

2004-2005-2006

The Parliament of the  
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

*Presented and read a first time*

**Tax Laws Amendment (Repeal of  
Inoperative Provisions) Bill 2006**

**No.     , 2006**

*(Treasury)*

**A Bill for an Act to amend the law relating to  
taxation, and for related purposes**

---

## Contents

1	Short title.....	1
2	Commencement.....	1
3	Schedule(s).....	2
<b>Schedule 1—Inoperative provisions repealed on Royal Assent</b>		<b>3</b>
	<i>A New Tax System (Australian Business Number) Act 1999</i>	3
	<i>A New Tax System (Commonwealth-State Financial Arrangements) Act 1999</i>	3
	<i>Fringe Benefits Tax Assessment Act 1986</i>	3
	<i>Income Tax Assessment Act 1936</i>	3
	<i>Income Tax Assessment Act 1997</i>	14
	<i>Income Tax Rates Act 1986</i>	17
	<i>Income Tax (Transitional Provisions) Act 1997</i>	18
	<i>Taxation Administration Act 1953</i>	19
	<i>Taxation (Interest on Overpayments and Early Payments) Act 1983</i>	19
	<i>Trust Recoupment Tax Assessment Act 1985</i>	20
<b>Schedule 2—Consequential amendments relating to Schedule 1 repeals etc.</b>		<b>21</b>
Part 1—Amendments: general		21
	<i>Aboriginal Land Rights (Northern Territory) Act 1976</i>	21
	<i>Airports (Transitional) Act 1996</i>	21
	<i>Air Services Act 1995</i>	21
	<i>A New Tax System (Australian Business Number) Act 1999</i>	21
	<i>A New Tax System (Bonuses for Older Australians) Act 1999</i>	22
	<i>A New Tax System (Goods and Services Tax) Act 1999</i>	22
	<i>A New Tax System (Tax Administration) Act (No. 2) 2000</i>	22
	<i>AUSSAT Repeal Act 1991</i>	23
	<i>Australian Postal Corporation Act 1989</i>	23
	<i>Australian Prudential Regulation Authority Act 1998</i>	23
	<i>Bank Integration Act 1991</i>	23
	<i>Bankruptcy Act 1966</i>	24
	<i>Child Support (Registration and Collection) Act 1988</i>	24

---

<i>Corporations Act 2001</i>	24
<i>Crimes (Taxation Offences) Act 1980</i>	25
<i>Crown Debts (Priority) Act 1981</i>	26
<i>Defence Act 1903</i>	26
<i>Development Allowance Authority Act 1992</i>	26
<i>Export Finance and Insurance Corporation Act 1991</i>	26
<i>Financial Corporations (Transfer of Assets and Liabilities) Act 1993</i>	27
<i>Financial Sector (Transfers of Business) Act 1999</i>	29
<i>Fringe Benefits Tax Assessment Act 1986</i>	30
<i>Future Fund Act 2006</i>	34
<i>Higher Education Funding Act 1988</i>	34
<i>Higher Education Support Act 2003</i>	34
<i>Income Tax Act 1986</i>	34
<i>Income Tax Assessment Act 1936</i>	34
<i>Income Tax Assessment Act 1997</i>	93
<i>Income Tax (Deferred Interest Securities) (Tax File Number Withholding Tax) Act 1991</i>	125
<i>Income Tax Rates Act 1986</i>	125
<i>Income Tax (Transitional Provisions) Act 1997</i>	127
<i>National Rail Corporation Agreement Act 1992</i>	138
<i>Ships (Capital Grants) Act 1987</i>	138
<i>Snowy Mountains Engineering Corporation Limited Sale Act 1993</i>	138
<i>Social Security Act 1991</i>	138
<i>Student Assistance Act 1973</i>	141
<i>Superannuation Guarantee (Administration) Act 1992</i>	141
<i>Taxation Administration Act 1953</i>	142
<i>Taxation (Interest on Overpayments and Early Payments) Act 1983</i>	153
<i>Trust Recoupment Tax Assessment Act 1985</i>	156
<i>Veterans' Entitlements Act 1986</i>	158
<b>Part 2—Amendments consequential on repeal of heading to Division 1 of Part IIA of the Taxation Administration Act 1953</b>	<b>160</b>

---

---

<i>A New Tax System (Commonwealth-State Financial Arrangements) Act 1999</i>	160
<i>A New Tax System (Goods and Services Tax) Act 1999</i>	160
<i>Fringe Benefits Tax Assessment Act 1986</i>	160
<i>General Interest Charge (Imposition) Act 1999</i>	160
<i>Income Tax Assessment Act 1936</i>	160
<i>Income Tax Assessment Act 1997</i>	161
<i>Income Tax (Transitional Provisions) Act 1997</i>	161
<i>Petroleum Resource Rent Tax Assessment Act 1987</i>	161
<i>Product Grants and Benefits Administration Act 2000</i>	162
<i>Superannuation Contributions Tax (Assessment and Collection) Act 1997</i>	162
<i>Superannuation Contributions Tax (Members of Constitutionally Protected Superannuation Funds) Assessment and Collection Act 1997</i>	162
<i>Superannuation (Government Co-contribution for Low Income Earners) Act 2003</i>	162
<i>Superannuation Guarantee (Administration) Act 1992</i>	162
<i>Taxation Administration Act 1953</i>	163
<i>Termination Payments Tax (Assessment and Collection) Act 1997</i>	163
<b>Schedule 3—Inoperative provisions repealed on 1 January 2008</b>	164
<i>Income Tax Assessment Act 1936</i>	164
<i>Income Tax Assessment Act 1997</i>	164
<i>Income Tax (Transitional Provisions) Act 1997</i>	165
<i>Taxation Administration Act 1953</i>	165
<b>Schedule 4—Consequential amendments relating to Schedule 3 repeals</b>	166
<i>Income Tax Assessment Act 1936</i>	166
<i>Income Tax Assessment Act 1997</i>	166
<i>Income Tax (Transitional Provisions) Act 1997</i>	167
<b>Schedule 5—Inoperative Acts repealed on Royal Assent</b>	168
Part 1—Repeals	168

---

---

<i>A New Tax System (End of Sales Tax) Act 1999</i>	168
<i>A New Tax System (Wine Equalisation Tax and Luxury Car Tax Transition) Act 1999</i>	168
<i>Debits Tax Act 1982</i>	168
<i>Debits Tax Administration Act 1982</i>	168
<i>Income Tax (Deficit Deferral) Act 1994</i>	168
<i>Income Tax (Untainting Tax) Act 1998</i>	168
<i>New Business Tax System (Venture Capital Deficit Tax) Act 2000</i>	168
<i>Pay-Roll Tax Assessment Act 1941</i>	168
<i>Pay-Roll Tax (Termination Of Commonwealth Tax) Act 1971</i>	168
<i>Sales Tax Act (No. 1) 1930</i>	168
<i>Sales Tax Act (No. 2) 1930</i>	168
<i>Sales Tax Act (No. 3) 1930</i>	168
<i>Sales Tax Act (No. 4) 1930</i>	169
<i>Sales Tax Act (No. 5) 1930</i>	169
<i>Sales Tax Act (No. 6) 1930</i>	169
<i>Sales Tax Act (No. 7) 1930</i>	169
<i>Sales Tax Act (No. 8) 1930</i>	169
<i>Sales Tax Act (No. 9) 1930</i>	169
<i>Sales Tax Act (No. 10A) 1985</i>	169
<i>Sales Tax Act (No. 10B) 1985</i>	169
<i>Sales Tax Act (No. 10C) 1985</i>	169
<i>Sales Tax Act (No. 11A) 1985</i>	169
<i>Sales Tax Act (No. 11B) 1985</i>	169
<i>Sales Tax Amendment (Transitional) Act 1992</i>	169
<i>Sales Tax Assessment Act 1992</i>	169
<i>Sales Tax Assessment Act (No. 1) 1930</i>	169
<i>Sales Tax Assessment Act (No. 2) 1930</i>	169
<i>Sales Tax Assessment Act (No. 3) 1930</i>	169
<i>Sales Tax Assessment Act (No. 4) 1930</i>	169
<i>Sales Tax Assessment Act (No. 5) 1930</i>	169
<i>Sales Tax Assessment Act (No. 6) 1930</i>	170
<i>Sales Tax Assessment Act (No. 7) 1930</i>	170

---

---

<i>Sales Tax Assessment Act (No. 8) 1930</i>	170
<i>Sales Tax Assessment Act (No. 9) 1930</i>	170
<i>Sales Tax Assessment Act (No. 10) 1985</i>	170
<i>Sales Tax Assessment Act (No. 11) 1985</i>	170
<i>Sales Tax (Customs) (Alcoholic Beverages) Act 1997</i>	170
<i>Sales Tax (Customs) (Deficit Reduction) Act 1993</i>	170
<i>Sales Tax (Customs) (Industrial Safety Equipment) Act 2000</i>	170
<i>Sales Tax (Customs) (Wine—Deficit Reduction) Act 1993</i>	170
<i>Sales Tax (Excise) (Alcoholic Beverages) Act 1997</i>	170
<i>Sales Tax (Excise) (Deficit Reduction) Act 1993</i>	170
<i>Sales Tax (Excise) (Industrial Safety Equipment) Act 2000</i>	170
<i>Sales Tax (Excise) (Wine—Deficit Reduction) Act 1993</i>	170
<i>Sales Tax (Exemptions and Classifications) Act 1935</i>	170
<i>Sales Tax (Exemptions and Classifications) Act 1992</i>	170
<i>Sales Tax (General) (Alcoholic Beverages) Act 1997</i>	170
<i>Sales Tax (General) (Deficit Reduction) Act 1993</i>	170
<i>Sales Tax (General) (Industrial Safety Equipment) Act 2000</i>	171
<i>Sales Tax (General) (Wine—Deficit Reduction) Act 1993</i>	171
<i>Sales Tax Imposition (Customs) Act 1992</i>	171
<i>Sales Tax Imposition (Excise) Act 1992</i>	171
<i>Sales Tax Imposition (General) Act 1992</i>	171
<i>Sales Tax Imposition (In Situ Pools) Act 1992</i>	171
<i>Sales Tax (Industrial Safety Equipment) (Transitional Provisions) Act 2000</i>	171
<i>Sales Tax (In Situ Pools) (Deficit Reduction) Act 1993</i>	171
<i>Sales Tax Procedure Act 1934</i>	171
<i>Swimming Pools Tax Refund Act 1992</i>	171
<i>Tobacco Charge Act (No. 1) 1955</i>	171
<i>Tobacco Charge Act (No. 2) 1955</i>	171
<i>Tobacco Charge Act (No. 3) 1955</i>	171
<i>Tobacco Charges Assessment Act 1955</i>	171
<i>Wool Tax Act (No. 1) 1964</i>	171
<i>Wool Tax Act (No. 2) 1964</i>	171

