

# EXPOSURE-DRAFT

1 Inserts for  
2 **Tax Laws Amendment (2013 Measures**  
3 **No. 1) Bill 2013: miscellaneous**  
4 **amendments**  
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<b>EXPOSURE DRAFT</b>
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## Commencement information

Column 1	Column 2	Column 3
Provision(s)	Commencement	Date/Details
1.		
2. Schedule ??, item 1	Immediately after the commencement of Schedule 2 to the <i>Clean Energy (Tax Laws Amendments) Act 2011</i> .	1 July 2012
3. Schedule ??, item 2	The day this Act receives the Royal Assent.	
4. Schedule ??, item 3	Immediately after the commencement of the <i>Excise Tariff Amendment (Condensate) Act 2011</i> .	24 November 2011
5. Schedule ??, items 4 to 30	The day this Act receives the Royal Assent.	
6. Schedule ??, item 31	Immediately after the commencement of item 1 of Schedule 2 to the <i>Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Act 2012</i> .	
7. Schedule ??, items 32 to 35	The day this Act receives the Royal Assent.	
8. Schedule ??, items 36	Immediately after the commencement of item 14 of Schedule 1 to the <i>Tax Laws Amendment (2011 Measures No. 9) Act 2012</i> .	22 March 2012
9. Schedule ??, items 37 to 40	Immediately after the commencement of Division 2 of Part 25 of Schedule 6 to the <i>Tax Laws Amendment (2011 Measures No. 9) Act 2012</i> .	21 March 2012
10. Schedule ??,	The day this Act receives the Royal Assent.	

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## Commencement information

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Column 1	Column 2	Column 3
Provision(s)	Commencement	Date/Details
items 41 to 49		

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1 *The following section will be inserted into the body of the Bill:*

2 **4 Amendment of assessments**

3 Section 170 of the *Income Tax Assessment Act 1936* does not  
4 prevent the amendment of an assessment if:

5 (a) the assessment was made before the commencement of  
6 section 1 of this Act; and

7 (b) the amendment is made within 2 years after that  
8 commencement; and

9 (c) the amendment is made for the purpose of giving effect to  
10 items 11 to 15 of Schedule ?? (miscellaneous amendments) to  
11 this Act.

12 **Schedule ??—Miscellaneous amendments**

13 **Part 1—General amendments**

14 *A New Tax System (Medicare Levy Surcharge—Fringe*  
15 *Benefits) Act 1999*

16 **1 Paragraphs 15(1)(c) and 16(2)(c)**

17 Before “20,542”, insert “\$”.

18 *Crimes (Taxation Offences) Act 1980*

19 **2 Subsection 3(1) (paragraph (b) of the definition of *income***  
20 ***tax*)**

21 Before “section 170AA”, insert “former”.

22 *Excise Tariff Amendment (Condensate) Act 2011*

23 **3 Item 4 of Schedule 1**

24 After “At the end of the Act”, insert “(before The Schedule)”.

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## *Fringe Benefits Tax Assessment Act 1986*

### **4 Subsection 136(1) (definition of *Chief Executive Centrelink*)**

Repeal the definition.

## *Fuel Tax Act 2006*

### **5 Subsections 43-10(11) and (12)**

Omit “\*road user charge”, substitute “road user charge”.

## *Income Tax Assessment Act 1936*

### **6 Subsection 159P(4) (subparagraphs (g)(i) and (ii) of the definition of *medical expenses*)**

After “spectacles”, insert “or contact lenses”.

## *Income Tax Assessment Act 1997*

### **7 Section 10-5 (table item headed “balancing adjustment”)**

Omit “*industrial property*”.

### **8 Section 10-5 (table item headed “industrial property”)**

Repeal the item.

### **9 Section 10-5 (table item headed “residual value”)**

Repeal the item.

### **10 Section 102-20 (the note 5 inserted by item 69 of Schedule 1 to the *Tax Laws Amendment (Taxation of Financial Arrangements) Act 2009*)**

Omit “Note 5”, substitute “Note 6”.

### **11 Paragraph 250-55(b)**

Repeal the paragraph, substitute:

(b) the end user is:

(i) an entity that is a foreign resident; or

(ii) an entity that is an Australian resident, to the extent that the entity carries on \*business in a foreign country at or through a \*permanent establishment of the entity in that country.

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## 12 Subparagraph 250-60(1)(b)(ii)

Omit “(non-resident)”, substitute “(foreign resident or business)”.

## 13 Subparagraph 250-60(2)(b)(ii)

After “(foreign resident”, insert “or business”.

## 14 Paragraph 250-115(3)(b)

After “foreign residents”, insert “or businesses”.

