Package 'grattan'

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Title Australian Tax Policy Analysis

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URL https://github.com/HughParsonage/grattan,
https://hughparsonage.github.io/grattan/

BugReports https://github.com/HughParsonage/grattan/issues

Description Utilities to cost and evaluate Australian tax policy, including fast projections of personal income tax collections, high-performance tax and transfer calculators, and an interface to common indices from the Australian Bureau of Statistics. Written to support Grattan Institute's Australian Perspectives program, and related projects. Access to the Australian Taxation Office's sample files of personal income tax returns is assumed.

Depends R (>= 3.5.0)

License GPL-2

Imports checkmate, data.table, grattanInflators (>= 0.4.0), hutils (>= 1.3.0), hutilscpp (>= 0.9.0), ineq (>= 0.2-10), fastmatch, forecast, fy (>= 0.2.0), assertthat (>= 0.1), magrittr (>= 1.5), utils,

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Suggests curl, fst (>= 0.8.4), knitr, rlang, rmarkdown, survey, testthat, tibble, yaml, withr, covr

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Contents

`grattan-package` *The grattan package.*

Description

Grattan package

Details

Tax modelling and other common tasks for Australian policy analysts, in support of the Grattan Institute, Melbourne. <https://grattan.edu.au>

Package options

`grattan.verbose` (`FALSE`) Emit diagnostic messages (via `cat()`))

`grattan.assume1901_2100` (`TRUE`) Assume `yr2fy` receives an integer >= 1901 and <= 2100.

`grattan.taxstats.lib` Package library into which `taxstats` packages will be installed. If `NULL`, a temporary directory is used.

Author(s)

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See Also

Useful links:

- https://github.com/HughParsonage/grattan
- https://hughparsonage.github.io/grattan/
- Report bugs at https://github.com/HughParsonage/grattan/issues

age_grouper *Age grouper*

Description

Age grouper

Usage

```
age_grouper(
  age,
  interval = 10,
  min_age = 25,
  max_age = 75,
  breaks = NULL,
  labels = NULL,
  below = "Below\n",
  exp_min_age = 1L,
  exp_max_age = 100L,
  threshold = 10000L
)
```

Arguments

age	A numeric age (in years).
interval	How big should the age range be. 25-34 means interval = 10.
min_age	What is the upper bound of the lowest bracket? (min_age = 25 means 'Under 25' will be the lowest bracket.)
max_age	What is the lower bound of the highest bracket? (max_age = 75 means '75+' will be the bracket.)
breaks	Specify breaks manually.
labels	Specify the labels manually.
below	String giving the prefix for the lowest bin. (Only applicable if breaks and labels are NULL.)
exp_min_age, exp_max_age	Integers specifying the lowest/highest expected age in age. If any values fall outside this range, ages will still work though perhaps slow when length(age) >> threshold.
threshold	An integer, the minimum length at which the calculation will be accelerated.

Value

An ordered factor giving age ranges (separated by hyphens) as specified.

Examples

```
age_grouper(42)
age_grouper(42, interval = 5, min_age = 20, max_age = 60)
```

`age_pension_age` *Age of eligibility for the Age Pension*

Description

Age of eligibility for the Age Pension

Usage

```
age_pension_age(when = Sys.Date(), sex = "male")
```

Arguments

`when`	Either a Date (or a character vector coercible to such) or a financial year, when the age of eligibility of Age Pension is requested. Defaults to current date.
`sex`	A character vector the same length as `when`, containing strings `"male"` and `"female "`. May be abbreviated to `"m"` or `"f"` and is case-insensitive.

Value

A numeric vector, the age of eligiblity for the Age Pension for each `when`.

Source

`https://guides.dss.gov.au/social-security-guide/3/4/1/10`

Examples

```
age_pension_age()  # Current age of eligiblity
age_pension_age("1995-12-31")
age_pension_age("2013-14")
```

`apply_super_caps_and_div293` *Superannuation caps and Division 293 calculations*

Description

Mutate a sample file to reflect particular caps on concessional contributions and applications of Division 293 tax.

Usage

```
apply_super_caps_and_div293(
  .sample.file,
  colname_concessional = "concessional_contributions",
  colname_div293_tax = "div293_tax",
  colname_new_Taxable_Income = "Taxable_income_for_ECT",
  div293_threshold = 300000,
  cap = 30000,
  cap2 = 35000,
  age_based_cap = TRUE,
  cap2_age = 59,
  ecc = FALSE,
  use_other_contr = FALSE,
  scale_contr_match_ato = FALSE,
  .lambda = 0,
  reweight_late_lodgers = FALSE,
  .mu = 1.05,
  impute_zero_concess_contr = FALSE,
  .min.Sw.for.SG = 450 * 12,
  .SG_rate = 0.0925,
  warn_if_colnames_overwritten = TRUE,
  drop_helpers = FALSE,
  copyDT = TRUE
)
```

Arguments

`.sample.file` A data.table containing at least the variables `sample_file_1314` from the taxstats package.

`colname_concessional`
The name for concessional contributions.

`colname_div293_tax`
The name of the column containing the values of Division 293 tax payable for that taxpayer.

`colname_new_Taxable_Income`
The name of the column containing the new Taxable Income.

`div293_threshold`
: The Division 293 threshold.

`cap`
: The cap on concessional contributions for all taxpayers if `age_based_cap` is FALSE, or for those below the age threshold otherwise.

`cap2`
: The cap on concessional contributions for those above the age threshold. No effect if `age_based_cap` is FALSE.

`age_based_cap`
: Is the cap on concessional contributions age-based?

`cap2_age`
: The age above which `cap2` applies.

`ecc`
: (logical) Should an excess concessional contributions charge be calculated? (Not implemented.)

`use_other_contr`
: Make a (poor) assumption that all 'Other contributions' (`MCS_Othr_Contr`) are concessional contributions. This may be a useful upper bound should such contributions be considered important.

`scale_contr_match_ato`
: (logical) Should concessional contributions be inflated to match aggregates in 2013-14? That is, should concessional contributions by multiplied by `grattan:::super_contribution_` which was defined to be:

$$\frac{\text{Total assessable contributions in SMSF and funds}}{\text{Total contributions in 2013-14 sample file}}$$

.

`.lambda`
: Scalar weight applied to `concessional contributions`. $\lambda = 0$ means no (extra) weight. $\lambda = 1$ means contributions are inflated by the ratio of aggregates to the sample file's total. For $R =$ actual/apparent then the contributions are scaled by $1 + \lambda(R - 1)$.

`reweight_late_lodgers`
: (logical) Should WEIGHT be inflated to account for late lodgers?

`.mu`
: Scalar weight for WEIGHT. ($w' = \mu w$) No effect if `reweight_late_lodgers` is `FALSE`.

`impute_zero_concess_contr`
: Should zero concessional contributions be imputed using salary?

`.min.Sw.for.SG`
: The minimum salary required for super guarantee to be imputed.

`.SG_rate`
: The super guarantee rate for imputation.

`warn_if_colnames_overwritten`
: (logical) Issue a warning if the construction of helper columns will overwrite existing column names in `.sample.file`.

`drop_helpers`
: (logical) Should columns used in the calculation be dropped before the sample file is returned?

`copyDT`
: (logical) Should the data table be `copy()`d? If the action of this data table is being compared, possibly useful.

Value

A data table comprising the original sample file (`.sample.file`) with extra superannuation policy-relevant variables for the policy specified by the function.