---

---

<i>Wool Tax Act (No. 3) 1964</i>	171
<i>Wool Tax Act (No. 4) 1964</i>	172
<i>Wool Tax Act (No. 5) 1964</i>	172
<i>Wool Tax (Administration) Act 1964</i>	172
<b>Part 2—Consequential amendments</b>	173
<i>Administrative Decisions (Judicial Review) Act 1977</i>	173
<i>A New Tax System (Goods and Services Tax Transition) Act 1999</i>	173
<i>A New Tax System (Wine Equalisation Tax) Act 1999</i>	174
<i>ANL Act 1956</i>	174
<i>Australian Hearing Services Act 1991</i>	174
<i>Australian Institute of Aboriginal and Torres Strait Islander Studies Act 1989</i>	175
<i>Australian Institute of Health and Welfare Act 1987</i>	175
<i>Australian National Maritime Museum Act 1990</i>	175
<i>Australian Postal Corporation Act 1989</i>	175
<i>Australian Securities and Investments Commission Act 2001</i>	176
<i>Australian Sports Commission Act 1989</i>	176
<i>Bank Integration Act 1991</i>	177
<i>Commonwealth Serum Laboratories Act 1961</i>	177
<i>Consular Privileges and Immunities Act 1972</i>	177
<i>Crimes (Taxation Offences) Act 1980</i>	177
<i>Diplomatic Privileges and Immunities Act 1967</i>	183
<i>Freedom of Information Act 1982</i>	183
<i>Fringe Benefits Tax Assessment Act 1986</i>	184
<i>Income Tax Assessment Act 1997</i>	184
<i>International Organisations (Privileges and Immunities) Act 1963</i>	185
<i>Overseas Missions (Privileges and Immunities) Act 1995</i>	185
<i>Primary Industries and Energy Research and Development Act 1989</i>	186
<i>Snowy Mountains Engineering Corporation Act 1970</i>	186
<i>Special Broadcasting Service Act 1991</i>	186
<i>Taxation Administration Act 1953</i>	186
<i>Taxation (Interest on Overpayments and Early Payments) Act 1983</i>	188
<i>Trade Practices Act 1974</i>	189

---

---

<i>Trans-Tasman Mutual Recognition Act 1997</i>	189
<i>Wool International Act 1993</i>	190
<i>Wool Services Privatisation Act 2000</i>	190
<b>Schedule 6—Application and saving provisions</b>	192
Part 1—Application provisions	192
Part 2—General saving provisions	194
Part 3—Other saving provisions and transitional provisions	197



1     **A Bill for an Act to amend the law relating to**  
2     **taxation, and for related purposes**

3     The Parliament of Australia enacts:

4     **1 Short title**

5                     This Act may be cited as the *Tax Laws Amendment (Repeal of*  
6                     *Inoperative Provisions) Act 2006*.

7     **2 Commencement**

8                     (1) Each provision of this Act specified in column 1 of the table  
9                     commences, or is taken to have commenced, in accordance with  
10                    column 2 of the table. Any other statement in column 2 has effect  
11                    according to its terms.  
12

---

---

**Commencement information**

---

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Provision(s)</b>	<b>Commencement</b>	<b>Date/Details</b>
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day on which this Act receives the Royal Assent.	
2. Schedules 1 and 2	The day on which this Act receives the Royal Assent.	
3. Schedules 3 and 4	1 January 2008.	1 January 2008
4. Schedules 5 and 6	The day on which this Act receives the Royal Assent.	

1  
2  
3

Note: This table relates only to the provisions of this Act as originally passed by the Parliament and assented to. It will not be expanded to deal with provisions inserted in this Act after assent.

4  
5  
6

(2) Column 3 of the table contains additional information that is not part of this Act. Information in this column may be added to or edited in any published version of this Act.

7

### **3 Schedule(s)**

8  
9  
10  
11

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.

1  
2 **Schedule 1—Inoperative provisions repealed**  
3 **on Royal Assent**  
4

5 **1 Repeal**

6 The provisions and parts of provisions specified in this Schedule are  
7 repealed.

8 *A New Tax System (Australian Business Number) Act 1999*

9 **2 Division 14**

10 *A New Tax System (Commonwealth-State Financial*  
11 *Arrangements) Act 1999*

12 **3 Section 16**

13 *Fringe Benefits Tax Assessment Act 1986*

14 **4 Subsection 136(1) (definition of *Australian Airlines*)**

15 *Income Tax Assessment Act 1936*

16 **5 Sections 2 to 4**

17 **6 Subsection 6(1) (definition of *adopted child*)**

18 **7 Subsection 6(1) (definition of *assessable income from***  
19 ***petroleum*)**

20 **8 Subsection 6(1) (definition of *Commonwealth country*)**

21 **9 Subsection 6(1) (definition of *Commonwealth labour market***  
22 ***program*)**

23 **10 Subsection 6(1) (definition of *electronic signature*)**

24 **11 Subsection 6(1) (definition of *exempt income from***  
25 ***petroleum*)**

- 1     **12 Subsection 6(1) (definition of *failure to notify penalty*)**
- 2     **13 Subsection 6(1) (definition of *firearms surrender***  
3         ***arrangements*)**
- 4     **14 Subsection 6(1) (definition of *fishing operations*)**
- 5     **15 Subsection 6(1) (definition of *forest operations*)**
- 6     **16 Subsection 6(1) (definition of *horticulture*)**
- 7     **17 Subsection 6(1) (definition of *income from petroleum*)**
- 8     **18 Subsection 6(1) (definition of *income tax laws of Papua***  
9         ***New Guinea*)**
- 10    **19 Subsection 6(1) (definition of *late reconciliation statement***  
11        ***penalty*)**
- 12    **20 Subsection 6(1) (definition of *Papua New Guinea*)**
- 13    **21 Subsection 6(1) (definition of *Papua New Guinea***  
14        ***independence day*)**
- 15    **22 Subsection 6(1) (definition of *pearling operations*)**
- 16    **23 Subsection 6(1) (definition of *petroleum*)**
- 17    **24 Subsection 6(1) (definition of *petroleum prospecting or***  
18        ***mining information*)**
- 19    **25 Subsection 6(1) (definition of *petroleum prospecting or***  
20        ***mining right*)**
- 21    **26 Subsection 6(1) (definition of *previous Act*)**
- 22    **27 Subsection 6(1) (definition of *primary production*)**
- 23    **28 Subsection 6(1) (definition of *public securities*)**
- 24    **29 Subsection 6(1) (definition of *reportable fringe benefits***  
25        ***amount*)**
-

- 1     **30 Subsection 6(1) (definition of *shares*)**
- 2     **31 Subsection 6(1) (definition of *tainting amount*)**
- 3     **32 Subsection 6(1B)**
- 4     **33 Subsections 6(7) to (8)**
- 5     **34 Subsections 6AA(3) to (3C)**
- 6     **35 Paragraph 6AA(4)(d)**
- 7     **36 Section 6G**
- 8     **37 Paragraph 16(4)(ca)**
- 9     **38 Section 17**
- 10    **39 Section 19**
- 11    **40 Sections 22 to 23AAA**
- 12    Note:    Remade versions of parts of section 23, which is repealed by the above item, are  
13            included in the *Income Tax Assessment Act 1997* by Schedule 2 to this Act. The  
14            provisions concerned (and the remade sections) are: subparagraphs 23(a)(ii) and (vi)  
15            (section 768-100); paragraph 23(b), subparagraphs 23(c)(iii) to (v) and paragraphs  
16            23(u), (v) and (ya) (section 842-105); and paragraphs 23(kc) and (kca)  
17            (section 768-105). Paragraph 23(jb) has also been remade by Schedule 2 as paragraph  
18            128B(3)(jb) of the *Income Tax Assessment Act 1936*.
- 19    **41 Subsection 23AB(1) (definition of *work and income***  
20        ***support related withholding payments and benefits*)**
- 21    **42 Subsection 23AB(6A)**
- 22    **43 Sub-subparagraph 23AB(7)(a)(ii)(A)**
- 23    **44 Section 23ADA**
- 24    **45 Section 23AE**
- 25    **46 Section 23AL**
- 26    Note:    A remade version of section 23AL is included in the *Income Tax Assessment Act 1997*  
27            by item 748 of Schedule 2 to this Act.

