax statement from your website?

All tax statements will be available via online member services from 8 July 2016.

Why are the statements not available on 1 July 2016?

Tax statements must include details of all payments processed by Teachers Health Fund up to and including 30 June 2016. This means that we cannot begin preparing the statements until after that date.

What is the Health Insurer ID for Teachers Health Fund?

*The Health Insurer ID is a three letter identifier unique to each fund. This is **NTF** for Teachers Health Fund members.*

How will I receive my statement?

If you have consented to receive communications electronically, you will receive an email in early July advising you that you can access your tax statement online by logging onto online member services. If you are on a family or couple membership, there will be a statement for both you and your partner. Your LHC statement will also be able to download from online member services.

If you haven't consented to receive communications electronically, your statement will be mailed to you. If you would like to receive your tax statements electronically in the future, please log into online member services and consent to receive communications electronically, or call us.

Regardless of whether you've consented to email communications, all members can download your tax statement from online member services from 8 July 2016.

Why have you sent me two tax statements, one is in the name of my partner/spouse?

We're required by law to send individual statements to all adults on the policy during the financial year.

My statement doesn't show the full amount that I paid for our health insurance last year. Why?

There are a couple different reasons why the full amount you paid isn't showing on your statement

1. *There was another adult on your policy at any point during the financial year*

Contributions and any rebates claimed during the financial year are divided between all adults on the policy. This is represented on each adult's tax statement and is based on who was on the cover at the date the contribution was made to Teachers Health Fund.

2. *You have a Lifetime Health Cover Loading (LHC) applied to your policy.*

From 1 July 2013, any LHC loading that you have on your cover is not eligible to receive the rebate. As a result the statement only shows the portion of your premium that is eligible for the rebate. This means it will show the premium amount before any loading that you have on your policy has been applied.

Why are there so many line entries in my statements, it's confusing, how am I meant to read it?

The table includes different lines to show changes to your policy including changes to your rebate tier and also if there have been changes to the adults on your policy.

As the rebate changed on 1 April 2016, if you paid for your premiums before and on or after 1 April 2016, there will be at least two lines of information.

My ex-spouse has been sent a tax statement and received an allocation of the contributions I paid. Why?

All adults on the policy during the financial year receive an individual tax statement. Contributions and any rebates claimed during the financial year are divided between all adults on the policy. This is represented on each adult's tax statement and is based on who was on the cover at the date the contribution was made to Teachers Health Fund.

What is a rebatable premium?

A rebatable premium is the amount of premium that is eligible for the Australian Government Rebate on private health insurance.

If you have a Lifetime Health Cover (LHC) loading on your policy, the loading amount is not shown on this statement as the PHI statement only shows the amount of premiums that are eligible for the rebate.

How to I tell the total cost of the policy?

If you don't have a LHC loading on your policy, you can subtract the amounts in *Your Australian Government Rebate received (where applicable)* from *Your premiums eligible for Australian Government Rebate*. If there was more than one adult covered on your cover at any time during the 2015/16 financial year you will also need to include the figures in these columns on your partner's tax statement to your calculations.

If you have a LHC loading on your policy, the PHI statement won't show you the total cost of the policy as it only shows the premiums that are eligible for the Australian Government Rebate on private health insurance.

This statement doesn't show any contribution payments for my health insurance this year. Why?

The tax statements only display monies received by Teachers Health Fund during the period 1 July 2015 to 30 June 2016. If you have pre-paid your contributions in the previous financial year, they will not show up in this year's statement.

The amount on my statement is wrong; I paid more than this last year. Why?

If you pre-paid your contributions in the 2015/16 financial up to 30 June 2016 then your tax statement for 2015/16 will not list these contributions. You will see these amounts in your previous

year's statement. If you believe that you made payments during the 2015/16 period and they are not showing, please contact us on **1300 728 188**.

Will my dependant children receive a rebate statement?

No, dependant children will not receive their own statement. Contributions and any rebates claimed during the financial year are divided between all adults on the policy.

Can I claim the Net Medical Expense Tax Offset (NMETO)?

The NMETO allows you to claim a deduction on your out-of-pocket eligible medical expenses if they are over a certain amount in the previous financial year. To find out if you're eligible to claim the offset, visit the [ATO website](#).

How do I get a Tax Claims statement for the NMETO?

To download a copy of your Tax Claims statement, log into the [Online Member Services](#) area and click on the *Benefit Statements* link in the Quick Links section on the home page.

Can I claim the rebate for the entire amount of contributions paid last financial year?

The level of rebate you are entitled to is based on your rebate tier. See below for further details on rebate tiers.

How do I tell what tier I'm on?

The PHI statement doesn't show what rebate tier you have selected as it only shows the premium amounts eligible for the rebate. You can see what tier is currently applied to your membership by logging into the Online Member Services and viewing the Contribution Details page. You can also update the tier applied to your policy online if required.

What do the rebate tiers mean?

Most Australians with private health insurance currently receive a rebate from the Australian Government towards the cost of their contributions. The Australian Government Rebate on private health insurance is income tested.

How do I calculate which tier I should nominate?

The income thresholds for the 2015/16 financial year are as follows:

Income Thresholds				
	Base Tier	Tier 1	Tier 2	Tier 3
Singles	\$90,000 or less	\$90,001 – \$105,000	\$105,001 – \$140,000	\$140,001 or more
Families	\$180,000 or less	\$180,001 – \$210,000	\$210,001 – \$280,000	\$280,001 or more
Age	Private Health Insurance Rebate (1 April 2016 – 30 June 2016)			
Under 65	26.791%	17.861%	8.930%	0%
65 – 69	31.256%	22.326%	13.395%	0%
70 or over	35.722%	26.791%	17.861%	0%
Age	Private Health Insurance Rebate (1 July 2015 – 31 March 2016)			
Under 65	27.820%	18.547%	9.273%	0%
65 – 69	32.457%	23.184%	13.910%	0%
70 or over	37.094%	27.820%	18.547%	0%
MEDICARE LEVY SURCHARGE				
All ages	0.0%	1.0%	1.25%	1.5%

Note: Single parents and couples (including de facto couples) are subject to family tiers. For families with children, the thresholds are increased by \$1,500 for each child after the first.

The tiers are based on your income for Medicare levy surcharge purposes. For more information and to use an income calculator contact the Australian Taxation Office (ATO) on 132 861 or visit ato.gov.au. If your tier has changed for the 2015/16 financial year, don't forget to let us know.

What happens if I have nominated the wrong tier?

If you nominate a tier that results in a lower rebate than your income entitles you to, you will receive a tax offset through your tax return at the end of the financial year.

If you nominate a tier that results in a higher rebate than your income entitles you to, you will incur a tax liability through your tax return at the end of the financial year. This means you could have a tax debt. There are no additional penalties for estimating incorrectly.

If you have any questions regarding the Australian Government Rebate on private health insurance, contact the Australian Taxation Office on 13 28 61.

What is the period of cover for the payments made on the tax and rebate statements?

1 July 2015 to 30 June 2016

Sending out all these tax statements in paper is a waste of money and resources. Do you have to do it?

We have a legislative requirement to provide all adults who were on a private health insurance policy with a statement to assist with their tax returns. This year if a member has elected to receive communications via email, we have sent them an email to advise them to download their statements via online member services. If you wish to receive communications such as tax statements and rate rise notifications via email in the future, you can log on to online member services and elect to receive communications electronically, or call us.