Repatriation Commission

Veterans’ Entitlements Act 1986

Veterans’ Entitlements Income (Exempt Lump Sum — Arrears of Special Zone B Tax Offset) Determination

Instrument No. R15/2006

I, JEANETTE RICKETTS, Senior Executive Band 1 (Income Support Branch), Department of Veterans’ Affairs, and delegate of the Repatriation Commission, determine, under paragraph 5H(12)(c) of the Veterans’ Entitlements Act 1986 (VEA), that an amount specified in Part 2 of the Schedule as an exempt lump sum is an exempt lump sum for the purposes of the definition of “ordinary income” in subsection 5H(1) of the VEA.

Dated 31st March 2006

JEANETTE RICKETTS
SCHEDULE

Part 1: Preliminary and Interpretation

1. **Explanation**

1.1 Paragraph 5H(12)(c) of the VEA enables the Repatriation Commission to determine that an amount, or one of a class of amounts, is an exempt lump sum. The consequence of the determination is that the amount, or class of amounts, is not ordinary income for the purposes of the VEA.

1.2 **Name of Determination**

1.2.1 This determination is the Veterans’ Entitlements Income (Exempt Lump Sum – Arrears of Special Zone B Tax Offset) Determination No. R15 of 2006.

1.3 **Commencement of Determination**

1.3.1 This Determination is taken to have commenced on the day that it was signed.

1.4 **Definitions**

1.4.1 In this Determination:

“ATO” means the Australian Tax Office.

“DVA” means the Department of Veterans’ Affairs.

“income support payment” means a service pension or income support supplement.

“income support supplement” means the payment called the income support supplement payable under Part IIA of the VEA.

“service pension” has the meaning given to service pension in subsection 5Q(1) of the VEA.
Part 2: Exempt Lump Sum

2. Exempt Lump Sum—Arrears of Special Zone B Tax Offset

2.1 Amount or class of amounts

2.1.1 Paragraph 5H(12)(c) of the VEA provides that an amount, or class of amounts, received by a person is an exempt lump sum if the amount, or class of amounts, is determined to be an exempt lump sum.

2.1.2 Special zone B tax offset

If:

(a) a person was resident on King Island or the Furneaux Group of Islands at any time during the period 1 July 1990 to 30 June 1997; and

(b) that person:

(i) has made a claim for a special zone B tax offset from the ATO for the period, or part of the period, referred to in paragraph (a); and

(ii) the ATO has reassessed that person’s special zone B tax offset for that period, or part of that period; and

(iii) the ATO reassessment results in that person receiving an increased tax offset;

then, subject to clause 2.2:

(c) the increased tax offset payment mentioned in subparagraph 2.1.2(b)(iii) is an exempt lump sum.

2.2 Application - Exempt Lump Sums

I determine that an amount, or class of amounts, paid to a person as mentioned in paragraph 2.1.2(c) is an exempt lump sum for the purposes of paragraph 5H(12)(c) of the Act from the date that the payment is made.