

## Legislation making or amending Australian Tax Laws

**Note: The 42nd Parliament was prorogued and the House of Representatives dissolved at 5.00 pm on Monday, 19 July 2010, as a Result all Bills have Lapsed**

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## **1.1 BILLS AWAITING ROYAL ASSENT AS AT 20 JULY 2010 [NIL]**

**1.2 BILLS BEFORE THE HOUSE AS AT 20 JULY 2010 – NOTE: THE 42ND PARLIAMENT WAS PROROGUED AND THE HOUSE OF REPRESENTATIVES DISSOLVED AT 5.00 PM ON MONDAY, 19 JULY 2010, AS A RESULT THE FOLLOWING BILLS HAVE LAPSED**

**(1) INTERNATIONAL TAX AGREEMENTS AMENDMENT BILL (No. 2) 2010**

<b>International Tax Agreements Amendment Bill (No. 2) 2010</b>			
<b>Introduced to the House</b>	<b>Passed by the House</b>	<b>Introduced to the Senate</b>	<b>Passed by the Senate</b>
23/6/2010			
<b>Source for Bill &amp; EM</b>	<a href="#"><u>International Tax Agreements Amendment Bill (No. 2) 2010</u></a>		
<b>Amendments</b>	Amends the International Tax Agreements Act 1953 to give force of law to a Second Protocol amendment, which amends the existing Double-Tax Treaty with Singapore.		

**(2) SUPERANNUATION LEGISLATION AMENDMENT BILL 2010**

<b>Superannuation Legislation Amendment Bill 2010</b>			
<b>Introduced to the House</b>	<b>Passed by the House</b>	<b>Introduced to the Senate</b>	<b>Passed by the Senate</b>
24/6/2010			
<b>Source for Bill &amp; EM</b>	<a href="#">Superannuation Legislation Amendment Bill 2010</a>		
<b>Schedule 1</b>	Amends the Superannuation (Unclaimed Money and Lost Members) Act 1999 & the ITAA 97 to: <ul style="list-style-type: none"> <li>◆ facilitate state and territory authorities &amp; public sector superannuation schemes paying unclaimed superannuation moneys to the Commissioner; and</li> <li>◆ enable the Commissioner to accept, &amp; subsequently pay out, amounts transferred by state and territory authorities and public sector superannuation schemes.</li> </ul>		
<b>Schedule 2</b>	With clause 4 amends the ITAA 97 & the Income Tax (Transitional Provisions) Act 1997 to provide transitional relief for income tax deductibility of total & permanent disability insurance premiums paid by superannuation funds.		
<b>Schedule 3</b>	Amends the Superannuation Industry (Supervision) Act 1993 to: <ul style="list-style-type: none"> <li>◆ allow the trustee of a regulated superannuation fund to acquire an asset in specie from a related party of the fund, following the relationship breakdown of a member of the fund, without contravening the prohibition against related party acquisitions; and</li> <li>◆ to ensure equitable application of the transitional arrangements in relation to in-house assets where an asset transfer occurs as the result of the relationship breakdown of a member of the fund.</li> </ul>		
<b>Schedule 4</b>	Makes minor amendments, including: <ul style="list-style-type: none"> <li>◆ allowing a deduction for eligible contributions to be claimed from successor superannuation funds after 1 July 2011;</li> <li>◆ increasing the time-limit for deductible employer contributions made for former employees;</li> <li>◆ clarifying the due date of the shortfall interest charge for the purposes of excess contributions tax;</li> <li>◆ allowing the Commissioner to exercise discretion for the purposes of excess contributions tax before an assessment is issued;</li> <li>◆ providing a regulation making power to specify additional circumstances when a benefit from a public sector superannuation scheme will have an untaxed element; and</li> <li>◆ streamlining references to the Immigration Secretary and Immigration Department.</li> </ul>		

