



Legislative Instrument

PAYG Withholding variation for foreign resident capital gains withholding payments – income tax exempt entities

I, Emma Rosenzweig, Deputy Commissioner of Taxation, make this variation under subsection 14-235(5) of Schedule 1 to the *Taxation Administration Act 1953*.

Deputy Commissioner of Taxation
Dated: 9 March 2017

1. Name of instrument

This determination is the *PAYG Withholding variation for foreign resident capital gains withholding payments – income tax exempt entities*.

2. Commencement

This instrument commences on the day after its registration on the Federal Register of Legislation.

3. Application

This instrument applies to payments covered by section 14-200 of Schedule 1 to the *Taxation Administration Act 1953*, where the entity provides to the purchaser:

- (i) evidence of a private binding ruling issued by the Australian Taxation Office confirming that the entity is income tax exempt that is valid for the year in which the transaction is occurring; or
- (ii) documentation showing that the entity is endorsed for income tax exemption as a registered charity under item 1.1 of section 50-5 of the *Income Tax Assessment Act 1997*.

4. Determination

The amount to be paid to the Commissioner in relation to transactions covered by this instrument is varied to nil.

5. Definitions

- Income tax exempt entity – exempt entity is defined under subsection 995-1(1) of the *Income Tax Assessment Act 1997* (ITAA 1997) which means an entity all of whose *ordinary income and *statutory income is exempt from income tax because of this Act or because of another *Commonwealth law, no matter what kind of ordinary income or statutory income the entity might have; or an *untaxable Commonwealth entity.

Other terms used in this legislative instrument have the same meaning as defined in the:

- *Income Tax Assessment Act 1997, or*
- *Taxation Administration Act 1953*