- 1     **47 Sections 23C, 23D and 23H**
- 2     **48 Division 1AA of Part III**
- 3     **49 Sections 24BA and 24BB**
- 4     **50 Section 24N**
- 5     **51 Subsection 24P(7)**
- 6     **52 Section 25**
- 7     **53 Sections 25B to 26AAB**
- 8     Note:     Remade versions of paragraphs 26(e), (eaa), (ea) and (i), which are repealed by the  
9                 above item, are included in the *Income Tax Assessment Act 1997* by items 627 and 628  
10                of Schedule 2 to this Act.
- 11    **54 Subsection 26AAC(10)**
- 12    **55 Paragraph 26AB(5)(a)**
- 13    **56 Sections 26B and 26BA**
- 14    **57 Subdivisions B and C of Division 2 of Part III (not**  
15         **including the heading to Subdivision B and not**  
16         **including section 36AAA)**
- 17    **58 Subsection 45(4)**
- 18    **59 Paragraph 45B(8)(g)**
- 19    **60 Sections 45Z to 46**
- 20    **61 Subsection 46A(13)**
- 21    **62 Section 46C**
- 22    **63 Section 46F**
- 23    **64 Division 2A of Part III**
- 24    **65 Section 51**

1 Note: Remade versions of subsections 51(8) and (9), which are repealed by the above item,  
2 are included in the *Income Tax Assessment Act 1997* by item 663 of Schedule 2 to this  
3 Act.

4 **66 Section 51AB**

5 **67 Section 51AE**

6 **68 Section 51AG**

7 **69 Section 51AL**

8 **70 Sections 53 to 62AAV**

9 Note: Item 813 of Schedule 2 includes a provision in the *Income Tax (Transitional*  
10 *Provisions) Act 1997* as a consequence of the repeal of section 57AM by the above  
11 item.

12 **71 Subsections 63(1AAA) to (1AA)**

13 **72 Subsections 63(1B) to (4)**

14 **73 Sections 63A to 63CC**

15 **74 Sections 64 and 64A**

16 **75 Subsections 65(1AA), (1), (1A), (1D), (1E), (1F), (2) and (3)**

17 **76 Section 67**

18 **77 Sections 67AA to 70A**

19 Note: A remade version of subsection 69(7), which is repealed by the above item, is included  
20 in the *Income Tax Assessment Act 1997* by item 659 of Schedule 2 to this Act.

21 **78 Sections 71 to 73**

22 **79 Subsection 73A(6) (definition of *consideration received or***  
23 ***receivable in respect of the disposal, loss or***  
24 ***destruction*)**

25 **80 Subsection 73B(1) (paragraph (c) of the definition of**  
26 ***aggregate research and development amount*)**

27 **81 Subsection 73B(1) (definition of *building expenditure*)**

1 **82 Subsection 73B(1) (definition of *undeducted building***  
2 ***expenditure*)**

3 **83 Subsections 73B(7), (17), (25), (26), (28) to (30), (37) and**  
4 **(38)**

5 **84 Section 73D**

6 **85 Section 73F**

7 **86 Sections 74 to 78AB**

8 Note: A remade version of sections 74A and 74B, which are repealed by the above item, is  
9 included in the *Income Tax Assessment Act 1997* by item 660 of Schedule 2 to this Act.

10 **87 Section 78B**

11 **88 Section 79C**

12 **89 Sections 79E to 81**

13 **90 Subsections 82(1A) and (1)**

14 **91 Subdivisions B to CA of Division 3 of Part III**

15 **92 Subsection 82KH(1C)**

16 **93 Subdivisions F to G of Division 3 of Part III**

17 **94 Subsection 82R(6)**

18 **95 Section 82S**

19 **96 Division 4 of Part III**

20 **97 Section 93**

21 **98 Section 94W**

22 **99 Section 94Y**

23 **100 Subsection 97A(2) (definition of *eligible primary***  
24 ***producer*)**



- 1     **101 Subsection 97A(2) (definition of *owner of a current IED***  
2             ***scheme deposit*)**
- 3     **102 Section 102AAB (definition of *basic statutory interest***  
4             ***rate*)**
- 5     **103 Section 102AAB (definition of *pre-franking rebate tax*)**
- 6     **104 Subdivision C of Division 6AAA of Part III**
- 7     **105 Subsection 102AAZ(3)**
- 8     **106 Section 102AH**
- 9     **107 Subsections 102L(4), (8), (9), (12), (14), (16) and (17)**
- 10    **108 Subsections 102T(4A), (5), (9), (10), (13), (15), (17) and**  
11            **(18)**
- 12    **109 Subsection 103(1) (all definitions except *the relevant***  
13            ***holding company or holding companies*)**
- 14    **110 Subsection 103(1A)**
- 15    **111 Sections 103AA to 107A**
- 16    **112 Paragraph 109ZA(b)**
- 17    **113 Section 109ZD (definition of *PAYE earnings*)**
- 18    **114 Section 109ZD (definition of *work and income support***  
19            ***related withholding payments and benefits*)**
- 20    **115 Division 9B of Part III**
- 21    **116 Subsection 121F(1) (paragraph (a) of the definition of**  
22            ***relevant exempting provision*)**
- 23    **117 Divisions 10 to 10A of Part III**
- 24    **118 Subsection 124K(1) (subparagraphs (a)(i) and (iii) of the**  
25            **definition of *unit of industrial property*)**
-

- 1     **119 Subsection 124L(2)**
- 2     **120 Subsection 124S(3)**
- 3     **121 Section 124X**
- 4     **122 Sections 124ZAF and 124ZAN**
- 5     **123 Divisions 10C and 10D of Part III**
- 6     **124 Division 10F of Part III**
- 7     **125 Paragraphs 128AAA(2)(c) and (d)**
- 8     **126 Subsection 128A(1) (definition of *associated persons*)**
- 9     **127 Subsection 128A(1) (definition of *bearer debenture*)**
- 10    **128 Subsection 128A(8)**
- 11    **129 Paragraphs 128B(3)(c) and (g)**
- 12    **130 Subsection 128B(3B) (definition of *finance arrangement*)**
- 13    **131 Subsections 128C(1A) to (2)**
- 14    Note:    Item 342 of Schedule 2 amends subsection 128C(1) as a consequence of the repeal of
- 15            subsection 128C(1A) by the above item.
- 16    **132 Subsection 128C(5)**
- 17    **133 Section 128E**
- 18    **134 Sections 128G and 128GA**
- 19    **135 Sections 128H to 128N**
- 20    **136 Subsection 136AE(9)**
- 21    **137 Section 136AG**
- 22    **138 Subsections 156(1A), (4) and (4A)**
- 23    **139 Divisions 16A and 16C of Part III**

- 1     **140 Paragraph 159GJ(1)(a)**
- 2     **141 Subparagraphs 159GJ(2)(a)(i) and (iv)**
- 3     **142 Subparagraphs 159GJ(2)(c)(i) and (iv)**
- 4     **143 Sub-subparagraph 159GJ(4)(b)(iii)(B)**
- 5     **144 Division 16H of Part III**
- 6     Note:     Item 844 of Schedule 2 include provisions in the *Income Tax (Transitional Provisions)*  
7             *Act 1997* as a consequence of the repeal of Division 16H of Part III by the above item.
- 8     **145 Subsection 159GZZZC(2)**
- 9     **146 Subsection 159HA(7) (paragraph (b) of the definition of**  
10         ***indexable amount*)**
- 11    **147 Subdivision AAD of Division 17 of Part III**
- 12    **148 Sections 160AB to 160ACE**
- 13    **149 Subsection 160AE(1) (definition of *undistributed amount*)**
- 14    **150 Subsection 160AF(4)**
- 15    **151 Section 160AGB**
- 16    **152 Subsection 160AN(4)**
- 17    **153 Parts IIIAA and IIIA**
- 18    **154 Subsection 170(10) (table items 2, 7 to 9, 11, 15 and 19)**
- 19    **155 Section 170AA**
- 20    **156 Section 202A (definition of *eligible paying authority*)**
- 21    **157 Section 202A (definition of *salary or wages*)**
- 22    **158 Subsection 202BD(7)**
- 23    **159 Subsection 202DM(2)**

1 **160 Sections 205 to 209**

2 **161 Sections 214 to 218**

3 **162 Section 220**

4 **163 Divisions 1AAA to 6A of Part VI**

5 Note 1: Items 949 and 951 to 956 of Schedule 2 include provisions in the *Taxation*  
6 *Administration Act 1953* as a consequence of the repeal of Subdivision C of  
7 Division 3B of Part VI by the above item.

8 Note 2: A remade version of section 221B, which is repealed by the above item, is included in  
9 the *Taxation Administration Act 1953* by item 970 of Schedule 2 to this Act.

10 Note 3: A remade version of section 221YSA, which is repealed by the above item, is included  
11 in the *Income Tax Assessment Act 1936* by item 345 of Schedule 2 to this Act.

12 **164 Part VII**

13 **165 Section 251Y**

14 **166 Sections 258 and 259**

15 Note: Item 15 of Schedule 6 extends the operation of subsection 265-45(2) in Schedule 1 to  
16 the *Taxation Administration Act 1953* as a consequence of the repeal of section 259 by  
17 the above item.