Author(s)

Hugh Parsonage, William Young

---

aus_pop_qtr *Australia's population*

Description

Australia's population

Usage

```
aus_pop_qtr(date_quarter, allow.projections = TRUE)
```

Arguments

date_quarter	A character string (YYYY-QQ).
allow.projections	If the date is beyond the ABS's confirmed data, should a projection be used?

Value

The population at `date_quarter`, or at the most recent year in the data if projections are disallowed.

---

aus_pop_qtr_age *Australian estimated resident population by age and date*

Description

Australian estimated resident population by age and date

Usage

```
aus_pop_qtr_age(
  date = NULL,
  age = NULL,
  tbl = FALSE,
  roll = TRUE,
  roll.beyond = FALSE
)
```

Arguments

date	A vector of dates. If NULL, values for all dates are returned in a table. The dates need not be quarters, provided roll != FALSE,
age	A vector of (integer) ages from 0 to 100 inclusive. If NULL, all ages are returned.
tbl	Should a table be returned? If FALSE, a vector is returned.
roll	Should a rolling join be performed?
roll.beyond	Should inputs be allowed to go beyond the limits of data (without a warning)? This is passed to data.table's join, so options other than TRUE and FALSE are available. See ?data.table.

Value

A data.table or vector with values of the estimated resident population.

Examples

```
aus_pop_qtr_age(date = as.Date("2016-01-01"), age = 42)
```

---

awote *AWOTE*

Description

Adult weekly ordinary-time earnings

Usage

```
awote(
  Date = NULL,
  fy.year = NULL,
  rollDate = "nearest",
  isMale = NA,
  isAdult = TRUE,
  isOrdinary = TRUE
)
```

Arguments

Date, fy.year	When the AWOTE is desired.
rollDate	How should the Date be joined to the source data? Passed to data.table.
isMale	(logical, default: NA) TRUE for male weekly earnings, FALSE for female, NA for the weekly earnings of both sexes.
isAdult	(logical, default: TRUE) Use adult weekly earnings?
isOrdinary	Use ordinary weekly earnings?

Examples

```
awote()  # Current AWOTE
```

`bto` *Beneficiary tax offset*

Description

Beneficiary tax offset

Usage

```
bto(
  benefit_amount,
  fy.year = NULL,
  rate1 = 0.15,
  benefit_threshold = 6000,
  tax_threshold = 37000,
  rate2 = 0.15
)
```

Arguments

`benefit_amount`	The amount of Tax Offsetable benefit received by the taxpayer during the income year.
`fy.year`	The income year. Not used by default.
`rate1`	The coefficient in Division 2, section 13(2) of the Income Tax Assessment (1936 Act) Regulation 2015 (the regulations).
`benefit_threshold`	The amount of benefits above which the offset applies.
`tax_threshold`	The *threshold at the upper conclusion of the lowest marginal tax rate* in the words of the section 13(3) of the regulations.
`rate2`	The second coefficient in section 13(3) of the regulations.

Value

The beneficiary tax offset.

WARNING

This function disagrees with the ATO online calculator.

CG_population_inflator *Forecasting capital gains*

Description

Forecasting capital gains

Usage

```
CG_population_inflator(
  x = 1,
  from_fy,
  to_fy,
  forecast.series = "mean",
  cg.series
)

CG_inflator(x = 1, from_fy, to_fy, forecast.series = "mean")
```

Arguments

x	To be inflated.
from_fy, to_fy	Financial years designating the inflation period.
forecast.series	One of "mean", "lower", "upper". What estimator to use in forecasts. "lower" and "upper" give the lower and upper boundaries of the 95% prediction interval.
cg.series	(Not implemented.)

Value

For CG_population_inflator, the number of individuals estimated to incur capital gains in fy_year. For CG_inflator, an estimate of the nominal value of (total) capital gains in to_fy relative to the nominal value in from_fy.

compare_avg_tax_rates *Compare average tax rates by percentile*

Description

To determine the effects of bracket creep on a proposed tax policy, a common task is calculate the change in the average tax rates for each percentile. This function accepts a sample file and a baseline sample file, and returns a 100-row table giving the mean change in average tax rates for each percentile, compared to the baseline.

Usage

```
compare_avg_tax_rates(DT, baseDT, by = "id", ids = NULL)
```

Arguments

DT	A single data.table containing columns new_tax, Taxable_Income, baseline_tax.
baseDT	A data.table of a single cross-section of taxpayers from which baseline percentiles can be produced.
by	How to separate DT
ids	Subset DT by by.

---

cpi_inflator_general_date

CPI for general dates

Description

Deprecated in favour of grattanInflators::cpi_inflator

Usage

```
cpi_inflator_general_date(from_nominal_price = 1, from_date, to_date, ...)
```

Arguments

from_nominal_price	(numeric) the nominal prices to be converted to a real price
from_date	(character, date-like) the 'date' contemporaneous to from_nominal_price. The acceptable forms are 'YYYY', 'YYYY-YY' (financial year), 'YYYY-MM-DD', and 'YYYY-Q[1-4]' (quarters). Note a vector cannot contain a mixture of date forms.
to_date	(character, date-like) the date at which the real price is valued (where the nominal price equals the real price). Same forms as for from_date
...	other arguments passed to cpi_inflator

Value

A vector of real prices in to_date dollars.

`cpi_inflator_quarters` *CPI inflator when dates are nice*

Description

CPI inflator when dates are nice

Usage

```
cpi_inflator_quarters(
  from_nominal_price = 1,
  from_qtr,
  to_qtr,
  adjustment = c("seasonal", "trimmed", "none"),
  useABSConnection = FALSE
)
```

Arguments

`from_nominal_price`	(numeric) the nominal prices to be converted to a real price
`from_qtr`	(date in quarters) the dates contemporaneous to the prices in from_nominal_price. Must be of the form "YYYY-Qq" e.g. "1066-Q2". Q1 = Mar, Q2 = Jun, Q3 = Sep, Q4 = Dec.
`to_qtr`	(date in quarters) the date to be inflated to, where nominal price = real price. Must be of the form "YYYY-Qq" e.g. "1066-Q2".
`adjustment`	Should there be an adjustment made to the index? Adjustments include 'none' (no adjustment), 'seasonal', or 'trimmed' [referring to trimmed mean]. By default, `seasonal`.
`useABSConnection`	Ignored. The internal data was updated on 2022-01-03 to 2021-Q3. Using `useABSConnection = TRUE` is no longer supported for server issues.

Value

A vector of real prices.

differentially_uprate_wage *Differential uprating*

Description

Apply differential uprating to projections of the Sw_amt variable.

Usage

```
differentially_uprate_wage(wage = 1, from, to, ...)
```

Arguments

wage	A numeric vector to be uprated.
from	The financial year contemporaneous to wage, which must be a financial year of an available sample file – in particular, not after 2016-17.
to	The target of the uprating. Passed to wage_inflator.
...	Other arguments passed wage_inflator.

Details

See vignette("differential-uprating").

Value

The vector wage differentially uprated to to_fy.

Author(s)

Hugh Parsonage and William Young

Examples

```
ws <- c(20e3, 50e3, 100e3)
from <- "2013-14"
to <- "2016-17"
differentially_uprate_wage(ws, from, to)
differentially_uprate_wage(ws, from, to) / (ws * wage_inflator(from, to))
```

gdp *Gross Domestic Product, Australia*

Description

Gross domestic product, at contemporaneous prices (called 'current prices' by the ABS).

