

2004-2005-2006

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

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FUEL TAX BILL 2006

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SUPPLEMENTARY EXPLANATORY MEMORANDUM

Amendment to be moved on behalf of the Government

(Circulated by authority of the  
Treasurer, the Hon Peter Costello MP)

### **Explanation of Amendment 1**

1.1 Amendment 1 adds an additional subsection to section 65-5 (attribution rules) to prevent taxpayers from claiming a possible double entitlement to a credit.

1.2 Where taxpayers are not members of the Greenhouse Challenge Plus Programme, they cannot claim more than \$3 million in fuel tax credits in any financial year. Taxpayers can regain their lost credits by joining the programme. The attribution rules in the Bill determine the period in which a taxpayer can claim their fuel tax credits. Those rules are drafted flexibly to enable taxpayers to delay any claims for their credits. However, the interaction of the Greenhouse Challenge Plus Programme rules and the attribution rules meant that taxpayers after joining the programme might be able to effectively claim their lost credits twice. This amendment prevents that possible double entitlement.