18 **167 Subsection 262A(4AB)**

19 **168 Section 264CA**

20 **169 Subsection 296(3)**

21 **170 Section 305**

22 **171 Paragraph 399A(1)(a)**

23 **172 Subsection 401(2)**

24 **173 Subsection 405(2)**

25 **174 Section 407**

26 **175 Paragraph 427(a)**

27 **176 Subsection 461(2)**

- 1     **177 Sections 546 to 549**
- 2     **178 Subsection 555(2) (definition of *basic statutory interest***  
3         ***rate*)**
- 4     **179 Sections 587 and 588**
- 5     **180 Subsection 592(2) (definition of *basic statutory interest***  
6         ***rate*)**
- 7     **181 Section 597**
- 8     **182 Subsection 613(2)**
- 9     **183 Part XII**
- 10    **184 Schedule 1**
- 11    **185 Schedules 2A and 2B**
- 12    **186 Subsection 245-70(3) in Schedule 2C**
- 13    **187 Subsection 245-140(1) in Schedule 2C (table items 1, 3, 5,**  
14         **6, 9 to 13, 15 to 19, 21, 24 and 25)**
- 15    **188 Subsection 245-140(1A) in Schedule 2C**
- 16    **189 Paragraphs 57-25(4)(a) to (d), (g), (h), (k) and (l) in**  
17         **Schedule 2D**
- 18    **190 Section 57-35 (paragraph (d) of the definition of *asset*)**
- 19    **191 Subdivision 57-I in Schedule 2D**
- 20    **192 Subsection 57-85(3) in Schedule 2D (table items 2 to 4, 6,**  
21         **7A, 8, 10 to 12 and 14A to 17)**
- 22    **193 Subsection 57-110(2) in Schedule 2D (table items 2, 3, 4,**  
23         **5A, 6, 8A and 9)**
- 24    **194 Paragraphs 268-35(2)(a) and (b) in Schedule 2F**  
25         **(including the notes)**
-

- 1 **195 Paragraph 268-35(5)(i) in Schedule 2F (including the**  
2 **note)**
- 3 **196 Sections 268-50 and 268-55 in Schedule 2F**
- 4 **197 Section 271-85 in Schedule 2F**
- 5 **198 Section 393-25 in Schedule 2G (definition of *deduction***  
6 ***exemption certificate*)**
- 7 **199 Subsection 326-5(5) in Schedule 2H**
- 8 ***Income Tax Assessment Act 1997***
- 9 **200 Section 10-5 (table item headed “development**  
10 **allowance”)**
- 11 **201 Section 10-5 (table item headed “drought investment**  
12 **allowance”)**
- 13 **202 Section 10-5 (table item headed “income equalisation**  
14 **deposits”)**
- 15 **203 Section 11-15 (table item headed “GST Direct Assistance**  
16 **Certificate recipient”)**
- 17 **204 Section 12-5 (table item headed “composite incomes”)**
- 18 **205 Section 12-5 (table item headed “development**  
19 **allowance”)**
- 20 **206 Section 12-5 (table item headed “drought investment**  
21 **allowance”)**
- 22 **207 Section 12-5 (table item headed “firearms surrender**  
23 **payments”)**
- 24 **208 Section 12-5 (table item headed “heritage conservation**  
25 **work”)**

- 1     **209 Section 12-5 (table item headed “promoters recoupment**  
2         **tax”)**
- 3     **210 Section 12-5 (table item headed “State Bank of NSW”)**
- 4     **211 Section 12-5 (table item headed “successive**  
5         **deductions”)**
- 6     **212 Section 12-5 (table item headed “tax file number (TFN)**  
7         **withholding tax”)**
- 8     **213 Section 13-1 (table item headed “Commonwealth Savings**  
9         **Bank”)**
- 10    **214 Section 13-1 (table item headed “heritage conservation”)**
- 11    **215 Section 13-1 (table item headed “loan interest”)**
- 12    **216 Section 17-25**
- 13    **217 Section 25-80**
- 14    **218 Paragraphs 26-55(1)(b), (c) and (e)**
- 15    **219 Section 27-30**
- 16    **220 Subsection 30-25(2) (table items 2.2.5 and 2.2.12)**
- 17    **221 Subsection 30-45(2) (table items 4.2.8 and 4.2.16 to**  
18         **4.2.18)**
- 19    **222 Subsection 30-50(2) (table items 5.2.2 to 5.2.10, 5.2.12 to**  
20         **5.2.15, 5.2.17 to 5.2.20 and 5.2.23)**
- 21    **223 Subsection 30-70(2) (table items 8.2.1 and 8.2.2)**
- 22    **224 Subsection 30-80(2) (table items 9.2.9 and 9.2.11)**
- 23    **225 Section 30-95 (table item 11.2.6)**
- 24    **226 Subsection 30-100(2) (table item 12.2.3)**

- 1     **227 Section 30-102 (table items 12A.2.11 and 12A.2.12)**
- 2     **228 Section 30-105 (table item 13.2.1)**
- 3     **229 Subsection 30-315(2) (table items 2AA, 2A, 18, 20B, 23A,**  
4             **25B, 28, 28B, 29, 32, 34A, 59, 64A, 67A, 68A, 72AA, 72B,**  
5             **72BB, 74A, 81, 94, 97AA, 104A, 104C, 106, 110B, 112A,**  
6             **112B, 112D, 114A, 118AA and 123A)**
- 7     **230 Section 51-60**
- 8     **231 Subdivision 61-G**
- 9     **232 Subsection 70-40(2) (notes 1 and 2)**
- 10    **233 Subsection 104-15(4) (note)**
- 11    **234 Subsection 104-210(1) (note)**
- 12    **235 Section 115-10 (note)**
- 13    **236 Section 118-14**
- 14    **237 Paragraphs 165-55(5)(d), (e) and (i) (including the note**  
15             **after paragraph (i))**
- 16    **238 Subsection 165-55(6) (note)**
- 17    **239 Subsection 165-240(7)**
- 18    **240 Section 320-40**
- 19    **241 Subsection 328-295(1) (note 2)**
- 20    **242 Subsection 405-15(1) (note)**
- 21    **243 Section 405-45 (note)**
- 22    **244 Subsections 405-50(1) and (3) (note)**
- 23    **245 Section 820-10 (table item 3)**



- 1     **246 Subsections 820-445(1) and (2)**
- 2     **247 Subsection 820-445(3) (heading)**
- 3     **248 Subdivision 820-F**
- 4     **249 Section 820-581 (last paragraph of the example)**
- 5     **250 Subdivision 960-R**
- 6     **251 Subsection 995-1(1) (paragraph (d) of the definition of**  
7         ***BAS provisions*)**
- 8     **252 Subsection 995-1(1) (paragraphs (b) and (c) of the**  
9         **definition of *capital allowance*)**
- 10    **253 Subsection 995-1(1) (definition of *exempting company*)**
- 11    **254 Subsection 995-1(1) (definition of *leasing company*)**
- 12    **255 Subsection 995-1(1) (definition of *maximum TC group*)**
- 13    **256 Subsection 995-1(1) (definition of *Pre-GST annual***  
14         ***turnover*)**
- 15    **257 Subsection 995-1(1) (definition of *priority agreement*)**
- 16    **258 Subsection 995-1(1) (definition of *qualified person*)**
- 17    **259 Subsection 995-1(1) (definition of *resident TC group*)**
- 18    **260 Subsection 995-1(1) (paragraph (c) of the definition of**  
19         ***safe harbour capital amount*)**
- 20    **261 Subsection 995-1(1) (definition of *specified management***  
21         ***fees*)**
- 22    **262 Subsection 995-1(1) (definition of *top entity*)**
- 23    ***Income Tax Rates Act 1986***
- 24    **263 Subsection 3(1) (definition of *reduced notional income*)**
-

- 1     **264 Subsection 12(5)**
- 2     **265 Schedule 9**
- 3     ***Income Tax (Transitional Provisions) Act 1997***
- 4     **266 Subsection 20-1(2) (including the note)**
- 5     **267 Section 20-5**
- 6     **268 Division 28**
- 7     **269 Section 40-85**
- 8     **270 Divisions 41 and 42**
- 9     **271 Section 51-5**
- 10    **272 Subsection 70-1(1) (second sentence)**
- 11    **273 Section 70-5**
- 12    **274 Subdivision 104-B**
- 13    **275 Section 104-72**
- 14    **276 Section 104-210**
- 15    **277 Division 115**
- 16    **278 Division 138**
- 17    **279 Division 330**
- 18    **280 Division 373**
- 19    **281 Division 385**
- 20    **282 Division 387**
- 21    **283 Division 400**

- 1     **284 Division 405**
- 2     **285 Section 701-30**
- 3     **286 Sections 820-15 to 820-40**
- 4     **287 Sections 830-5 and 830-10**
- 5     ***Taxation Administration Act 1953***
- 6     **288 Division 1 of Part IIA (heading)**
- 7     **289 Subsection 8AAB(4) (table items 10 to 29)**
- 8     **290 Divisions 2 and 3 of Part IIA**
- 9     **291 Subsection 12-45(3) in Schedule 1**
- 10    **292 Subsections 16-75(1) and (3) in Schedule 1 (notes)**
- 11    **293 Group heading before section 16-120 in Schedule 1**
- 12    **294 Sections 16-120 to 16-135 in Schedule 1**
- 13    **295 Subsection 45-70(1) in Schedule 1 (note)**
- 14    **296 Group heading before section 45-170 in Schedule 1**
- 15    **297 Sections 45-170 to 45-180 in Schedule 1**
- 16    **298 Subsection 250-10(1) in Schedule 1 (table item 60)**
- 17    **299 Subsection 250-10(2) in Schedule 1 (table items 75 and**  
18        **80)**
- 19    ***Taxation (Interest on Overpayments and Early Payments) Act***  
20        ***1983***
- 21    **300 Subsection 3(1) (definition of *final instalment day*)**
- 22    **301 Subsection 3(1) (definition of *instalment taxpayer*)**