Usage

```
gdp_qtr(date, roll = "nearest")

gdp_fy(fy_year)
```

Arguments

date	A Date vector or character coercible thereto.
roll	Passed to data.table when joining.
fy_year	Character vector of financial years.

Value

For gdp_qtr, the quarterly GDP for the quarter date nearest (or otherwise using roll). For gdp_fy the sum over the quarters in the financial year provided. If fy_year would provide incomplete data (i.e. only sum three or fewer quarters), a warning is issued. Dates or fy_year outside the available data is neither a warning nor an error, but NA.

Source

Australian Bureau of Statistics, Catalogue 5206.0. Series A2304350J.

generic_inflator *Generic inflator*

Description

Used to inflate variables in the sample file when there is no clear existing index. Note this is an unexported function: it is not available to the end-user.

Usage

```
generic_inflator(
  vars,
  h,
  fy.year.of.sample.file = "2012-13",
  nonzero = FALSE,
  estimator = "mean",
  pred_interval = 80
)
```

Arguments

vars	A character vector of those variables within .sample_file for which forecasts are desired.
h	An integer, how many years ahead should the inflator be targeted.
fy.year.of.sample.file	A string representing the financial year of .sample_file.
nonzero	Should the forecast be taken on all values, or just nonzero values?
estimator	What forecast element should be used: the point estimate ("mean"), or the upper or lower endpoint of a prediction interval?
pred_interval	If estimator is upper or lower, what prediction interval are these the end points of?

Value

A data table of two columns: variable containing vars and inflator equal to the inflator to be applied to that variable to inflate it ahead h years.

---

gni *Gross National Income, Australia*

Description

Gross national income, at contemporaneous prices (called 'current prices' by the ABS).

Usage

```
gni_qtr(date, roll = "nearest")

gni_fy(fy_year)
```

Arguments

date	A Date vector or character coercible thereto.
roll	Passed to data.table when joining.
fy_year	Character vector of financial years.

Value

For gni_qtr, the quarterly GNI for the nearest quarter date. For gni_fy the sum over the quarters in the financial year provided. If fy_year would provide incomplete data (i.e. only sum three or fewer quarters), a warning is issued. Dates or fy_year outside the available data is neither a warning nor an error, but NA.

Source

Australian Bureau of Statistics, Catalogue 5206.0. Series A2304354T.

`income_tax` *Income tax payable*

Description

Income tax payable

Usage

```
income_tax(
  income,
  fy.year = NULL,
  age = NULL,
  .dots.ATO = NULL,
  System = NULL,
  return.mode = c("numeric", "integer", "sum", "mean"),
  nThread = getOption("grattan.nThread", 1L)
)
```

Arguments

`income`	The individual assessable income.
`fy.year`	The financial year in which the income was earned. Tax years 2000-01 to 2018-19 are supported, as well as the tax year 2019-20, for convenience. If `fy.year` is not given, the current financial year is used by default.
`age`	The individual's age. Ignored if `.dots.ATO` is provided (and contains an age variable such as `age_range` or `Birth_year`).
`.dots.ATO`	A data.frame that contains additional information about the individual's circumstances, with columns the same as in the ATO sample files. Age variables in `.dots.ATO` take precedence over `age` and providing both is a warning.
`System`	A `tax-system` created by `System()` or `NULL`, the default, corresponding to the tax system of the given year.
`return.mode`	The mode (numeric or integer) of the returned vector.
`nThread`	Number of threads to use.

Details

The function is inflexible by design. It is designed to return the correct tax payable in a year, not to model the tax payable under different tax settings. (Use `model_income_tax` for that purpose.)

The function aims to produce the personal income tax payable for the inputs given in the tax year `fy.year`. The function is specified to produce the most accurate calculation of personal income tax given the variables in the ATO's 2% sample files. However, many components are absent from these files, while other components could not be computed reliably.

For the 2018-19 tax year, the function calculates

tax on ordinary taxable income The tax as specified in Schedule 7 of the *Income Tax Rates Act 1986* (Cth).

Medicare levy See `medicare_levy` for details.

LITO See `lito` for details.

SAPTO See `sapto`. For years preceding the introduction of SAPTO, the maximum offset is assumed to apply to those above age 65 (since the sample files only provide 5-year age groups).

SBTO See `small_business_tax_offset` for details.

Historical levies The flood levy and the temporary budget repair levy.

Notably, when used with a 2% sample file, the function will not be able to correctly account for different tax rates and offsets among taxpayers with dependants since the sample files (as of 2015-16) do not have this information.

Value

The total personal income tax payable.

Author(s)

Tim Cameron, Brendan Coates, Matthew Katzen, Hugh Parsonage, William Young

Examples

```
## Income tax payable on a taxable income of 50,000
## for the 2013-14 tax year
income_tax(50e3, "2013-14")

## Calculate tax for each lodger in the 2013-14 sample file.

 # library(data.table)
 # library(taxstats)

 # s1314 <- as.data.table(sample_file_1314)
 # s1314[, tax := income_tax(Taxable_Income, "2013-14", .dots.ATO = s1314)]
```

---

inflator *Inflate using a general index*

Description

Inflate using a general index

Usage

```
inflator(
  x = 1,
  from,
  to,
  inflator_table,
  index.col = "Index",
  time.col = "Time",
  roll = NULL,
  max.length = NULL
)
```

Arguments

x	The vector to be inflated.
from	The contemporaneous time of x.
to	The target time (in units of the inflator_table) to which x is to be inflated.
inflator_table	A data.table having columns index.col and time.col.
index.col	The column in inflator_table containing the index used for inflation.
time.col	The column in inflator_table by which times are mapped.
roll	If NULL, inflation is calculated only on exact matches in inflator_table. Otherwise, uses a rolling join. See data.table::data.table.
max.length	(Internal use only). If not NULL, the maximum length of x, from, and to known in advance. May be provided to improve the performance if known.

Value

A vector of inflated values. For example, inflator_table = grattan:::cpi_seasonal_adjustment, index.col = "obsValue", time.col = "obsTime", gives the CPI inflator.

---

install_taxstats *Install 'taxstats' files*

Description

The taxstats packages provide the sample files as released by the ATO. These packages are used for testing, but are not available through CRAN as they are too large.

Usage

```
install_taxstats(pkg = c("taxstats"), ...)
```

Arguments

pkg	The package to install such as "taxstats" or "taxstats1516".
...	Arguments passed to install.packages.

inverse_average_rate *Inverse average tax rate*

Description

Inverse average tax rate

Usage

```
inverse_average_rate(average_rate, ..., .max = 100000000)
```

Arguments

average_rate	The average tax rate ($\frac{tax}{income}$)
...	Parameters passed to income_tax.
.max	The maximum income to test before ending the search. (Used only to prevent infinite loops.)

Value

The minimum income at which the average tax rate exceeds average_rate.

Examples

```
inverse_average_rate(0.2, fy.year = "2014-15")
```

inverse_income *Inverse income tax functions*

Description

Inverse income tax functions

Usage

```
inverse_income(
  tax,
  fy.year = "2012-13",
  zero.tax.income = c("maximum", "zero", "uniform", numeric(1)),
  ...
)
```

Arguments

`tax`	The tax payable.
`fy.year`	The relevant financial year.
`zero.tax.income`	A character vector, ("maximum", "zero", "uniform", numeric(1)) Given that many incomes map to zero taxes, the `income_tax` function is not invertible there. As a consequence, the inverse function's value must be specified for tax = 0. "maximum" returns the maximum integer income one can have with a zero tax liability; "zero" returns zero for any tax of zero; "uniform" provides a random integer from zero to the maximum income with a zero tax. The value can also be specified explicitly.
`...`	Other arguments passed to `income_tax`. If `tax` or `fy.year` are vectors, these should be named vectors.

