

# Income Shading

The **Online Serviceability Calculator** now automatically applies shading, please input the net figures. The table below details how the calculator will shade income depending on categorisation.

	AUD	non-AUD*
Salary and Wages	100%	80%
Overtime	100% <sup>1</sup>	80% <sup>1</sup>
Shift Allowance	100% <sup>1</sup>	80% <sup>1</sup>
Bonus/Commissions	100% <sup>2</sup>	80% <sup>2</sup>
Salary Sacrifice	100%	n/a
Salary Packaging	100%	n/a
Self Employed	100% <sup>3</sup>	80% <sup>3</sup>
Company Income	100% <sup>3</sup>	n/a
Car Allowance	100% <sup>4</sup>	n/a
Rental Income	80% <sup>5,6</sup>	80% <sup>6</sup>
Holiday Rental / Airbnb Income	70% <sup>7</sup>	70% <sup>7</sup>
NDIS Income	80% <sup>8</sup>	n/a
Investment Income	80% <sup>9</sup>	60% <sup>9</sup>
Australian Government Bond Income	100%	n/a
Family Tax Benefit	100% <sup>10</sup>	n/a
Child Maintenance	100% <sup>11</sup>	n/a
Maternity / Paid Parental Leave	50% <sup>12</sup>	n/a
Social Security Benefits and/or Government Pensions	100% <sup>13</sup>	n/a

*Unemployment & Sickness Benefits, Workers Compensation, Income from Boarders, Income Protection & TPD Income are not acceptable.*

\*Net Foreign Income converted to Australian Dollars using the average daily exchange rate over the past 30 days

<sup>1</sup> Can be included if regular or a condition of employment. Must be evidenced over a 6 month period.

<sup>2</sup> Needs to be confirmed by current employer for the past 2 years. Can be included if confirmed by current employer < 12 months, but must have been in previous employment for at least 2 years in same industry.

<sup>3</sup> Minimum 2 years trading in current business. 100% of current year's net profit capped at 150% of previous year's net profit.

<sup>4</sup> Percentage used against corresponding car loan repayments or added to gross taxable income. If a fully maintained company car, up to \$5,000 can be added to gross income or \$3,500 to net income.

<sup>5</sup> Percentage indicated applies to standard investment properties and SMSF investment properties. If rental income is for a National Rental Affordability Scheme (NRAS) property, only 70% of gross income can be used. If the property is a Specialist Disability Accommodation (SDA) property, 80% of gross income can be used (0% allowed where property is also receiving direct SDA income).

<sup>6</sup> Copy of Tenant Agreement or Rental Statement, plus corresponding Bank Statement showing rental credit will be required if rental income is required for serviceability.

<sup>7</sup> If the property is a Holiday Rental (eg. airbnb), then 70% of gross rental income averaged over the preceding 12 months may be used.

<sup>8</sup> Where paid by applicable Government Agency. 100% of NDIS may be applicable if loan satisfies conditions.

<sup>9</sup> Must be consistent over 2 years. Examples include shares or dividends. Interest on deposits, that are being used as funds to complete, are not acceptable.

<sup>10</sup> Must be paid via the Family Assistance Office or the Australian Tax Office, or be a Family Assistance Payment (Part A and B only) paid by the Federal Government, and the dependent child/children must be under the age of 11. Can only be supporting income.

<sup>11</sup> Child Support Agreement must be registered with the Child Support Agency. 3 months bank statements confirming regular receipt of payments. Must have at least 5 years until expiry.

<sup>12</sup> Employer Maternity Leave Payment and Government Paid Parental Leave Payment (Working Parent Payment) is acceptable on the basis that this income is currently being paid and will continue to be paid until the recipient returns to work.

<sup>13</sup> Where lender considers the benefit to be a stable income source.