- 1     **302 Subsection 3(1) (definition of *provisional tax*)**
- 2     **303 Subsection 3(1) (definition of *relevant entity*)**
- 3     **304 Section 3C (table items 10, 30, 35, 60, 65, 70 and 75 in the**  
4         **definition of *relevant tax*)**
- 5     **305 Subparagraph 8A(1)(a)(iv)**
- 6     **306 Subparagraphs 8A(1)(a)(vi) to (x)**
- 7     **307 Subsection 8A(1A)**
- 8     **308 Subparagraphs 8E(1)(d)(ii) and (2)(d)(ii)**
- 9     **309 Subparagraph 8G(1)(d)(ii)**
- 10    **310 Subparagraph 8G(2)(c)(ii)**
- 11    **311 Subsections 8H(1) and (2)**
- 12    **312 Subsection 9(5)**
- 13    **313 Sub-subparagraphs 10(1)(a)(iii)(B) and (C)**
- 14    **314 Paragraph 10(1)(aa)**
- 15    **315 Section 10A**
- 16    **316 Subparagraphs 12A(1)(a)(ii) and (iii)**
- 17    **317 Sub-subparagraphs 12A(1)(a)(iv)(D) and (F) to (J)**
- 18    ***Trust Recoupment Tax Assessment Act 1985***
- 19    **318 Subsection 4(6)**

1  
2 **Schedule 2—Consequential amendments**  
3 **relating to Schedule 1 repeals etc.**

4 **Part 1—Amendments: general**

5 *Aboriginal Land Rights (Northern Territory) Act 1976*

6 **1 Subsection 64A(2)**

7 Omit “neither subsection 221ZB(1) of the *Income Tax Assessment Act*  
8 *1936* nor section 12-320 in Schedule 1 to the *Taxation Administration*  
9 *Act 1953* applies”, substitute “section 12-320 in Schedule 1 to the  
10 *Taxation Administration Act 1953* does not apply”.

11 *Airports (Transitional) Act 1996*

12 **2 Section 48A (definition of *plant*)**

13 Omit “section 42-18”, substitute “subsection 995-1(1)”.

14 **3 Sections 49, 49A, 50, 50A, 51, 51A, 52, 53 and 54**

15 Repeal the sections.

16 *Air Services Act 1995*

17 **4 Subsection 52(1)**

18 Omit “paragraph 23(d) of the *Income Tax Assessment Act 1936*”,  
19 substitute “section 50-25 of the *Income Tax Assessment Act 1997*”.

20 *A New Tax System (Australian Business Number) Act 1999*

21 **5 Section 5A (note)**

22 Omit “under subsection 38(1)”.

23 **6 Section 41 (definition of *enterprise*)**

24 Repeal the definition, substitute:

25 *enterprise* has the meaning given by section 9-20 of the *A New Tax*  
26 *System (Goods and Services Tax) Act 1999*.

1 **7 Section 41 (definition of *entity*)**

2 Repeal the definition, substitute:

3 *entity* has the meaning given by section 184-1 of the *A New Tax*  
4 *System (Goods and Services Tax) Act 1999*.

5 **8 Section 41 (definition of *lodged electronically*)**

6 Repeal the definition, substitute:

7 *lodged electronically*: a document is lodged electronically if it is  
8 transmitted to the Registrar in an electronic format approved by the  
9 Registrar.

10 ***A New Tax System (Bonuses for Older Australians) Act 1999***

11 **9 Paragraphs 35(3)(b) and (4)(a)**

12 Before “subsection 221A(1)”, insert “former”.

13 **10 Paragraph 35(4)(b)**

14 Before “section 69”, insert “former”.

15 **11 Paragraph 35(4)(c)**

16 Before “section 74”, insert “former”.

17 **12 Paragraph 36(3)(a)**

18 Before “subsection 221A(1)”, insert “former”.

19 ***A New Tax System (Goods and Services Tax) Act 1999***

20 **13 Paragraph 9-20(2)(d)**

21 Omit “subsection 12-45(3)”, substitute “paragraph 12-45(1)(e)”.

22 ***A New Tax System (Tax Administration) Act (No. 2) 2000***

23 **14 Subitem 3(1) of Schedule 1**

24 After “corresponding”, substitute “former”.

25 **15 Subitem 3(1) of Schedule 1 (table, heading to column 3)**

26 Omit “1936 Act provision”, substitute “Former 1936 Act provision”.

1 **16 Subitem 3(1) of Schedule 1 (table item 7)**

2 Repeal the item.

3 **17 Subitem 3(2) of Schedule 1**

4 Before “section 224”, insert “former”.

5 ***AUSSAT Repeal Act 1991***

6 **18 Subsection 8(2)**

7 Before “sections”, insert “former”.

8 ***Australian Postal Corporation Act 1989***

9 **19 Subsection 63(2)**

10 Omit “paragraph 23(d) of the *Income Tax Assessment Act 1936* or”.

11 ***Australian Prudential Regulation Authority Act 1998***

12 **20 Subsection 55(3)**

13 Omit “paragraph 23(d) of the *Income Tax Assessment Act 1936* or”.

14 ***Bank Integration Act 1991***

15 **21 Subsection 5(1) (paragraph (d) of the definition of asset)**

16 Repeal the paragraph.

17 **22 Paragraph 22(4)(c)**

18 Omit “, foreign tax credits and dividend rebates under section 46 of the  
19 *Income Tax Assessment Act 1936*”, substitute “and foreign tax credits”.

20 **23 Subsection 22(5)**

21 Omit “Part IIIAA of the *Income Tax Assessment Act 1936*”, substitute  
22 “Part 3-6 of the *Income Tax Assessment Act 1997* (about the imputation  
23 system)”.

24 **24 Paragraph 22(5)(b)**

25 Omit “franking year”, substitute “income year”.

1 ***Bankruptcy Act 1966***

2 **25 Paragraph 109(1A)(b)**

3 Before “subsections”, insert “former”.

4 **26 Paragraph 109(1A)(b)**

5 Before “section”, insert “former”.

6 ***Child Support (Registration and Collection) Act 1988***

7 **27 Paragraphs 50(2)(a) and (b)**

8 Before “subsection 221YHZD(3)”, insert “former”.

9 **28 Paragraph 72B(4)(b)**

10 Repeal the paragraph, substitute:

11 (b) money due by the person to the debtor is taken to be money  
12 that comes to the person on behalf of the debtor, other than  
13 money that is:

14 (i) a payment of a royalty referred to in Subdivision 12-F in  
15 Schedule 1 to the *Taxation Administration Act 1953*; or

16 (ii) a payment to which section 12-325 of that Schedule  
17 applies (natural resource payments).

18 ***Corporations Act 2001***

19 **29 Subsection 443BA(2) (definition of *remittance provision*)**

20 After “following”, insert “former”.

21 **30 Paragraph 459E(5)(aa)**

22 Before “section”, insert “former”.

23 **31 Paragraph 459E(5)(a)**

24 Before “section” (wherever occurring), insert “former”.

25 **32 Paragraphs 459E(5)(b) to (d)**

26 Before “subsection”, insert “former”.

27 **33 Subsection 588F(2) (definition of *remittance provision*)**



1 After “following”, insert “former”.

2 **34 Paragraphs 588FGA(1)(aa) and (a)**

3 Before “section” (wherever occurring), insert “former”.

4 **35 Paragraphs 588FGA(1)(b) to (d)**

5 Before “subsection”, insert “former”.

6 ***Crimes (Taxation Offences) Act 1980***

7 **36 Subsection 3(1) (paragraph (aa) of the definition of *income***  
8 ***tax*)**

9 After “under”, insert “former”.

10 **37 Subsection 3(1) (paragraph (b) of the definition of *income***  
11 ***tax*)**

12 Omit “subsection 221AZMAA(1), subsection 221AZP(1), subsection  
13 221YD(3), section 221YDB or”, substitute “former subsection  
14 221AZMAA(1), former subsection 221AZP(1), former subsection  
15 221YD(3), former section 221YDB or former”.

16 **38 Subsection 3(1) (paragraphs (c) to (cb) of the definition of**  
17 ***income tax*)**

18 After “under”, insert “former”.

19 **39 Subsection 3(1) (paragraph (d) of the definition of *income***  
20 ***tax*)**

21 Repeal the paragraph, substitute:

22 (d) any amount payable under former section 220AAE,  
23 220AAM or 220AAR, or former subsection 221EAA(1), of  
24 the Income Tax Assessment Act; and

25 **40 Subsection 3(1) (paragraph (f) of the definition of *income***  
26 ***tax*)**

27 After “under”, insert “former”.

28 **41 Subsection 3(1) (paragraph (g) of the definition of *income***  
29 ***tax*)**

30 Before “subsection” (wherever occurring), insert “former”.

1 **42 Subsection 3(1) (paragraph (g) of the definition of *income***  
2 ***tax*)**

3 Before “subparagraph”, insert “former”.

4 **43 Subsection 3(1) (paragraph (g) of the definition of *income***  
5 ***tax*)**

6 Before “section”, insert “former”.

7 ***Crown Debts (Priority) Act 1981***

8 **44 Section 4**

9 Omit “in the *Corporations Act 2001* affects the operation of section,  
10 subsections”, substitute “or in the *Corporations Act 2001* affects the  
11 operation of former subsections”.

12 **45 Section 4**

13 Before “section 221YU”, insert “former”.

14 ***Defence Act 1903***

15 **46 Subsection 122AA(3)**

16 Repeal the subsection.

17 ***Development Allowance Authority Act 1992***

18 **47 Chapter 2**

19 Repeal the Chapter.

20 **48 Subsection 93D(1) (definition of *relevant exempting***  
21 ***provision*)**

22 Repeal the definition, substitute:

23 *relevant exempting provision* has the meaning given by subsection  
24 121F(1) of the *Income Tax Assessment Act 1936*.

