

**Tax Legislation Amendment Act 1992**

**No. 197 of 1992**

**An Act to amend the law relating to taxation**

[*Assented to 21 December 1992*]

The Parliament of Australia enacts:

**PART 1—PRELIMINARY**

**Short title**

**1.** This Act may be cited as the *Tax Legislation Amendment Act 1992.*

**Commencement**

**2.(1)** This Part and Divisions 1 and 2 of Part 2 commence on 1 July 1994.

1. Division 3 of Part 2 commences on 1 July 1995.
2. Division 4 of Part 2 commences on 1 July 1996.

**PART 2—AMENDMENTS OF THE INCOME TAX RATES ACT 1986 TO GIVE EFFECT TO PERSONAL TAX CUTS**

***Division 1—Principal Act***

**Principal Act**

**3.** In this Part, **"Principal Act"** means the *Income Tax Rates Act 1986*1.

***Division 2—Tax cuts for 1994-95***

**Schedule 7**

**4.(1)** The Principal Act is amended:

**(a)** by omitting the table in Part I of Schedule 7 and substituting the following table:

|  |  |
| --- | --- |
| " Column 1 | Column 2 |
| Parts of taxable income of resident taxpayer | % rate |
| The part of the taxable income that: |  |
| exceeds $5,400 but does not exceed $20,700 | 20% |
| exceeds $20,700 but does not exceed $38,000 | 34% |
| exceeds $38,000 but does not exceed $50,000 | 43% |
| exceeds $50,000 | 47% "; |

**(b)** by omitting the table in Part II of Schedule 7 and substituting the following table:

|  |  |
| --- | --- |
| " Column 1 | Column 2 |
| Parts of taxable income of non-resident taxpayer | % rate |
| The part of the taxable income that: |  |
| does not exceed $20,700 | 29% |
| exceeds $20,700 but does not exceed $38,000 | 34% |
| exceeds $38,000 but does not exceed $50,000 | 43% |
| exceeds $50,000 | 47% "; |

**(2)** The amendments made by subsection (1) apply to assessments in respect of income of the 1994-95 year of income.

***Division 3—Tax cuts for 1995-96***

**Schedule 7**

**5.(1)** The Principal Act is amended:

**(a)** by omitting the table in Part I of Schedule 7 and substituting the following table:

|  |  |
| --- | --- |
| " Column 1 | Column 2 |
| Parts of taxable income of resident taxpayer | % rate |
| The part of the taxable income that: |  |
| exceeds $5,400 but does not exceed $20,700 | 20% |
| exceeds $20,700 but does not exceed $38,000 | 32% |
| exceeds $38,000 but does not exceed $40,000 | 36.5% |
| exceeds $40,000 but does not exceed $50,000 | 41.5% |
| exceeds $50,000 | 47% "; |

**(b)** by omitting the table in Part II of Schedule 7 and substituting the following table:

|  |  |
| --- | --- |
| " Column 1 | Column 2 |
| Parts of taxable income of non-resident taxpayer | % rate |
| The part of the taxable income that: |  |
| does not exceed $20,700 | 29% |
| exceeds $20,700 but does not exceed $38,000 | 32% |
| exceeds $38,000 but does not exceed $40,000 | 36.5% |
| exceeds $40,000 but does not exceed $50,000 | 41.5% |
| exceeds $50,000 | 47% ". |

**(2)** The amendments made by subsection (1) apply to assessments in respect of income of the 1995-96 year of income.

***Division 4—Tax cuts for 1996-97 and later years***

**Schedule 7**

**6.(1)** The Principal Act is amended:

**(a)** by omitting the table in Part I of Schedule 7 and substituting the following table:

|  |  |
| --- | --- |
| " Column 1 | Column 2 |
| Parts of taxable income of resident taxpayer | % rate |
| The part of the taxable income that: |  |
| exceeds $5,400 but does not exceed $20,700 | 20% |
| exceeds $20,700 but does not exceed $40,000 | 30% |
| exceeds $40,000 but does not exceed $50,000 | 40% |
| exceeds $50,000 | 47% "; |

**(b)** by omitting the table in Part II of Schedule 7 and substituting the following table:

|  |  |
| --- | --- |
| " Column 1 | Column 2 |
| Parts of taxable income of non-resident taxpayer | % rate |
| The part of the taxable income that: |  |
| does not exceed $20,700 | 29% |
| exceeds $20,700 but does not exceed $40,000 | 30% |
| exceeds $40,000 but does not exceed $50,000 | 40% |
| exceeds $50,000 | 47% ". |

**(2)** The amendments made by subsection (1) apply to assessments in respect of income of the 1996-97 year of income and of all subsequent years of income.

**NOTE**

1. No. 107, 1986, as amended. For previous amendments, see Nos. 60 and 138, 1987; Nos. 11, 78 and 118, 1988; Nos. 70, 98 and 106, 1989; No. 87, 1990; Nos. 48, 100 and 216, 1991; and No. 98, 1992.

[*Minister's second reading speech made in—*

*House of Representatives on 16 September 1992*

*Senate on 9 November 1992*]