## 15 Application of amendments

The amendments made by items 11 to 14 apply in relation to end users of assets on or after 1 July 2007.

## 16 Paragraph 727-95(a)

Omit “a non-arm’s length dealing”, substitute “a dealing that is not at \*arm’s length”.

## 17 Subsection 995-1(1) (definition of *natural resource*, first occurring)

Repeal the definition.

## *Income Tax Rates Act 1986*

## 18 Subsection 3(1)

Insert:

*net income phase-out limit* has the meaning given by subsection 14(3).

## 19 Subsection 3(1)

Insert:

*non-resident phase-out limit* has the meaning given by subsection 15(8).

## 20 Subsection 3(1)

Insert:

*resident phase-out limit* has the meaning given by subsection 13(10).

## 21 Subsection 13(2)

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1 Omit “\$1,307”, substitute “the resident phase-out limit”.

## 2 **22 Paragraphs 13(5)(b), (6)(c) and (8)(b)**

3 Omit “\$1,307”, substitute “the resident phase-out limit”.

## 4 **23 At the end of section 13**

5 Add:

6 (10) The *resident phase-out limit* is the following amount rounded  
7 down to the nearest dollar:

$$8 \frac{\$416 \times 66\%}{66\% - \text{Highest rate in the table in Part I of Schedule 7}}$$

## 9 **24 Paragraph 14(2)(c)**

10 Omit “\$594”, substitute “the net income phase-out limit”.

## 11 **25 At the end of section 14**

12 Add:

13 (3) The *net income phase-out limit* is the following amount rounded  
14 down to the nearest dollar:

$$15 \frac{\$416 \times 50\%}{50\% - \text{Lowest rate in the table in Part I of Schedule 7}}$$

## 16 **26 Paragraphs 15(2)(b), (4)(d) and (6)(b)**

17 Omit “\$663”, substitute “the non-resident phase-out limit”.

## 18 **27 At the end of section 15**

19 Add:

20 (8) The *non-resident phase-out limit* is the following amount rounded  
21 down to the nearest dollar:

$$22 \frac{\$416 \times \left( 66\% - \text{Lowest rate in the table in Part II of Schedule 7} \right)}{66\% - \text{Highest rate in the table in Part II of Schedule 7}}$$

## 23 **28 Application of amendments**

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1 The amendments made by items 18 to 27 apply in relation to the  
2 2012-13 income year and later income years.

3 ***New Business Tax System (Former Subsidiary Tax***  
4 ***Imposition) Act 1999***

5 **29 Paragraphs 4(2)(a) and (b)**

6 Omit “section 170AA”, substitute “former section 170AA”.

7 ***New Business Tax System (Venture Capital Deficit Tax) Act***  
8 ***2003***

9 **30 Subsection 2(1) (table item 2)**

10 Omit “(No. 2)”.

11 ***Superannuation Laws Amendment (Capital Gains Tax Relief***  
12 ***and Other Efficiency Measures) Act 2012***

13 **31 Item 1 of Schedule 2**

14 Omit “or (g)” (wherever occurring).

15 ***Taxation Administration Act 1953***

16 **32 Subparagraph 426-102(1)(a)(ii) in Schedule 1**

17 Before “is prescribed”, insert “each trustee of the trust”.

18 ***Taxation (Interest on Overpayments and Early Payments) Act***  
19 ***1983***

20 **33 Subsection 3C(1) (definition of *relevant tax*) (table item 15)**

21 Omit “section 170AA of the Tax Act”, substitute “former  
22 section 170AA of the *Income Tax Assessment Act 1936*”.

23 **34 Subparagraph 8A(1)(a)(vb)**

24 Omit “or 170AA”, substitute “, or former section 170AA,”.

25 ***Tax Laws Amendment (2011 Measures No. 9) Act 2012***

26 **35 At the end of section 4**

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Add:

(4) Section 170 of the *Income Tax Assessment Act 1936* does not prevent the amendment of an assessment if:

(a) the assessment was made before the commencement of Part 28 of Schedule 6 to this Act; and

(b) the amendment is made within 2 years after that commencement; and

(c) the amendment is made for the purpose of giving effect to that Part.

## **36 Item 14 of Schedule 1**

Omit “self-managed superannuation funds”, substitute “self managed superannuation funds”.

## **37 Item 200 of Schedule 6**

Omit “self managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993*)”, substitute “self managed superannuation fund (within the meaning of the *Superannuation Industry Supervision Act 1993*)”.

## **38 Item 201 of Schedule 6**

Omit “self managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993*)”, substitute “self managed superannuation fund (within the meaning of the *Superannuation Industry Supervision Act 1993*)”.

## **39 Item 202 of Schedule 6**

Omit “self managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993*)”, substitute “self managed superannuation fund (within the meaning of the *Superannuation Industry Supervision Act 1993*)”.