25 ***Export Finance and Insurance Corporation Act 1991***

26 **49 Subsection 63(4)**

1 Omit “paragraph 23(d) of the *Income Tax Assessment Act 1936* or”.

2 ***Financial Corporations (Transfer of Assets and Liabilities)***  
3 ***Act 1993***

4 **50 Section 3 (paragraph (d) of the definition of asset)**

5 Repeal the paragraph.

6 **51 Paragraph 14A(5)(a)**

7 Repeal the paragraph.

8 **52 Paragraph 15(1)(a)**

9 Omit “25,”.

10 **53 Paragraph 15(1)(b)**

11 Omit “51,”.

12 **54 Subsection 15(2)**

13 Omit “section 51 of the *Income Tax Assessment Act 1936* or”.

14 **55 Paragraph 15(3)(a)**

15 Omit “25,”.

16 **56 Paragraph 15(3)(b)**

17 Omit “51,”.

18 **57 Paragraph 16(1)(a)**

19 Omit “section 25 of the *Income Tax Assessment Act 1936* or”.

20 **58 Paragraph 16(1)(b)**

21 Omit “section 51 of the *Income Tax Assessment Act 1936* or”.

22 **59 Subsection 16(2)**

23 Omit “section 25 of the *Income Tax Assessment Act 1936* or”.

24 **60 Paragraph 16(3)(a)**

25 Omit “section 25 or”.

1 **61 Paragraph 16(3)(b)**

2 Omit “section 51 or”.

3 **62 Subparagraph 17(1)(b)(i)**

4 Omit “under section 25 or Division 16E of Part III of the *Income Tax*  
5 *Assessment Act 1936* or section”, substitute “under former section 25, or  
6 under Division 16E of Part III, of the *Income Tax Assessment Act 1936*  
7 or under section”.

8 **63 Subparagraph 17(1)(b)(ii)**

9 Omit “under section 51 or Division 16E of Part III of the *Income Tax*  
10 *Assessment Act 1936* or section”, substitute “under former section 51, or  
11 under Division 16E of Part III, of the *Income Tax Assessment Act 1936*  
12 or under section”.

13 **64 Paragraph 17(2)(b)**

14 Omit “under section 51 or Division 16E of Part III of the *Income Tax*  
15 *Assessment Act 1936* or section”, substitute “under former section 51, or  
16 under Division 16E of Part III, of the *Income Tax Assessment Act 1936*  
17 or under section”.

18 **65 Section 20**

19 Repeal the section.

20 **66 Paragraph 21(1)(c)**

21 Omit “section 28 of the *Income Tax Assessment Act 1936* or”.

22 **67 Paragraph 21(1)(d)**

23 Omit “section 51 of the *Income Tax Assessment Act 1936* or”.

24 **68 Subparagraph 21(1)(d)(ii)**

25 Omit “section 31 of the *Income Tax Assessment Act 1936* or”.

26 **69 Paragraph 21(1)(e)**

27 Omit “section 36 of the *Income Tax Assessment Act 1936* and”.

28 **70 Paragraph 21(2)(c)**

29 Omit “the *Income Tax Assessment Act 1936* or”.

1 **71 Paragraph 21(2)(d)**

2 Omit “section 51 of the *Income Tax Assessment Act 1936* or”.

3 **72 Paragraph 21(2)(e)**

4 Omit “section 36 of the *Income Tax Assessment Act 1936* and”.

5 **73 Subsection 22(4) (paragraph (b) of the definition of**  
6 ***unrecouped deductions*)**

7 Omit “51 or 63”, substitute “63 or former section 51”.

8 **74 Subsection 22(4) (paragraph (d) of the definition of**  
9 ***unrecouped deductions*)**

10 Before “subsection”, insert “former”.

11 **75 Subdivision A of Division 8 of Part 3**

12 Repeal the Subdivision.

13 **76 Section 26B**

14 Repeal the section.

15 **77 Paragraph 26C(1)(b)**

16 Omit “section 80G of the *Income Tax Assessment Act 1936* or”,  
17 substitute “former section 80G of the *Income Tax Assessment Act 1936*  
18 or under”.

19 **78 Paragraph 26C(1)(c)**

20 Before “section”, insert “former”.

21 **79 Schedules 1 and 2**

22 Repeal the Schedules.

23 ***Financial Sector (Transfers of Business) Act 1999***

24 **80 Subsection 4(1) (paragraph (d) of the definition of asset)**

25 Repeal the paragraph, substitute:

26 (d) any CGT asset within the meaning of the *Income Tax*  
27 *Assessment Act 1997*.

1 ***Fringe Benefits Tax Assessment Act 1986***

2 **81 Paragraph 19(1)(b)**

3 Omit “, and Subdivisions F, GA and G of Division 3 of Part III,”.

4 **82 Paragraph 19(1)(ba) (subparagraph (ii) of the definition of**  
5 ***RD*)**

6 Omit “, and Subdivisions F, GA and G of Division 3 of Part III,”.

7 **83 Paragraph 24(1)(b)**

8 Omit “, and Subdivisions F, GA and G of Division 3 of Part III,”.

9 **84 Paragraph 24(1)(ba) (subparagraph (ii) of the definition of**  
10 ***RD*)**

11 Omit “, and Subdivisions F, GA and G of Division 3 of Part III,”.

12 **85 Paragraph 34(1)(b)**

13 Omit “, and Subdivisions F and GA of Division 3 of Part III,”.

14 **86 Paragraph 34(1)(ba) (subparagraph (ii) of the definition of**  
15 ***RD*)**

16 Omit “, and Subdivisions F and GA of Division 3 of Part III,”.

17 **87 Paragraph 37(b)**

18 Omit “, and Subdivisions F and GA of Division 3 of Part III,”.

19 **88 Paragraph 37(b)**

20 Omit “under section 51 of the *Income Tax Assessment Act 1936*, or  
21 section 8-1 of the *Income Tax Assessment Act 1997*,”, substitute  
22 “section 8-1 of the *Income Tax Assessment Act 1997*”.

23 **89 Paragraph 37(c) (subparagraph (ii) of the definition of *RD*)**

24 Omit “, and Subdivisions F and GA of Division 3 of Part III,”.

25 **90 Paragraph 37(c) (subparagraph (ii) of the definition of *RD*)**

26 Omit “under section 51 of the *Income Tax Assessment Act 1936*, or  
27 section 8-1 of the *Income Tax Assessment Act 1997*,”, substitute  
28 “section 8-1 of the *Income Tax Assessment Act 1997*”.

1 **91 Paragraph 44(1)(b)**

2 Omit “, and Subdivisions F, GA and G of Division 3 of Part III,”.

3 **92 Paragraph 44(1)(ba) (subparagraph (ii) of the definition of**  
4 **RD)**

5 Omit “, and Subdivisions F, GA and G of Division 3 of Part III,”.

6 **93 Paragraph 52(1)(b)**

7 Omit “, and Subdivisions F, GA and G of Division 3 of Part III,”.

8 **94 Paragraph 52(1)(ba) (subparagraph (ii) of the definition of**  
9 **RD)**

10 Omit “, and Subdivisions F, GA and G of Division 3 of Part III,”.

11 **95 Paragraph 52(1)(ba) (subparagraph (ii) of the definition of**  
12 **RD)**

13 Omit “section 48, 49, 50 or 51 of the *Income Tax Assessment Act 1936,*  
14 *or*”.

15 **96 Subsection 136(1) (definition of *assessable income*)**

16 Repeal the definition, substitute:

17 *assessable income* has the meaning given by subsection 995-1(1)  
18 of the *Income Tax Assessment Act 1997*.

19 **97 Subsection 136(1) (definition of *associate*)**

20 Repeal the definition, substitute:

21 *associate* has the meaning given by section 318 of the *Income Tax*  
22 *Assessment Act 1936*.

23 Note: Section 159 of this Act affects the above definition.

24 **98 Subsection 136(1) (definition of *basic car rate*)**

25 Repeal the definition, substitute:

26 *basic car rate*, in relation to a year of tax ending on 31 March in a  
27 year, means the rate prescribed for the purposes of section 28-25 of  
28 the *Income Tax Assessment Act 1997* in relation to the year of  
29 income ending on 30 June in that year.

1 **99 Subsection 136(1) (definition of *car*)**

2 Repeal the definition, substitute:

3 *car* has the meaning given by subsection 995-1(1) of the *Income*  
4 *Tax Assessment Act 1997*.

5 **100 Subsection 136(1) (definition of *child*)**

6 Repeal the definition, substitute:

7 *child* has the meaning given by subsection 995-1(1) of the *Income*  
8 *Tax Assessment Act 1997*.

9 **101 Subsection 136(1) (definition of *deductible expenses*)**

10 Repeal the definition, substitute:

11 *deductible expenses*, in relation to an allowance paid to an  
12 employee, means expenses incurred by the employee in respect of  
13 which a deduction is allowable to the employee under section 8-1  
14 of the *Income Tax Assessment Act 1997* (ignoring Divisions 28, 32  
15 and 900 of that Act).

16 **102 Subsection 136(1) (definition of *disease*)**

17 Repeal the definition, substitute:

18 *disease* has the meaning given by subsection 995-1(1) of the  
19 *Income Tax Assessment Act 1997*.

20 **103 Subsection 136(1) (definition of *documentary evidence*)**

21 Repeal the definition, substitute:

22 *documentary evidence*, in relation to an expense incurred by a  
23 person, means a document that would constitute written evidence  
24 of the expense obtained in a way described in Subdivision 900-E of  
25 the *Income Tax Assessment Act 1997* if the expense were a work  
26 expense, and Division 900 of that Act applied to the person.