Details

This function has an error of $2.

Value

The approximate taxable income given the tax payable for the financial year. See Details.

`is.fy` *Convenience functions for dealing with financial years*

Description

From grattan v1.7.1.4, these are reexports from the `fy-package`.

Arguments

`yr_ending`	An integer representing a year.
`fy.yr`	A string suspected to be a financial year.
`date`	A string or date for which the financial year is desired. Note that `yr2fy` does not check its argument is an integer.
`assume1901_2100`	For `yr2fy`, assume that `yr_ending` is between 1901 and 2100, for performance. By default, set to `getOption("grattan.assume1901_2100", TRUE)`.

Details

The following forms are permitted: `2012-13`, `201213`, `2012 13`, only. However, the `2012-13` form is preferred and will improve performance.

Value

For `is.fy`, a logical, whether its argument is a financial year. The following forms are allowed: `2012-13`, `201213`, `2012 13`, only. For `fy.year`, `yr2fy`, and `date2fy`, the financial year. For the inverses, a numeric corresponding to the year.

`fy.year` is a deprecated alias for `yr2fy`, the latter is slightly more efficient, as well as more declarative.

`fy2yr` converts a financial year to the year ending: `fy2yr("2016-17")` returns 2017. `yr2fy` is the inverse: `yr2fy(fy2yr("2016-17")) == "2016-17"`.

`fy2date` converts a financial year to the 30 June of the financial year ending.

`date2fy` converts a date to the corresponding financial year.

Examples

```
is.fy("2012-13")
is.fy("2012-14")
yr2fy(2012)
fy2yr("2015-16")
date2fy("2014-08-09")
```

---

lito *Low Income Tax Offset*

Description

The Low Income Tax Offset (LITO) is a non-refundable tax offset to reduce ordinary personal income tax for low-income earners.

N.B. Since v2.0.0, `lito` only calculates the actual LITO, rather than an offset with custom parameters. For such functionality, use (unexported) `Offset`.

Usage

```
lito(income, fy.year = NULL)

lmito(income, fy.year = NULL)
```

Arguments

`income`	The income on which the offset is applied.
`fy.year`	The financial year for which the LITO is desired.

Value

The LITO or LMITO for the given income and tax year.

max_super_contr_base *Maximum superannuation contribution base*

Description

Data maximum super contribution base.

Usage

```
max_super_contr_base
```

Format

A data frame with 25 rows and 2 variables:

fy_year The financial year.

max_sg_per_qtr Maximum superannuation guarantee per quarter.

Source

ATO.

medicare_levy *Medicare levy*

Description

The (actual) amount payable for the Medicare levy.

Usage

```
medicare_levy(
  income,
  fy.year = "2013-14",
  Spouse_income = 0L,
  sapto.eligible = FALSE,
  sato = NULL,
  pto = NULL,
  family_status = "individual",
  n_dependants = 0L,
  is_married = NULL,
  .checks = FALSE
)
```

Arguments

income	numeric(N) The income for medicare levy purposes of the taxpayer.
fy.year	character(1) **or** character(N) **or** fy(N) **or** fy(1) The tax year in which income was earned. A vector satisfying fy::validate_fys_permitted.
Spouse_income	numeric(1) **or** numeric(N) The income of the taxpayer's spouse. Missing values are imputed to zeroes. Values are truncated to integer.
sapto.eligible	logical(1) **or** logical(N) Is the taxpayer entitled to the SAPTO thresholds? Missing values are imputed to FALSE.
sato, pto	Is the taxpayer eligible for the Senior Australians Tax Offset or Pensions Tax Offset? pto = TRUE not supported and will be set to FALSE, with a warning.
family_status	(Deprecated: use 'is_married' and 'n_dependants' instead)
n_dependants	integer(N) **or** integer(1) Number of dependants the taxpayer has. If nonzero, the taxpayer is entitled to the family thresholds of the Medicare levy, and each dependant child increases the thresholds.
is_married	logical(N) Is the taxpayer married? Married individuals (or those whose Spouse_income > 0) are deemed to be families when determining cut-off thresholds.
.checks	Whether or not to perform checks on inputs.

Details

The Medicare levy for individuals is imposed by the *Medicare Levy Act 1986* (Cth). The function only calculates the levy for individuals (not trusts). It includes the s 7 *Levy in cases of small incomes*, including the differences for those eligible for sapto. s 8 *Amount of levy—person who has spouse or dependants* (though the number of dependants is not a variable in the sample files).

The function does **not** include the Medicare levy surcharge; it assumes that all persons (who would potentially be liable for it) avoided it.

The Seniors and Pensioners Tax Offset was formed in 2012-13 as an amalgam of the Senior Australians Tax Offset and the Pensions Tax Offset. Medicare rates before 2012-13 were different based on these offsets. For most taxpayers, eligibility would be based on whether your age is over the pension age (currently 65). If sato and pto are NULL, sapto.eligible stands for eligibility for the sato and not pto. If sato or pto are not NULL for such years, only sato is currently considered. Supplying pto independently is currently a warning.

See https://classic.austlii.edu.au/au/legis/cth/consol_act/mla1986131/ for the *Medicare Levy Act 1986* (Cth).

Value

The Medicare levy payable for that taxpayer.

model_income_tax *Modelled Income Tax*

Description

The income tax payable if tax settings are changed.

Usage

```
model_income_tax(
  sample_file,
  baseline_fy,
  elasticity_of_taxable_income = NULL,
  ordinary_tax_thresholds = NULL,
  ordinary_tax_rates = NULL,
  medicare_levy_taper = NULL,
  medicare_levy_rate = NULL,
  medicare_levy_lower_threshold = NULL,
  medicare_levy_upper_threshold = NULL,
  medicare_levy_lower_sapto_threshold = NULL,
  medicare_levy_upper_sapto_threshold = NULL,
  medicare_levy_lower_family_threshold = NULL,
  medicare_levy_upper_family_threshold = NULL,
  medicare_levy_lower_family_sapto_threshold = NULL,
  medicare_levy_upper_family_sapto_threshold = NULL,
  medicare_levy_lower_up_for_each_child = NULL,
  lito_max_offset = NULL,
  lito_taper = NULL,
  lito_min_bracket = NULL,
  lito_multi = NULL,
  offsets = NULL,
  Budget2018_lamington = FALSE,
  Budget2019_lamington = NA,
  Budget2018_lito_202223 = FALSE,
  Budget2018_watr = FALSE,
  Budget2019_watr = FALSE,
  sapto_eligible = NULL,
  sapto_max_offset = NULL,
  sapto_lower_threshold = NULL,
  sapto_taper = NULL,
  sapto_max_offset_married = NULL,
  sapto_lower_threshold_married = NULL,
  sapto_taper_married = NULL,
  sbto_discount = NULL,
  cgt_discount_rate = NULL,
  calc_baseline_tax = TRUE,
  return. = c("sample_file", "tax", "sample_file.int"),
```

```
  clear_tax_cols = TRUE,
  warn_upper_thresholds = TRUE,
  .debug = FALSE
)
```

Arguments

`sample_file` A sample file having at least as many variables as the 2012-13 sample file.