## **40 Item 203 of Schedule 6**

Omit “self managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993*)”, substitute “self managed superannuation fund (within the meaning of the *Superannuation Industry Supervision Act 1993*)”.

## ***Tax Laws Amendment (Income Tax Rates) Act 2012***

## **41 Subsection 2(1) (table item 3)**

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1 Repeal the item.

2 **42 Part 2 of Schedule 1**

3 Repeal the Part.

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## Part 2—Asterisking amendments

### *Income Tax Assessment Act 1997*

#### 43 Amendments relating to asterisking

The provisions of the *Income Tax Assessment Act 1997* listed in the table are amended as set out in the table.

Asterisking amendments			
Item	Provision	Omit:	Substitute:
1	Paragraph 43-170(2)(b)	arm's length	*arm's length
2	Paragraph 70-20(b)	arm's length	*arm's length
3	Paragraph 70-30(1)(a)	arm's length	*arm's length
4	Paragraph 70-110(1)(a)	arm's length	*arm's length
5	Paragraph 70-120(6)(b)	arm's length	*arm's length
6	Paragraph 87-40(2)(e)	arm's length	*arm's length
7	Paragraph 112-20(1)(c)	arm's length	*arm's length
8	Paragraph 112-20(2)(a)	arm's length	*arm's length
9	Subparagraph 116-30(2)(b)(i)	arm's length	*arm's length
10	Paragraph 207-128(1)(e)	arm's length	*arm's length
11	Subsection 243-20(7)	arm's length	*arm's length
12	Paragraph 243-25(1)(d)	arm's length	*arm's length
13	Subparagraph 420-20(1)(b)(i)	arm's length	*arm's length
14	Subparagraph 420-30(c)(i)	arm's length	*arm's length
15	Subsection 620-40(2)	arm's length	*arm's length
16	Subparagraph 707-325(4)(b)(i)	arm's length	*arm's length
17	Paragraph 775-120(a)	arm's length	*arm's length
18	Subparagraph 820-105(1)(b)(ii)	arm's length	*arm's length
19	Paragraph 820-105(3)(h)	arm's length	*arm's length

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<b>Asterisking amendments</b>			
<b>Item</b>	<b>Provision</b>	<b>Omit:</b>	<b>Substitute:</b>
20	Subparagraph 820-215(1)(b)(ii)	arm's length	*arm's length
21	Paragraph 820-215(3)(h)	arm's length	*arm's length
22	Paragraph 820-315(1)(d)	arm's length	*arm's length
23	Paragraph 820-315(3)(f)	arm's length	*arm's length
24	Paragraph 820-410(1)(d)	arm's length	*arm's length
25	Paragraph 820-410(3)(f)	arm's length	*arm's length
26	Paragraph 820-910(3)(d)	arm's length	*arm's length
27	Paragraph 820-942(2)(g)	arm's length	*arm's length
28	Subsections 960-280(1), (2) and (4)	a quarter	a *quarter
29	Subsection 960-285(6)	a quarter	a *quarter

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1 **44 Subsection 960-275(1) (formula)**

2 Repeal the formula, substitute:

3 
$$\frac{\text{Sum of the *index numbers for the *quarters in the year ending on 31 March just before the start of the relevant *financial year}}{\text{Sum of the *index numbers for the *quarters in the year ending on the previous 31 March}}$$

4 **45 Subsection 960-275(1A) (formula)**

5 Repeal the formula, substitute:

6 
$$\frac{\text{*Index number for the *quarter ending on 31 March just before the start of the relevant income year}}{\text{*Index number for the *quarter ending on the previous 31 March}}$$

7 **46 Subsection 960-275(2) (formula)**

8 Repeal the formula, substitute:

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\*Index number for the \*quarter ending on 30 September 1999  
\*Index number for the \*quarter in which the expenditure was incurred

## **47 Subsection 960-275(3) (formula)**

Repeal the formula, substitute:

\*Index number for the \*quarter ending on 30 September 1999  
\*Index number for the \*quarter in which the amount was paid

## **48 Subsection 960-285(3A) (formula)**

Repeal the formula, substitute:

\*Index number mentioned in subsection (6) for the \*quarter ending on  
31 December just before the start of the relevant income year or \*financial year  
\*Index number mentioned in subsection (6) for the \*quarter  
ending on 31 December 2008

## **49 Subsection 960-285(4) (formula)**

Repeal the formula, substitute:

\*Index number mentioned in subsection (6) for the \*quarter ending on  
31 December just before the start of the relevant income year or \*financial year  
\*Index number mentioned in subsection (6) for the \*quarter  
ending on 31 December 2006