27 **104 Subsection 136(1) (definition of *motor vehicle*)**

28 Repeal the definition, substitute:

29 *motor vehicle* has the meaning given by subsection 995-1(1) of the  
30 *Income Tax Assessment Act 1997*.



1 **105 Subsection 136(1) (paragraphs (a) and (b) of the**  
2 **definition of *non-deductible entertainment expenditure*)**

3 Repeal the paragraphs, substitute:

4 (a) section 32-5 of the *Income Tax Assessment Act 1997* applies  
5 to it, or would apply if it were incurred in producing  
6 assessable income; and

7 (b) apart from that section, it would be deductible under  
8 section 8-1 of that Act, or would be if it were incurred in  
9 producing assessable income;

10 **106 Subsection 136(1) (definition of *non-deductible***  
11 ***entertainment expenditure*)**

12 Omit “subsection 51AE(5AA) of the *Income Tax Assessment Act 1936*  
13 and”.

14 **107 Subsection 136(1) (definition of *relative*)**

15 Repeal the definition, substitute:

16 *relative* has the meaning given by subsection 995-1(1) of the  
17 *Income Tax Assessment Act 1997*.

18 **108 Subsection 136(1) (definition of *religious practitioner*)**

19 Repeal the definition, substitute:

20 *religious practitioner* has the meaning given by subsection  
21 995-1(1) of the *Income Tax Assessment Act 1997*.

22 **109 Subsection 136(1) (definition of *spouse*)**

23 Repeal the definition, substitute:

24 *spouse* has the meaning given by subsection 995-1(1) of the  
25 *Income Tax Assessment Act 1997*.

26 **110 Subsection 136(1) (definition of *year of income*)**

27 Repeal the definition, substitute:

28 *year of income* means an income year (within the meaning of the  
29 *Income Tax Assessment Act 1997*).

30 **111 Subsection 159(1)**

1 Repeal the subsection.

2 **112 Subsection 159(4)**

3 Repeal the subsection, substitute:

4 (4) For the purposes of this Act, section 318 of the *Income Tax*  
5 *Assessment Act 1936* has effect as if “a partnership in which the  
6 primary entity is a partner” were omitted from paragraphs (1)(b)  
7 and (2)(a) of that section and “a partnership in which the primary  
8 entity is or was a partner (whether or not the partnership still  
9 exists)” were substituted.

10 ***Future Fund Act 2006***

11 **113 Subsection 31(4) (note)**

12 Omit “section 67-30”, substitute “Division 63”.

13 ***Higher Education Funding Act 1988***

14 **114 Subsection 106H(1) (subparagraph (b)(ii) of the definition**  
15 **of HEC repayment income)**

16 Before “section”, insert “former”.

17 **115 Subsection 106U(4)**

18 Repeal the subsection.

19 ***Higher Education Support Act 2003***

20 **116 Section 154-75**

21 Repeal the section.

22 ***Income Tax Act 1986***

23 **117 Subsection 5(2)**

24 Omit “128N, 128NA, 128NB, 128V, 136A or 159C”, substitute  
25 “128NA, 128NB or 128V”.

26 ***Income Tax Assessment Act 1936***

1 **118 Subsection 6(1) (definition of *apportionable deductions*)**

2 Repeal the definition, substitute:

3 *apportionable deductions* has the meaning given by subsection  
4 995-1(1) of the *Income Tax Assessment Act 1997*.

5 **119 Subsection 6(1) (definition of *assessable income*)**

6 Repeal the definition, substitute:

7 *assessable income* has the meaning given by subsection 995-1(1)  
8 of the *Income Tax Assessment Act 1997*.

9 **120 Subsection 6(1)**

10 Insert:

11 *base interest rate* has the meaning given by subsection 995-1(1) of  
12 the *Income Tax Assessment Act 1997*.

13 **121 Subsection 6(1) (definition of *business*)**

14 Repeal the definition, substitute:

15 *business* has the meaning given by subsection 995-1(1) of the  
16 *Income Tax Assessment Act 1997*.

17 **122 Subsection 6(1) (definition of *child*)**

18 Repeal the definition, substitute:

19 *child* has the meaning given by subsection 995-1(1) of the *Income*  
20 *Tax Assessment Act 1997*.

21 **123 Subsection 6(1) (definition of *Commonwealth education*  
22 *or training payment*)**

23 Repeal the definition, substitute:

24 *Commonwealth education or training payment* has the meaning  
25 given by subsection 995-1(1) of the *Income Tax Assessment Act*  
26 *1997*.

27 **124 Subsection 6(1) (definition of *company*)**

28 Repeal the definition, substitute:

1                    *company* has the meaning given by subsection 995-1(1) of the  
2                    *Income Tax Assessment Act 1997*.

3                    **125 Subsection 6(1) (definition of *foreign superannuation***  
4                    ***fund*)**

5                    Omit “, subject to subsection (7A),”.

6                    **126 Subsection 6(1) (at the end of paragraph (b) of the**  
7                    **definition of *foreign superannuation fund*)**

8                    Add “(even if pensions are paid out of the fund to the latter persons)”.

9                    **127 Subsection 6(1) (definition of *friendly society*)**

10                    Repeal the definition, substitute:

11                    *friendly society* has the meaning given by subsection 995-1(1) of  
12                    the *Income Tax Assessment Act 1997*.

13                    **128 Subsection 6(1)**

14                    Insert:

15                    *fringe benefit* has the meaning given by subsection 995-1(1) of the  
16                    *Income Tax Assessment Act 1997*.

17                    **129 Subsection 6(1) (definition of *general partner*)**

18                    Repeal the definition, substitute:

19                    *general partner* has the meaning given by subsection 995-1(1) of  
20                    the *Income Tax Assessment Act 1997*.

21                    **130 Subsection 6(1) (definition of *income from personal***  
22                    ***exertion or income derived from personal exertion*)**

23                    Omit “section 159GD or”.

24                    **131 Subsection 6(1) (at the end of the definition of *income tax***  
25                    ***or tax*)**

26                    Add “, but, except in section 260, does not include mining withholding  
27                    tax or withholding tax”.

28                    **132 Subsection 6(1) (definition of *minerals*)**

29                    Repeal the definition, substitute:

1 *minerals* has the meaning given by subsection 995-1(1) of the  
2 *Income Tax Assessment Act 1997*.

3 **133 Subsection 6(1) (definition of *natural resource*)**

4 Repeal the definition, substitute:

5 *natural resource* has the meaning given by subsection 995-1(1) of  
6 the *Income Tax Assessment Act 1997*.

7 **134 Subsection 6(1) (definition of *paid-up share capital*)**

8 Repeal the definition, substitute:

9 *paid-up share capital* of a company means the amount standing to  
10 the credit of the company's share capital account reduced by the  
11 amount (if any) that represents amounts unpaid on shares.

12 **135 Subsection 6(1)**

13 Insert:

14 *primary production business* has the meaning given by subsection  
15 995-1(1) of the *Income Tax Assessment Act 1997*.

16 **136 Subsection 6(1) (definition of *relative*)**

17 Repeal the definition, substitute:

18 *relative* has the meaning given by subsection 995-1(1) of the  
19 *Income Tax Assessment Act 1997*.

20 **137 Subsection 6(1)**

21 Insert:

22 *share* in a company has the meaning given by subsection 995-1(1)  
23 of the *Income Tax Assessment Act 1997*.

24 **138 Subsection 6(1) (definition of *spouse*)**

25 Repeal the definition, substitute:

26 *spouse* has the meaning given by subsection 995-1(1) of the  
27 *Income Tax Assessment Act 1997*.

28 **139 Subsection 6(1)**

29 Insert:

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34

***work and income support related withholding payments and benefits*** means:

- (a) payments from which an amount must be withheld under a provision of Subdivision 12-B (other than section 12-55), 12-C or 12-D in Schedule 1 to the *Taxation Administration Act 1953* (even if the amount is not withheld); and
- (b) amounts included in a person's assessable income under section 86-15 of the *Income Tax Assessment Act 1997* in respect of which an amount must be paid under Division 13 in Schedule 1 to the *Taxation Administration Act 1953* (even if the amount is not paid); and
- (c) non-cash benefits in relation to which the provider of the benefit must pay an amount to the Commissioner under Division 14 in Schedule 1 to the *Taxation Administration Act 1953* (even if the amount is not paid).

Note: The payments covered by paragraph (a) are: payments to employees and company directors, payments to office holders, return to work payments, payments under labour hire arrangements, payments of pensions and annuities, eligible termination payments, payments for unused leave, benefit payments, compensation payments and payments specified by regulations.

**140 Subsection 6(1) (definition of year of income)**

Repeal the definition, substitute:

***year of income*** means an income year as defined in subsection 995-1(1) of the *Income Tax Assessment Act 1997*.

**141 At the end of subparagraphs 6AA(1)(a)(i) and (ii)**

Add "or".

**142 Subparagraph 6AA(1)(a)(iii)**

Omit "or".

**143 Subparagraph 6AA(1)(a)(iv)**

Repeal the subparagraph.

**144 At the end of subparagraphs 6AA(1)(b)(i) and (ii)**

Add "or".