`baseline_fy` If a parameter is not selected, the parameter's value in this tax year is used.

Must be a valid tax year and one for which `income_tax` has been programmed.

`elasticity_of_taxable_income`

Either `NULL` (the default), or a numeric vector the same length of `sample_file` (or length-1) providing the elasticity of taxable income for each observation in `sample_file`;

$$\frac{\Delta z/z}{\Delta\tau/(1-\tau)}$$

where z is taxable income and τ is tax payable.

For example, if, for a given taxpayer, the tax settings would otherwise result in a 2% decrease of disposable income under the tax settings to be modelled, and `elasticity_of_taxable_income` is set to 0.1, the `Taxable_Income` is reduced by 0.2% before the tax rates are applied.

If `NULL`, an elasticity of 0 is used.

`ordinary_tax_thresholds`

A numeric vector specifying the lower bounds of the brackets for "ordinary tax" as defined by the Regulations. The first element should be zero if there is a tax-free threshold.

`ordinary_tax_rates`

The marginal rates of ordinary tax. The first element should be zero if there is a tax-free threshold. Since the temporary budget repair levy was imposed on a discrete tax bracket when it applied, it is not included in this function.

`medicare_levy_taper`

The taper that applies between the `_lower` and `_upper` thresholds.

`medicare_levy_rate`

The ordinary rate of the Medicare levy for taxable incomes above `medicare_levy_upper_threshold`.

`medicare_levy_lower_threshold`

Minimum taxable income at which the Medicare levy will be applied.

`medicare_levy_upper_threshold`

Minimum taxable income at which the Medicare levy will be applied at the full Medicare levy rate (2% in 2015-16). Between this threshold and the `medicare_levy_lower_threshold`, a tapered rate applies, starting from zero and climbing to `medicare_levy_rate`.

`medicare_levy_lower_sapto_threshold`, `medicare_levy_upper_sapto_threshold`

The equivalent values for SAPTO-eligible individuals (not families).

`medicare_levy_lower_family_threshold`, `medicare_levy_upper_family_threshold`

The equivalent values for families.

`medicare_levy_lower_family_sapto_threshold`,
`medicare_levy_upper_family_sapto_threshold`

The equivalent values for SAPTO-eligible individuals in a family.

medicare_levy_lower_up_for_each_child
: The amount to add to the _family_thresholds for each dependant child.

lito_max_offset
: (deprecated) The maximum offset available for low incomes.

lito_taper
: (deprecated) The taper to apply beyond lito_min_bracket.

lito_min_bracket
: (deprecated) The taxable income at which the value of the offset starts to reduce (from lito_max_offset).

lito_multi
: No longer supported.

offsets
: A list of lists created by set_offsets. If NULL, the default, the list is populated by the offsets in baseline_fy.

Budget2018_lamington
: No longer supported

Budget2019_lamington
: No longer supported.

Budget2018_lito_202223
: No longer supported.

Budget2018_watr
: No longer supported

Budget2019_watr
: No longer supported.

sapto_eligible
: Whether or not each taxpayer in sample_file is eligible for SAPTO. If NULL, the default, then eligibility is determined by age_range in sample_file; *i.e.*, if age_range <= 1 then the taxpayer is assumed to be eligible for SAPTO.

sapto_max_offset
: The maximum offset available through SAPTO.

sapto_lower_threshold
: The threshold at which SAPTO begins to reduce (from sapto_max_offset).

sapto_taper
: The taper rate beyond sapto_lower_threshold.

sapto_max_offset_married, sapto_lower_threshold_married, sapto_taper_married
: As above, but applied to members of a couple

sbto_discount
: The tax_discount in small_business_tax_offset.

cgt_discount_rate
: (numeric(1)) The capital gains tax discount rate, currently 50%.

calc_baseline_tax
: (logical, default: TRUE) Should the income tax in baseline_fy be included as a column in the result?

return.
: What should the function return? One of tax, sample_file, or sample_file.int. If tax, the tax payable under the settings; if sample_file, the sample_file, but with variables tax and possibly new_taxable_income; if sample_file.int, same as sample_file but new_tax is coerced to integer.

clear_tax_cols
: If TRUE, the default, then return. = sample_file implies any columns called new_tax or baseline_tax in sample_file are dropped silently.

warn_upper_thresholds
: If TRUE, the default, then any inconsistency between baseline_fy and the upper thresholds result in a warning. Set to FALSE, if the lower_thresholds may take priority.

.debug
: Return a data.table of new_tax. Experimental so cannot be relied in future versions.

Examples

```
library(data.table)
library(hutils)

# With new tax-free threshold of $20,000:
# if (requireNamespace("taxstats", quietly = TRUE) && FALSE) {
# library(taxstats)
# library(magrittr)
#
# model_income_tax(sample_file_1314,
#                  "2013-14",
#                  ordinary_tax_thresholds = c(0, 20e3, 37e3, 80e3, 180e3)) %>%
 #   select_grep("tax", "Taxable_Income")
#
# }
```

---

model_new_caps_and_div293

Modelling superannuation changes

Description

Model changes to the contributions cap, Division 293 threshold and related modelling. Note: defaults are relevant to pre-2017 for compatibility.

Usage

```
model_new_caps_and_div293(
  .sample.file,
  fy.year,
  new_cap = 30000,
  new_cap2 = 35000,
  new_age_based_cap = TRUE,
  new_cap2_age = 49,
  new_ecc = FALSE,
  new_contr_tax = "15%",
  new_div293_threshold = 300000,
  use_other_contr = FALSE,
  scale_contr_match_ato = FALSE,
```

```
  .lambda = 0,
  reweight_late_lodgers = TRUE,
  .mu = 1.05,
  impute_zero_concess_contr = TRUE,
  .min.Sw.for.SG = 450 * 12,
  .SG_rate = 0.0925,
  prv_cap = 30000,
  prv_cap2 = 35000,
  prv_age_based_cap = TRUE,
  prv_cap2_age = 49,
  prv_ecc = FALSE,
  prv_div293_threshold = 300000
)

n_affected_from_new_cap_and_div293(..., adverse_only = TRUE)

revenue_from_new_cap_and_div293(...)
```

Arguments

`.sample.file`	A `data.table` whose variables include those in `taxstats::sample_file_1314`.
`fy.year`	The financial year tax scales.
`new_cap`	The **proposed** cap on concessional contributions for all taxpayers if `age_based_cap` is FALSE, or for those below the age threshold otherwise.
`new_cap2`	The **proposed** cap on concessional contributions for those above the age threshold. No effect if `age_based_cap` is FALSE.
`new_age_based_cap`	Is the **proposed** cap on concessional contributions age-based?
`new_cap2_age`	The age above which `new_cap2` applies.
`new_ecc`	(logical) Should an excess concessional contributions charge be calculated? (Not implemented.)
`new_contr_tax`	A string to determine the contributions tax.
`new_div293_threshold`	The **proposed** Division 293 threshold.
`use_other_contr`	Should `MCS_Othr_Contr` be used to calculate Division 293 liabilities?
`scale_contr_match_ato`	(logical) Should concessional contributions be inflated to match aggregates in 2013-14? That is, should the concessional contributions by multiplied by the internal constant `grattan:::super_contribution_inflator_1314`, which was defined to be: $$\frac{\text{Total assessable contributions in SMSF and funds}}{\text{Total contributions in 2013-14 sample file}}$$.