**(3) TAX LAWS AMENDMENT (2010 MEASURES NO. 4) BILL 2010**

Tax Laws Amendment (2010 Measures No. 4) Bill 2010			
Introduced to the House	Passed by the House	Introduced to the Senate	Passed by the Senate
23/6/2010			
<b>Source for Bill &amp; EM</b>	<a href="#">Tax Laws Amendment (2010 Measures No. 4) Bill 2010</a>		
<b>Schedule 1</b>	Amends the GST Act 1999 to ensure the third party payment adjustment provisions operate appropriately where there are third party payments relating to a supply by the payer that is not taxable or a supply to the payee that is GST-free, not connected with Australia or subject to a refund under the Tourist Refund Scheme.		
<b>Schedule 2</b>	Amends the ITAA 97 to: <ul style="list-style-type: none"> <li>◆ provide a CGT roll-over for taxpayers who replace an entitlement to water with one or more different entitlements; and</li> <li>◆ allow taxpayers to include any termination fees they incur in relation to an asset in the asset's cost base.</li> </ul>		
<b>Schedule 3</b>	Amends: <ul style="list-style-type: none"> <li>◆ Division 230 of the ITAA 97 &amp; the consequential and transitional provisions inserted by the TOFA Act 2009 to make minor policy refinements and technical amendments and corrections to the provisions;</li> <li>◆ extends the transitional arrangements relating to the application of the debt/equity rules made by the New Business Tax System (Debt and Equity) Act 2001 to 1 July 2010 for Upper Tier 2 instruments issued before 1 July 2001; and</li> <li>◆ Division 775 (the foreign currency gains &amp; losses provisions) ITAA 97 to extend the scope of a number of compliance cost saving measures, &amp; to make technical amendments to ensure that the provisions operate as intended.</li> </ul>		
<b>Schedule 4</b>	Amends the ITAA 97 to make it easier for takeovers & mergers regulated by the Corporations Act 2001 to qualify for the CGT scrip for scrip roll-over.		
<b>Schedule 5</b>	Amends the ITAA 36 to increase the threshold above which a taxpayer may claim the medical expenses tax offset & commence annually indexing the threshold to the CPI.		
<b>Schedule 6</b>	Amends the ITAA 97 to update the list of DGRs to: <ul style="list-style-type: none"> <li>◆ make one entity a DGR;</li> <li>◆ extend the period of listing of one entity; and</li> <li>◆ change the name of another entity.</li> </ul>		
<b>Schedule 7</b>	Amends the ITAA 97 to: <ul style="list-style-type: none"> <li>◆ add three new general DGR categories;</li> <li>◆ extend DGR status to all state &amp; territory government bodies that coordinate volunteer fire brigades and State Emergency Services.</li> </ul>		

#### (4) TAX LAWS AMENDMENT (CONFIDENTIALITY OF TAXPAYER INFORMATION) BILL 2009

<b>Tax Laws Amendment (Confidentiality of Taxpayer Information) Bill 2009</b>			
<b>Introduced to the House</b>	<b>Passed by the House</b>	<b>Introduced to the Senate</b>	<b>Passed by the Senate</b>
19/11/2009. Referred to Senate Economics Committee 26/11/09; report due 25/2/10; extension to report to 11/3/10; tabled 11/3/10; further referred to Senate Privileges Committee 18/3/10; report due 12/5/10; tabled 4/6/10.			
<b>Source for Bill &amp; EM</b>	<a href="#"><u>Tax Laws Amendment (Confidentiality of Taxpayer Information) Bill 2009</u></a>		
<b>Amendments</b>	Amends the secrecy and disclosure provisions applying to taxation information that are currently spread over many Acts. The Bill consolidates and standardises these various enactments into a single new framework in Schedule 1 to the Taxation Administration Act 1953.		

**(5) TAX LAWS AMENDMENT (IMPROVING THE PRODUCER OFFSET) BILL 2009**

<b>Tax Laws Amendment (Improving the Producer Offset) Bill 2009</b>			
<b>Introduced to the House</b>	<b>Passed by the House</b>	<b>Introduced to the Senate</b>	<b>Passed by the Senate</b>
23/11/2009. Private Member's Bill. Referred to Main Committee			
<b>Source for Bill &amp; EM</b>	<a href="#"><u>Tax Laws Amendment (Improving the Producer Offset) Bill 2009</u></a>		
<b>Amendments</b>	Amends the provisions relating timing by which Producer Offset payments, that the taxpayer would ordinarily be entitled to, are made within a given financial year.		

### 1.3 **BILLS BEFORE THE SENATE AT 20 JULY 2010 - NOTE: THE 42ND PARLIAMENT WAS PROROGUED AND THE HOUSE OF REPRESENTATIVES DISSOLVED AT 5.00 PM ON MONDAY, 19 JULY 2010, AS A RESULT THE FOLLOWING BILLS HAVE LAPSED**

#### (1) **A NEW TAX SYSTEM (FAMILY ASSISTANCE) (IMPROVED ACCESS TO BABY BONUS) AMENDMENT BILL 2008**

<b>A New Tax System (Family Assistance) (Improved Access to Baby Bonus) Amendment Bill 2008</b>			
<b>Introduced to the House</b>	<b>Passed by the House</b>	<b>Introduced to the Senate</b>	<b>Passed by the Senate</b>
20/3/2008. Private Senator's Bill			
<b>Source for Bill &amp; EM</b>	<a href="#"><u>A New Tax System (Family Assistance) (Improved Access to Baby Bonus) Amendment Bill 2008</u></a>		
<b>Schedule 1</b>	<p><b>Amendment of A New Tax System (Family Assistance) Act 1999</b></p> <p>Schedule 1 makes the following amendments</p> <ul style="list-style-type: none"> <li>◆ Paragraph 36(5) (b) removes the age restriction currently in place for claiming the baby bonus.</li> <li>◆ Paragraph 36 (5) (ba) repeals the paragraph that stipulates that if a child arrives in Australia from overseas as part of the process for the adoption of the child – the child must be aged under 2 in order to claim the baby bonus thus, removing all age references.</li> </ul>		

