

NET MEDICAL EXPENSE TAX OFFSET PHASE OUT

Did you know that the medical tax offset will be phased out by 2019?

As part of the 2013-14 Budget, the government announced that it will phase out the net medical expense offset (NMETO) with a “use it or lose it” policy.

This will mean that if you did not claim the NMETO in your 2012-13 year tax return, you will not be eligible for the offset in any future year, except for eligible out-of-pocket expenses relating to disability aids, attendant care or aged care expenses which will be available until 1 July 2019.

If you received the NMETO in your 2012-13 tax return, you will be eligible to receive the offset for all eligible out-of-pocket medical expenses in your 2013-14 tax return. Similarly, those who receive the tax offset in their 2013-14 tax return will be eligible for the FINAL YEAR of the offset in 2014-15.

Please Note:

The financial year you do not claim the NMETO leading up to 30 June 2015, will mean you cease to be eligible for future year claims. However, you can still claim the offset for eligible expenses relating to disability aids, attendant care or aged care expenses until 1 July 2019.