`.lambda` Scalar weight applied to `concessional contributions`. $\lambda = 0$ means no (extra) weight. $\lambda = 1$ means contributions are inflated by the ratio of aggregates to the sample file's total. For $R =$ actual/apparent then the contributions are scaled by $1 + \lambda(R - 1)$.

`reweight_late_lodgers`
(logical) Should WEIGHT be inflated to account for late lodgers?

`.mu` Scalar weight for WEIGHT. ($w' = \mu w$) No effect if `reweight_late_lodgers` is `FALSE`.

`impute_zero_concess_contr`
Should zero concessional contributions be imputed using salary?

`.min.Sw.for.SG` The minimum salary required for super guarantee to be imputed.

`.SG_rate` The super guarantee rate for imputation.

`prv_cap` The **comparator** cap on concessional contributions for all taxpayers if `age_based_cap` is FALSE, or for those below the age threshold otherwise.

`prv_cap2` The **comparator** cap on concessional contributions for those above the age threshold. No effect if `age_based_cap` is FALSE.

`prv_age_based_cap`
Is the **comparator** cap on concessional contributions age-based?

`prv_cap2_age` The age above which `new_cap2` applies.

`prv_ecc` (logical) Should an excess concessional contributions charge be calculated? (Not implemented.)

`prv_div293_threshold`
The **comparator** Division 293 threshold.

`...` Passed to `model_new_caps_and_div293`.

`adverse_only` Count only individuals who are adversely affected by the change.

Value

For `model_new_caps_and_div293`, a `data.frame`, comprising the variables in `.sample.file`, the superannuation variables generated by `apply_super_caps_and_div293`, and two variables, `prv_revenue` and `new_revenue`, which give the tax (income tax, super tax, and division 293 tax) payable by that taxpayer in the comparator scenario and the proposed scenario, respectively.

For `n_affected_from_new_cap_and_div293`, the number of individuals affected by the proposed changes.

For `revenue_from_new_cap_and_div293`, the extra revenue expected from the proposed changes.

Examples

```
# if (requireNamespace("taxstats", quietly = TRUE)) {
#   library(data.table)
#   s1314 <- taxstats::sample_file_1314
#   s1314[, WEIGHT := 50L]
#   revenue_from_new_cap_and_div293(s1314, new_cap = 12e3, "2016-17")
#   revenue_from_new_cap_and_div293(s1314, new_contr_tax = "mr - 15%", "2016-17")
# }
```

npv *Financial functions*

Description

Financial functions from Excel. These functions are equivalent to the Excel functions of the same name (in uppercase).

Usage

```
npv(rate, values)

irr(x, start = 0.1)

fv(rate, nper, pmt, pv = 0, type = 0)

pv(rate, nper, pmt, fv = 0, type = 0)

pmt(rate, nper, pv, fv = 0, type = 0)
```

Arguments

rate	Discount or interest rate.
values	Income stream.
x	Cash flow.
start	Initial guess to start the iterative process.
nper	Number of periods
pmt	Payments.
pv	Present value.
type	Factor.
fv	Future value.

Author(s)

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Examples

```
npv(0.07, c(1, 2))
irr(x = c(1, -1), start = 0.1)
fv(0.04, 7, 1, pv = 0.0, type = 0)
pv(rate = 0.08, nper = 7, pmt = 1, fv = 0.0, type = 0)
pmt(rate = 0.025, nper = 7, pv = 0, fv = 0.0, type = 0)
```

`progressivity` *Compute the progressivity*

Description

Compute the progressivity

Usage

```
progressivity(income, tax, measure = c("Reynolds-Smolensky", "Kakwani"))
```

Arguments

`income`	Pre-tax income.
`tax`	Tax paid.
`measure`	Currently, only "Reynolds-Smolensky" progressivity is calculated: $$G_Y - G_Z$$ where G_Y is the Gini coefficient of `income` and G_X is the Gini coefficient of post-tax income.

Value

The progressivity measure. Positive for progressive tax systems, and higher the value the more progressive the system.

Examples

```
I <- c(10e3, 20e3, 50e3, 100e3, 150e3)
progressivity(I, 0.3 * I) # zero
progressivity(I, income_tax(I, "2017-18"))
```

`prohibit_length0_vectors` *Prohibit zero lengths*

Description

Tests whether any vectors have zero length.

Usage

```
prohibit_length0_vectors(...)
```

Arguments

...	A list of vectors

Value

An error message if any of the vectors ... have zero length.

---

prohibit_unequal_length_vectors *Prohibit unequal length vectors*

Description

Tests whether all vectors have the same length.

Usage

```
prohibit_unequal_length_vectors(...)
```

Arguments

...	Vectors to test.

Value

An error message unless all of ... have the same length in which case NULL, invisibly.

---

project *Simple projections of the annual 2% samples of Australian Taxation Office tax returns.*

Description

Simple projections of the annual 2% samples of Australian Taxation Office tax returns.

Usage

```
project(
  sample_file,
  h = 0L,
  fy.year.of.sample.file = NULL,
  WEIGHT = 50L,
  excl_vars = NULL,
  forecast.dots = list(estimator = "mean", pred_interval = 80),
  wage.series = NULL,
```

```
  lf.series = NULL,
  use_age_pop_forecast = FALSE,
  .recalculate.inflators = NA,
  .copyDT = TRUE,
  check_fy_sample_file = TRUE,
  differentially_uprate_Sw = NA,
  r_super_balance = 1.05,
  r_generic = NULL
)
```

Arguments

sample_file	A data.table matching a 2% sample file from the ATO. See package taxstats for an example.
h	An integer. How many years should the sample file be projected?
fy.year.of.sample.file	The financial year of sample_file. If NULL, the default, the number is inferred from the number of rows of sample_file to be one of 2012-13, 2013-14, 2014-15, 2015-16, or 2016-17.
WEIGHT	The sample weight for the sample file. (So a 2% file has WEIGHT = 50.)
excl_vars	A character vector of column names in sample_file that should not be inflated. Columns not present in the 2013-14 sample file are not inflated and nor are the columns Ind, Gender, age_range, Occ_code, Partner_status, Region, Lodgment_method, and PHI_Ind.
forecast.dots	A list containing parameters to be passed to generic_inflator.
wage.series	See wage_inflator. Note that the Sw_amt will uprated by differentially_uprate_wage (if requested).
lf.series	See lf_inflator.
use_age_pop_forecast	Should the inflation of the number of taxpayers be moderated by the number of resident persons born in a certain year? If TRUE, younger ages will grow at a slightly higher rate beyond 2018 than older ages.
.recalculate.inflators	(logical, default: NA). Should generic_inflator() or CG_inflator be called to project the other variables? Adds time. Default NA means TRUE if the pre-calculated inflators are available, FALSE otherwise.
.copyDT	(logical, default: TRUE) Should a copy() of sample_file be made? If set to FALSE, will update sample_file in place, which may be necessary when memory is constrained, but is dangerous as it modifies the original data and its projection. (So if you run the same code twice you may end up with a projection 2h years ahead, not h years.)
check_fy_sample_file	(logical, default: TRUE) Should fy.year.of.sample.file be checked against sample_file? By default, TRUE, an error is raised if the base is not 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, or 2017-18, and a warning is raised if the number of rows in sample_file is different to the known number of rows in the sample files.

differentially_uprate_Sw
: (logical, default: NA) Should the salary and wage column (Sw_amt) be differentially uprated using (differentially_uprate_wage)? Default of NA means use differential uprating is used when fy.year.of.sample.file <= "2016-17". It is known that the Treasury stopped using differential uprating by 2019.

