**Income Tax Assessment Amendment Act**

**1996**

**No. 17, 1996**

An Act to amend the **Income Tax Assessment Act 1936,** and for related purposes

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**Income Tax Assessment Amendment**

**Act 1996**

**No. 17, 1996**

An Act to amend the **Income Tax Assessment Act 1936**, and for related purposes

[Assented to 27 June 1996]

The Parliament of Australia enacts:

**1 Short title**

This Act may be cited as the Income Tax Assessment Amendment Act 1996.

**2 Commencement**

(1) Subject to this section, this Act commences on the day on which it receives the Royal Assent.

(2) Schedule 1 commences, or is taken to have commenced, on 1 July 1996.

(3) Schedule 2 commences on 1 July 1997.

**3 Schedule(s)**

Subject to section 2, each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 1—Amendments commencing on 1 July 1996

Income Tax Assessment Act 1936

1 Subsection 251R(6A)

Omit “251U(1)(a), (b)’’, substitute “251U(1)(b)”.

**2 After subsection 251R(6A)**

Insert:

(6AA) The reference in subsection (6A) to a person taken to have been a prescribed person includes a reference to:

(a) a person to whom section 8A of the Medicare Levy Act 1986 applies; and

(b) a person who would, apart from subsections 8A(4) and (5) of that Act, have been a person to whom section 8A of that Act applies.

**3 Paragraph 251U(1)(a)**

Repeal the paragraph.

**4 Subsection 251U(2)**

Omit all the words after “during that period” (first occurring), substitute:

has been or is to be taken to have been, or but for this subsection would have been or would be taken to have been:

(a) a prescribed person; or

(b) a person to whom section 8A of the *Medicare Levy Act 1986* applies; or

(c) a person who would, apart from subsections 8A(4) and (5) of that Act, be a person to whom section 8A of that Act applies;

for the purposes of this Part and of any Act imposing levy, during that period.

**5 Paragraph 251 U(3)(b)**

Omit “(1)(a), (b)”, substitute “(1)(b)”.

**6 Application**

The amendments made by this Schedule apply to assessments in respect of income for the 1996-97 year of income.

Schedule 2—Amendments commencing on 1 July 1997

***Income Tax Assessment Act 1936***

**1 Subsection 251R(6A)**

Omit “251U(1)(b)”, substitute “251U(1)(a), (b)”.

**2 Subsection 251R(6AA)**

Repeal the subsection.

**3 Before paragraph 251U(1)(b)**

Insert:

(a) the person was entitled to free medical treatment during the whole of that period in respect of every incapacity, disease or disabling condition because the person was a member of the Defence Force or was a relative of, or was otherwise associated with, a member of the Defence Force;

**4 Subsection 251U(2)**

Omit all the words after “during that period” (first occurring), substitute “is to be taken, or but for this subsection would be taken, to have been a prescribed person, for the purposes of this Part and of any Act imposing levy, during that period”.

**5 Paragraph 251U(3)(b)**

Omit “(1)(b)”, substitute “(1)(a), (b)”.

**6 Application**

The amendments made by this Schedule apply to assessments in respect of income for the 1997-98 year of income and all later years of income.

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

*House of Representatives on 29 May 1996 Senate on 18 June 1996*]