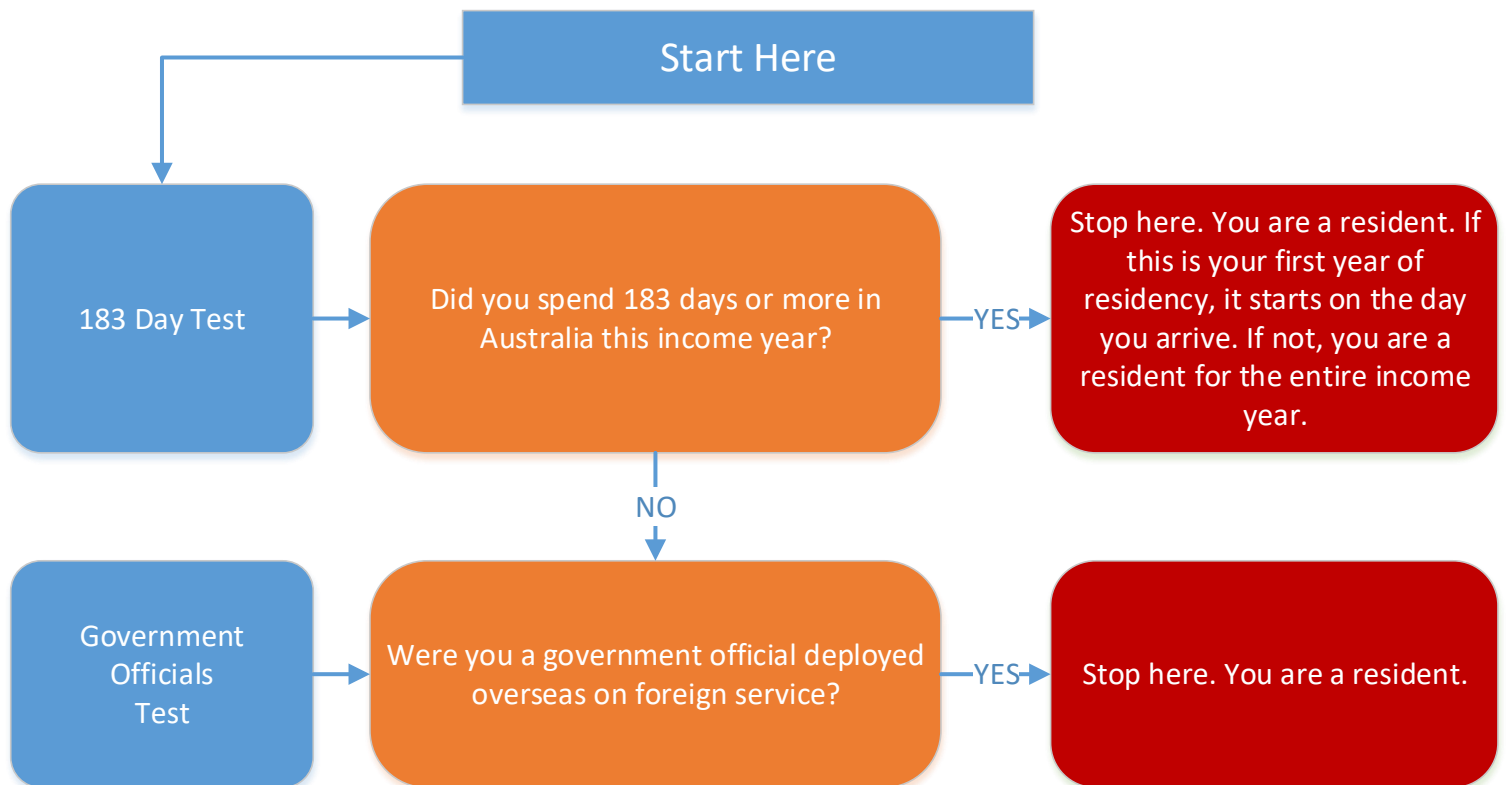
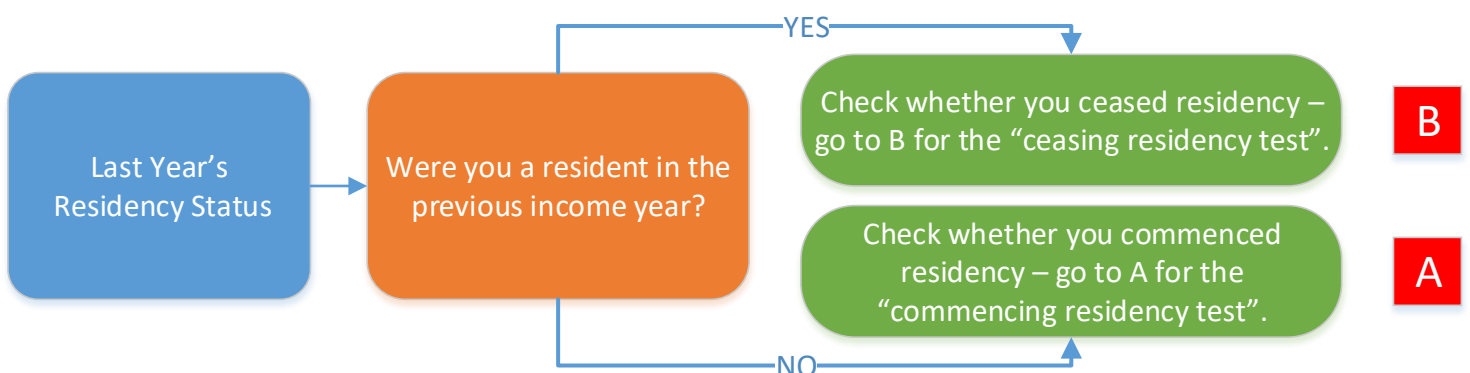