  Selecting TRUE for fy.year.of.sample.file > "2016-17" is an error as the precalculated values are not available.

r_super_balance
: The factor to inflate super balances by (annualized). Set to 1.05 for backwards compatibility. The annual superannuation bulletin of June 2019 from APRA reported 7.3% growth of funds with more than fund members over the previous 5 years and 7.9% growth over the previous ten years.

r_generic
: (Present from version 2024.1.0) The factor to inflate other columns. Subject to change in future versions. If NULL, the default, an internal factor is used.

Details

Currently components of taxable income are individually inflated based on their historical trends in the ATO sample files, with the exception of:

inflated using differentially_uprate_wage**.** Sw_amt

inflated using wage_inflator Alow_ben_amt, ETP_txbl_amt, Rptbl_Empr_spr_cont_amt, Non_emp_spr_amt, MCS_Emplr_Contr, MCS_Prsnl_Contr, MCS_Othr_Contr

inflated using cpi_inflator WRE_car_amt, WRE_trvl_amt, WRE_uniform_amt, WRE_self_amt, WRE_other_amt

inflated by lf_inflator WEIGHT

inflated by CG_inflator Net_CG_amt, Tot_CY_CG_amt

Superannuation balances are inflated by a fixed rate of 5% p.a.

We recommend you use sample_file_1213 over sample_file_1314, unless you need the superannuation variables, as the latter suggests lower-than-recorded tax collections. However, more recent data is of course preferable.

Value

A sample file with the same number of rows as sample_file but with inflated values as a forecast for the sample file in to_fy. If WEIGHT is not already a column of sample_file, it will be added and its sum will be the predicted number of taxpayers in to_fy.

---

project_to *Simple projections of the annual 2% samples of Australian Taxation Office tax returns.*

Description

Simple projections of the annual 2% samples of Australian Taxation Office tax returns.

Usage

```
project_to(sample_file, to_fy, fy.year.of.sample.file = NULL, ...)
```

Arguments

sample_file	A data.table matching a 2% sample file from the ATO. See package taxstats for an example.
to_fy	A string like "1066-67" representing the financial year for which forecasts of the sample file are desired.
fy.year.of.sample.file	The financial year of sample_file. See project for the default.
...	Other arguments passed to project.

Value

A sample file with the same number of rows as sample_file but with inflated values as a forecast for the sample file in to_fy. If WEIGHT is not already a column of sample_file, it will be added and its sum will be the predicted number of taxpayers in to_fy.

---

rebate_income *Rebate income*

Description

Rebate income

Usage

```
rebate_income(
  Taxable_Income,
  Rptbl_Empr_spr_cont_amt = 0,
  All_deductible_super_contr = 0,
  Net_fincl_invstmt_lss_amt = 0,
  Net_rent_amt = 0,
  Rep_frng_ben_amt = 0
)
```

Arguments

Taxable_Income	the taxable income
Rptbl_Empr_spr_cont_amt	The reportable employer superannuation contributions amount
All_deductible_super_contr	deductible personal superannuation contributions
Net_fincl_invstmt_lss_amt	Net financial investment loss

`Net_rent_amt` (for Rental deductions)

`Rep_frng_ben_amt`
Reportable fringe-benefits

Source

Original URL was https://www.ato.gov.au/Individuals/Tax-return/2015/Tax-return/Tax-offset-questions-T1-T2/Rebate-income-2015/

`require_taxstats` *Attach a 'taxstats' package*

Description

Used in lieu of simply `library(taxstats)` to handle cases where it is not installed, but should not be installed to the user's default library (as during CRAN checks).

Usage

```
require_taxstats()

require_taxstats1516()
```

Value

`TRUE`, invisibly, for success. Used for its side-effect: attaching the taxstats package.

`residential_property_prices`
Residential property prices in Australia

Description

Residential property prices indexes for the capital cities of Australia, and a weighted average for the whole country. Last updated 2018-07-06.

Usage

```
residential_property_prices
```

Format

A `data.table` of three columns and 522 observations:

Date Date of the index

City Capital city (or `Australia (weighted average)`)

Residential_property_price_index An index (100 = 2011-12-01) measuring the price change in all residential dwellings.

Source

ABS Cat 6416.0. https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/residential-property-price-indexes-eight-capital-cities/latest-release.

`revenue_foregone` *Revenue foregone from a modelled sample file*

Description

Revenue foregone from a modelled sample file

Usage

```
revenue_foregone(dt, revenue_positive = TRUE, digits = NULL)
```

Arguments

`dt`	A `data.table` from `model_income_tax`.
`revenue_positive`	If `TRUE`, the default, tax increase (revenue) is positive and tax cuts are negative.
`digits`	If not `NULL`, affects the print method of the value.

`sapto` *Seniors and Pensioner Tax Offset*

Description

Seniors and Pensioner Tax Offset

Usage

```
sapto(
  rebate_income,
  fy.year,
  fill = 0,
  sapto.eligible = TRUE,
  Spouse_income = 0,
  family_status = "single",
  on_sapto_cd = "A",
  .check = TRUE
)
```

Arguments

rebate_income	The rebate income of the individual.
fy.year	The financial year in which sapto is to be calculated.
fill	If SAPTO was not applicable, what value should be used?
sapto.eligible	Is the individual eligible for sapto?
Spouse_income	Spouse income whose unutilized SAPTO may be added to the current taxpayer. Must match family_status; i.e. can only be nonzero when family_status != "single".
family_status	Family status of the individual.
on_sapto_cd	SAPTO claim code type (for non-veterans). A letter A-E. A = single, B = lived apart due to illness and spouse was eligible, C = lived apart but spouse ineligible, D = lived together, both eligible for sapto, E = lived together, spouse ineligible. Only "A" and "D" are supported.
.check	Run checks for consistency of values. For example, ensuring no single individuals have positive Spouse_income.

---

set_offset *Set offsets*

Description

Create parameters for tax offsets.

Usage

```
set_offset(
  offset_1st = integer(1),
  thresholds = integer(),
  tapers = double(),
  refundable = logical(1)
)

set_offsets(
  ...,
  yr = NULL,
  lito_max_offset = NULL,
  lito_taper = NULL,
  lito_min_bracket = NULL,
  lito_multi = NULL
)

the_MAX_N_OFFSETN()
```

Arguments

offset_1st	integer(1) The offset available for zero income.
thresholds	integer(N) An sorted integer vector, the thresholds above which each taper applies.
tapers	double(N) The tapers above each threshold. Positive tapers mean that the offset reduces for every dollar above the corresponding threshold.
refundable	bool(1) If FALSE, the default, offsets are non-refundable, meaning that the offset cannot reduce the tax below zero.
...	A set of offsets created by set_offset. May not exceed the_MAX_N_OFFSETN().
yr	NULL / integer(1) If NULL, only the offsets created by ... are used. Otherwise, inherits offsets (such as LITO and LMITO) from the corresponding year.
lito_max_offset, lito_taper, lito_min_bracket, lito_multi	deprecated arguments to adjust (single-threshold) LITO.

Value

set_offset A list of four elements, offset_1st, thresholds, tapers, refundable.

set_offsets A list of lists created by set_offset.

the_MAX_N_OFFSETN The maximum number of offsets that may be used.