## (2) INCOME TAX RATES AMENDMENT (RESEARCH AND DEVELOPMENT) BILL 2010

<b>Income Tax Rates Amendment (Research and Development) Bill 2010</b>			
<b>Introduced to the House</b>	<b>Passed by the House</b>	<b>Introduced to the Senate</b>	<b>Passed by the Senate</b>
13/5/2010. Referred to Senate Economics Committee 13/5/10; report due 15/6/10; tabled 15/6/10	17/6/2010	21/6/2010	
<b>Source for Bill &amp; EM</b>	<a href="#"><u>Income Tax Rates Amendment (Research and Development) Bill 2010</u></a>		
<b>Amendments</b>	This Bill and the Tax Laws Amendment (Research and Development) Bill 2010 amend the: <ul style="list-style-type: none"> <li>◆ ITAA 36</li> <li>◆ ITAA 97</li> <li>◆ Income Tax (Transitional Provisions) Act 1997</li> <li>◆ Income Tax Rates Act 1986</li> <li>◆ TAA 1953; and</li> <li>◆ Industry, Research and Development Act 1986</li> </ul> to implement the new research & development tax incentive. The 2 core components of the new R&D incentive are: <ul style="list-style-type: none"> <li>◆ a 45% refundable R&amp;D tax offset for eligible entities with a turnover of less than \$20 million; and</li> <li>◆ a non-refundable 40% R&amp;D tax offset for all other eligible entities.</li> </ul>		

### (3) TAX LAWS AMENDMENT (PUBLIC BENEFIT TEST) BILL 2010

<b>Tax Laws Amendment (Public Benefit Test) Bill 2010</b>			
<b>Introduced to the House</b>	<b>Passed by the House</b>	<b>Introduced to the Senate</b>	<b>Passed by the Senate</b>
13/5/2010. Referred to Senate Economics Committee 13/5/10; report due 31/8/10.			
<b>Source for Bill &amp; EM</b>	<a href="#"><u>Tax Laws Amendment (Public Benefit Test) Bill 2010</u></a>		
<b>Amendments</b>	This Bill amends the ITAA 97 to require religious and charitable institutions seeking tax exemption to demonstrate public benefit through its aims and activities.		

**(4) TAX LAWS AMENDMENT (RESEARCH AND DEVELOPMENT) BILL 2010**

<b>Tax Laws Amendment (Research and Development) Bill 2010</b>			
<b>Introduced to the House</b>	<b>Passed by the House</b>	<b>Introduced to the Senate</b>	<b>Passed by the Senate</b>
Introduced to the House 13/5/2010. Referred to Senate Economics Committee 13/5/10; report due 15/6/10; tabled 15/6/2010	17/6/2010	21/6/2010	
<b>Source for Bill &amp; EM</b>	<a href="#">Tax Laws Amendment (Research and Development) Bill 2010</a>		
<b>Amendments</b>	<p>This Bill and the Income Tax Rates Amendment (Research and Development) Bill 2010 amend the:</p> <ul style="list-style-type: none"> <li>◆ ITAA 36</li> <li>◆ ITAA 97</li> <li>◆ Income Tax (Transitional Provisions) Act 1997</li> <li>◆ Income Tax Rates Act 1986</li> <li>◆ TAA 1953; and</li> <li>◆ Industry, Research and Development Act 1986</li> </ul> <p>to implement the new research &amp; development tax incentive. The 2 core components of the new R&amp;D incentive are:</p> <ul style="list-style-type: none"> <li>◆ a 45% refundable R&amp;D tax offset for eligible entities with a turnover of less than \$20 million; and</li> <li>◆ a non-refundable 40% R&amp;D tax offset for all other eligible entities.</li> </ul>		

**(5) TAXATION LAWS AMENDMENT (SCHOLARSHIPS) BILL 2008**

<b>Taxation Laws Amendment (Scholarships) Bill 2008</b>			
<b>Introduced to the House</b>	<b>Passed by the House</b>	<b>Introduced to the Senate</b>	<b>Passed by the Senate</b>
21/6/2005. Restored to Notice Paper 14/2/2008			
<b>Source for Bill &amp; EM</b>	<a href="#"><u>Taxation Laws Amendment (Scholarships) Bill 2008</u></a>		
<b>Amendments</b>	Amends the provisions relating to scholarships to make certain provisions tax free.		