Board of Tax: Tax Residency Rules Flowchart

2019 Report



If the above tests do not apply to you, you will need to know your residency status for the previous income year before determining whether you ceased or commenced tax residency. These tests are set out in the following pages



Additional Notes in the Flowchart

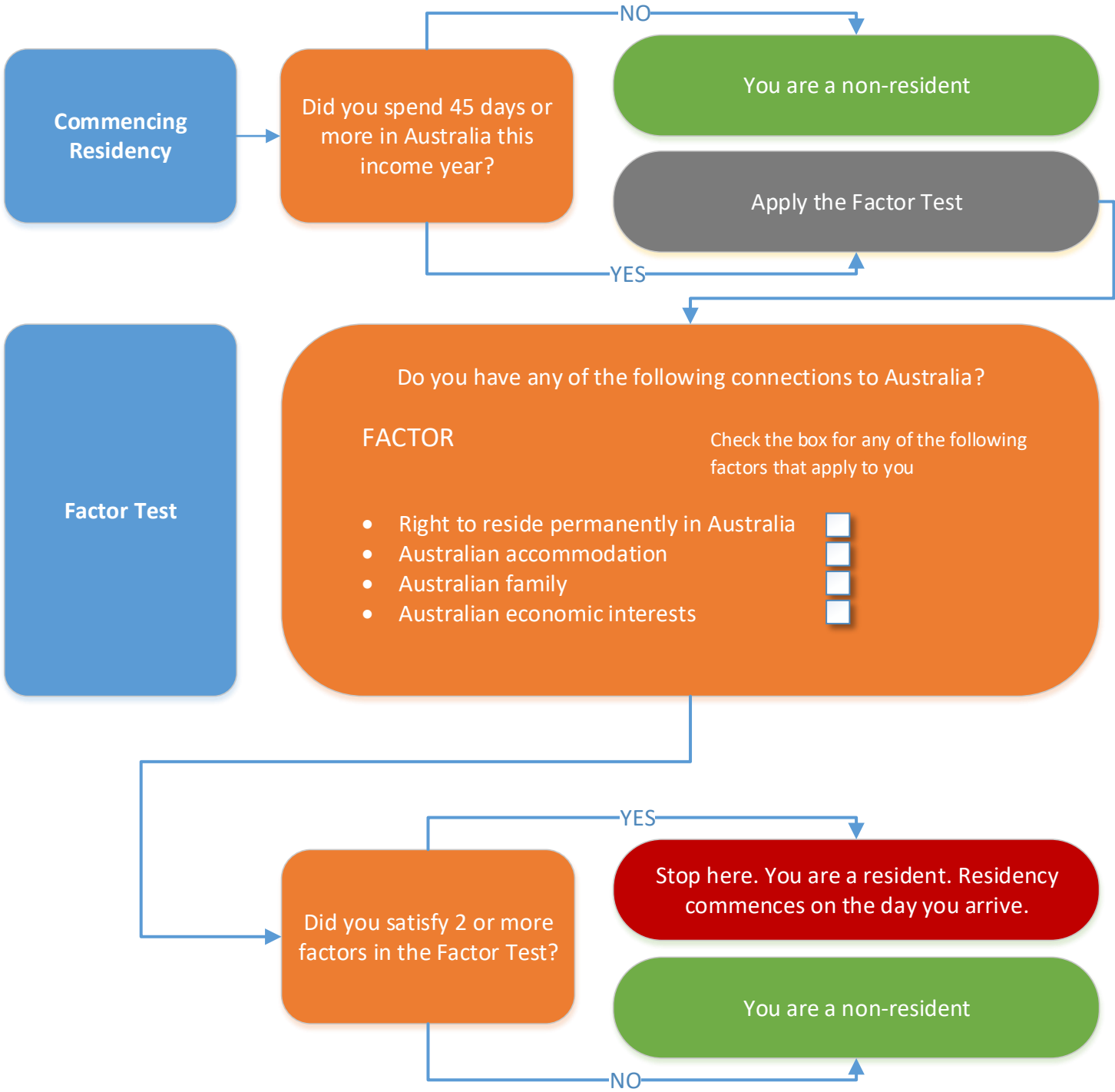
- There are rules that assist individuals to determine the date on which residency begins and ends. When residency status changes mid-year, an individual will have a resident and non-resident period, and will be taxed accordingly.
- If Australia has a double tax agreement (DTA) with another country, the Australian Government has agreed that you will only be a tax resident of one country at any given time. There are special rules that ensure that Australia's tax laws apply to you in accordance with these international agreements (e.g. if you're resident under this test you may become a non-resident). These rules are not included in this flowchart.

A

Commencing Residency Test

If you were **not a resident** in the previous income year, find out whether you commenced residency in this income year by following the steps below.

If you **were a resident** in the previous income year, go to **B** to find out whether you ceased residency.



B

Ceasing Residency Test

If you **were a resident** in the previous income year, find out whether you ceased residency in this income year by following the steps below.

If you **were not a resident** in the previous income year, go to **A** to find out whether you commenced residency.

Ceasing residency under the overseas employment rule

Did you satisfy the overseas employment rule this income year, by:

- Residing in Australia for 3 prior income years; **and**
- Being employed overseas with an employment period of over two years from commencement; **and**
- Having accommodation available in the place of employment for the entire employment period; **and**
- Spending less than 45 days in Australia in each income year of the employment period

YES

You are a non-resident From the day following departure

NO

Are you a short-term or long-term resident.

Have you been a resident for less than 3 consecutive income years?

YES

Ceasing Short-Term Residency

Did you spend less than 45 days in Australia this income year and satisfy less than two factors in the factor test?

YES

NO

You are a non-resident from the day following departure

You are a resident of Australia.

Ceasing Long-Term Residency

Did you spend less than 45 days in Australia this income year and less than 45 days in Australia in each of the two previous income years?

YES

NO

You are a non-resident from the day following departure

You are a resident of Australia.

NO