---

small_business_tax_offset

Small Business Tax Offset

Description

Small Business Tax Offset

Usage

```
small_business_tax_offset(
  taxable_income,
  basic_income_tax_liability,
  .dots.ATO = NULL,
  aggregated_turnover = NULL,
  total_net_small_business_income = NULL,
  fy_year = NULL,
  tax_discount = NULL
)
```

Arguments

`taxable_income` Individual's assessable income.

`basic_income_tax_liability`

Tax liability (in dollars) according to the method in the box in s 4.10(3) of the *Income Tax Assessment Act 1997* (Cth). In general, `basic_income_tax_liability` is the ordinary tax minus offsets. In particular, it does not include levies (such as the Medicare levy or the Temporary Budget Repair Levy).

$$\text{Income Tax} = \text{Taxable income} \times \text{Rate} - \text{Tax offsets}$$

For example, in 2015-16, an individual with an assessable income of 100,000 had a basic tax liability of approximately 25,000.

`.dots.ATO` A `data.table` of tax returns. If provided, it must contain the variables `Total_PP_BE_amt`, `Total_PP_BI_amt`, `Total_NPP_BE_amt`, `Total_NPP_BI_amt`. If both `.dots.ATO` and either `aggregated_turnover` or `total_net_small_business_income` are provided, `.dots.ATO` takes precedence, with a warning.

If `.dots.ATO` contains the variable `Tot_net_small_business_inc`, it is used instead of the income variables.

`aggregated_turnover`

A numeric vector the same length as `taxable_income`. Only used to determine whether or not the offset is applicable; that is, the offset only applies if aggregated turnover is less than 2 million.

Aggregated turnover of a taxpayer is the sum of the following:

- the taxpayer's annual turnover for the income year,
- the annual turnover of any entity connected with the taxpayer's, for that part of the income year that the entity is connected with the taxpayer's
- the annual turnover of any entity that is an affiliate of the taxpayer, for that part of the income year that the entity is affiliated with the taxpayer's
- When you calculate aggregated turnover for an income year, do not include either:
  - the annual turnover of other entities for any period of time that the entities are either not connected with the taxpayer or are not the taxpayer's affiliate, or
  - amounts resulting from any dealings between these entities for that part of the income year that the entity is connected or affiliated with the taxpayer.

Original URL was https://www.ato.gov.au/Business/Research-and-development-tax-incentive/Claiming-the-tax-offset/Steps-to-claiming-the-tax-offset/Step-3—Calculate-your-aggregated-turnover/

`total_net_small_business_income`

Total net business income within the meaning of the Act. For most taxpayers, this is simply any net income from a business they own (or their share of net income from a business in which they have an interest). The only difference being in the calculation of the net business income of some minors (vide Division 6AA of Part III of the Act).

`fy_year` The financial year for which the small business tax offset is to apply.

`tax_discount` If you do not wish to use the legislated discount rate from a particular `fy_year`, you can specify it via `tax_discount`. If both are provided, `tax_discount` prevails, with a warning.

Source

Basic income tax method s4-10(3) https://classic.austlii.edu.au/au/legis/cth/consol_act/itaa1997240/s4.10
Explanatory memorandum https://github.com/HughParsonage/grattan/blob/master/data-raw/parlinfo/small-biz-explanatory-memo-2015.pdf from the original http://parlinfo.aph.gov.au/parlInfo/downl

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`System` *FUNCTION_TITLE*

Description

FUNCTION_DESCRIPTION

Usage

```
System(
  yr,
  ordinary_tax_thresholds = NULL,
  ordinary_tax_rates = NULL,
  medicare_levy_taper = NULL,
  medicare_levy_rate = NULL,
  medicare_levy_lower_threshold = NULL,
  medicare_levy_lower_sapto_threshold = NULL,
  medicare_levy_lower_family_threshold = NULL,
  medicare_levy_lower_family_sapto_threshold = NULL,
  medicare_levy_lower_up_for_each_child = NULL,
  medicare_levy_upper_sapto_threshold = NULL,
  medicare_levy_upper_family_threshold = NULL,
  medicare_levy_upper_family_sapto_threshold = NULL,
  medicare_levy_upper_threshold = NULL,
  Offsets = NULL,
  sapto_max_offset = NULL,
  sapto_lower_threshold = NULL,
  sapto_taper = NULL,
  sapto_max_offset_married = NULL,
  sapto_lower_threshold_married = NULL,
  sapto_taper_married = NULL,
  sapto_max_offset_illness = NULL,
  sapto_lower_threshold_illness = NULL,
  sapto_pension_age = NULL,
  fix = 0L
)
```

Arguments

yr	integer(1) A year.
ordinary_tax_thresholds	A numeric vector specifying the lower bounds of the brackets for "ordinary tax" as defined by the Regulations. The first element should be zero if there is a tax-free threshold.
ordinary_tax_rates	The marginal rates of ordinary tax. The first element should be zero if there is a tax-free threshold. Since the temporary budget repair levy was imposed on a discrete tax bracket when it applied, it is not included in this function.
medicare_levy_taper	The taper that applies between the _lower and _upper thresholds.
medicare_levy_rate	The ordinary rate of the Medicare levy for taxable incomes above medicare_levy_upper_threshold.
medicare_levy_lower_threshold	Minimum taxable income at which the Medicare levy will be applied.
medicare_levy_lower_sapto_threshold, medicare_levy_upper_sapto_threshold	The equivalent values for SAPTO-eligible individuals (not families).
medicare_levy_lower_family_threshold, medicare_levy_upper_family_threshold	The equivalent values for families.
medicare_levy_lower_family_sapto_threshold, medicare_levy_upper_family_sapto_threshold	The equivalent values for SAPTO-eligible individuals in a family.
medicare_levy_lower_up_for_each_child	The amount to add to the _family_thresholds for each dependant child.
medicare_levy_upper_threshold	Minimum taxable income at which the Medicare levy will be applied at the full Medicare levy rate (2% in 2015-16). Between this threshold and the medicare_levy_lower_threshold, a tapered rate applies, starting from zero and climbing to medicare_levy_rate.
Offsets	List of offsets created by set_offsets.
sapto_max_offset	The maximum offset available through SAPTO.
sapto_lower_threshold	The threshold at which SAPTO begins to reduce (from sapto_max_offset).
sapto_taper	The taper rate beyond sapto_lower_threshold.
sapto_max_offset_married, sapto_taper_married, sapto_max_offset_illness	sapto_lower_threshold_married, sapto_lower_threshold_illness, As above, but applied to members of a couple.
sapto_pension_age	The age at and above which the SAPTO is to apply.
fix	integer(1) If 0L, the default, an error will be emitted if parameters are inconsistent; if 1L, inconsistencies will be fixed.

Details

A list describing a tax system

`validate_date` *Verifying validity of dates*

Description

Many functions expect Dates. Determining that they are validly entered is often quite computationally costly, relative to the core calculations. These internal functions provide mechanisms to check validity quickly, while still providing clear, accurate error messages.

Usage

```
validate_date(date_to_verify, from = NULL, to = NULL, deparsed = "Date")
```

Arguments

`date_to_verify`	(character) A user-provided value, purporting to be character vector of dates.
`from`, `to`	Indicating the range of years valid for `date_to_verify`. Default set to -Inf and Inf respectively (i.e. there is no bound)
`deparsed`	The name of variable to appear in error messages.

Value

`date_to_verify` as a Date object, provided it can be converted to a Date and all elements are within the bounds `from` and `to`.

Examples

```
validate_date("2020-01-01")
```

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