**145 Subparagraph 6AA(1)(b)(iii)**

1 Omit “or”.

2 **146 Subparagraph 6AA(1)(b)(iv)**

3 Repeal the subparagraph.

4 **147 Paragraph 6BA(2)(b)**

5 Omit “46 or”.

6 **148 Subparagraph 6BA(3)(b)(i)**

7 Omit “Part IIIA”, substitute “Part 3-1 or 3-3 of the *Income Tax*  
8 *Assessment Act 1997*”.

9 **149 Subsection 6C(2)**

10 Omit “paragraph 23(r) of this Act and”.

11 **150 Subsection 6CA(3)**

12 Omit “paragraph 23(r) and”.

13 **151 Subsection 6F(5) (definition of *associate*)**

14 Omit “subsection 26AAB(14)”, substitute “section 318”.

15 **152 Subsection 16(4AA) (definition of *employee*)**

16 Repeal the definition, substitute:

17 *employee* means a person who receives, or is entitled to receive,  
18 work and income support related withholding payments and  
19 benefits.

20 **153 Subsection 16(4AA) (definition of *employer*)**

21 Repeal the definition, substitute:

22 *employer* means a person who pays or is liable to pay work and  
23 income support related withholding payments and benefits, and  
24 includes:

- 25 (a) in the case of an unincorporate body of persons other than a  
26 partnership—the manager or other principal officer of that  
27 body; and  
28 (b) in the case of a partnership—each partner; and  
29 (c) an Australian government agency as defined in subsection  
30 995-1(1) of the *Income Tax Assessment Act 1997*.

1 **154 Subsection 18(1)**

2 Omit “(1)”.

3 **155 Subsection 18(2)**

4 Repeal the subsection.

5 **156 Subsection 23AB(1) (definition of *tax deductions***  
6 ***unapplied*)**

7 Repeal the definition, substitute:

8 *tax deductions unapplied*, in relation to a deceased person, means  
9 any amounts withheld under Part 2-5 in Schedule 1 to the *Taxation*  
10 *Administration Act 1953* from work and income support related  
11 withholding payments and benefits derived by the deceased person  
12 in respect of United Nations service:

13 (a) that have not been credited in payment of income tax; and

14 (b) in respect of which a payment has not been made by the  
15 Commissioner.

16 **157 Subsection 23AB(6)**

17 Omit “paragraph 26(e)”, substitute “section 15-2 of the *Income Tax*  
18 *Assessment Act 1997*”.

19 **158 Subsection 23AB(8A)**

20 Omit “23ADA or”.

21 **159 Subsection 23H(4A) (definition of *deductible moneys*)**

22 Omit “section 124ZAF or 124ZAF A”, substitute “former  
23 section 124ZAF or under section 124ZAF A”.

24 **160 Subsection 23H(4A) (definition of *deductible 120%***  
25 ***moneys*)**

26 Omit “section 124ZAF or 124ZAF A”, substitute “former  
27 section 124ZAF or under section 124ZAF A”.

28 **161 Subsection 23H(4A) (definition of *deductible 133%***  
29 ***moneys*)**

30 Omit “section 124ZAF or 124ZAF A”, substitute “former  
31 section 124ZAF or under section 124ZAF A”.



- 1 **162 Subsection 23H(4A) (definition of *deductible 150%***  
2 ***moneys*)**  
3 Omit “section 124ZAF or 124ZAF A”, substitute “former  
4 section 124ZAF or under section 124ZAF A”.
- 5 **163 Paragraph 23H(5)(a)**  
6 Omit “section 124ZAF or 124ZAF A”, substitute “former  
7 section 124ZAF or under section 124ZAF A”.
- 8 **164 Subsection 23H(5)**  
9 Omit “the taxpayer under section 124ZAF or 124ZAF A”, substitute  
10 “the taxpayer under former section 124ZAF or section 124ZAF A”.
- 11 **165 Subsection 23H(6)**  
12 Omit “124ZAF or”.
- 13 **166 Subsection 23L(1)**  
14 Omit “within the meaning of the *Fringe Benefits Tax Assessment Act*  
15 *1986*”.
- 16 **167 Subsection 23L(1A)**  
17 Omit “paragraph 26(eaa) of this Act”, substitute “section 15-75 of the  
18 *Income Tax Assessment Act 1997*”.
- 19 **168 Subsection 23L(1A)**  
20 Omit “within the meaning of that Act”.
- 21 **169 Section 24AT (paragraph (c) of the definition of *excluded***  
22 ***STB*)**  
23 Omit “(within the meaning of paragraph 23(e))”, substitute “to which  
24 any of paragraphs 50-55(a) to (c) of the *Income Tax Assessment Act*  
25 *1997* applies”.
- 26 **170 Section 24AT (paragraph (d) of the definition of *excluded***  
27 ***STB*)**  
28 Omit “(within the meaning of paragraph 23(ea))”, substitute “to which  
29 any of paragraphs 50-55(a) to (c) of the *Income Tax Assessment Act*  
30 *1997* applies”.

1 **171 Subsection 24B(1) (definition of *prescribed Territory*)**

2 Repeal the definition, substitute:

3 *prescribed Territory* means Norfolk Island.

4 **172 Subsection 24L(5)**

5 Repeal the subsection, substitute:

6 (5) In subsections (1), (3), (4), (4A), (4B) and (4C), *Australia, resident*  
7 and *non-resident* have the meanings that those expressions would  
8 have if subsection 7A(2) did not refer to Norfolk Island.

9 **173 Paragraph 24P(1)(b)**

10 Repeal the paragraph, substitute:

11 (b) if there had been a disposal (within the meaning of former  
12 Part IIIA) of the asset by the taxpayer on 1 July 1991, that  
13 Part would have applied in respect of that disposal (ignoring  
14 former section 160ZZF and former Divisions 5A, 7A and 17  
15 of that Part);

16 **174 Subparagraph 24P(1)(c)(i)**

17 Omit “the asset had been disposed of”, substitute “there had been a  
18 disposal (within the meaning of former Part IIIA) of the asset”.

19 **175 Subparagraph 24P(1)(c)(iii)**

20 Before “section 24BB”, insert “former”.

21 **176 Subparagraph 24P(1)(c)(iv)**

22 Before “section”, insert “former”.

23 **177 Subsection 24P(5)**

24 Before “section 160ZZU”, insert “former”.

25 **178 Subparagraph 25A(12)(a)(ii)**

26 Omit “or articles within the meaning of section 54”, substitute “within  
27 the meaning of section 45-40 of the *Income Tax Assessment Act 1997*”.

28 **179 Subsection 26AB(1A) (note)**

29 Omit “Part IIIA of this Act (about CGT) deals”, substitute “former  
30 Part IIIA of this Act (about CGT) dealt”.

1 **180 Paragraph 26AB(5)(b)**

2 Omit “mining lease as defined in subsection 88B(7)”, substitute “lease  
3 of land granted under a law of a State or Territory relating to mining”.

4 **181 Paragraph 26AB(5)(c)**

5 Omit “is, for the purposes of section 88B”, substitute “was, for the  
6 purposes of former section 88B”.

7 **182 Paragraph 26AB(5)(d)**

8 Repeal the paragraph, substitute:

9 (d) a premium received in connexion with the assignment from  
10 the Commonwealth or a State of a lease:

11 (i) granted in perpetuity or for a term not less than 99  
12 years; or

13 (ii) with a right of purchase; or

14 (iii) effecting improvements to be used for residential  
15 purposes only.

16 **183 Paragraph 26AD(12)(b)**

17 Before “section”, insert “former”.

18 **184 Paragraph 26AD(13)(b)**

19 Before “section”, insert “former”.

20 **185 Paragraph 26AG(1)(c)**

21 Omit “section 124ZAF or 124ZAF A”, substitute “former  
22 section 124ZAF or under section 124ZAF A”.

23 **186 Paragraph 26AG(1)(d)**

24 After “income”, insert “from sources in or out of Australia”.

25 **187 Paragraph 26AG(1)(e)**

26 After “taxpayer”, insert “from sources in or out of Australia”.

27 **188 Subsection 26AG(8)**

28 Repeal the subsection, substitute:

29 (8) If:

- 1 (a) a non-resident taxpayer derives, from sources outside  
2 Australia, income in respect of a film; and  
3 (b) but for this subsection, subsection (2) would include the  
4 amount in the taxpayer's assessable income of a year of  
5 income;  
6 that subsection does not include in the taxpayer's assessable  
7 income so much of the amount as:  
8 (c) is attributable to the exhibition of the film in the country  
9 from sources in which the income was derived; and  
10 (d) is not exempt from income tax in the country from sources in  
11 which the income was derived.

12 **189 Subparagraph 26AJ(1)(g)(i)**

13 Omit "within the meaning of the *Fringe Benefits Tax Assessment Act*  
14 *1986*".

15 **190 Subparagraph 26AJ(1)(g)(ii)**

16 Omit "within the meaning of that Act".

17 **191 Subsection 26AJ(11) (definition of *associate*)**

18 Omit "26AAB", substitute "318".

19 **192 Subsection 27A(1) (paragraph (a) of the definition of *CGT*  
20 *exempt component*)**

21 Omit "is covered by subsection 160ZZPZE(4)", substitute "was covered  
22 by former subsection 160ZZPZE(4)".

23 **193 Subsection 27A(1) (paragraph (b) of the definition of *CGT*  
24 *exempt component*)**

25 Omit "is taken by subsection 160ZZPZJ(4)", substitute "was taken by  
26 former subsection 160ZZPZJ(4)".

27 **194 Subsection 27A(1) (paragraph (jaa) of the definition of  
28 *eligible termination payment*)**

29 Omit "is taken to be an ETP by", substitute "was taken to be an ETP by  
30 former".

31 **195 Subsection 27A(14)**

32 Before "section 24BA", insert "former".

- 1 **196 Subsection 27A(14A)**  
2 Before “section 24BB”, insert “former”.
- 3 **197 Paragraphs 36AAA(1)(a), (1AA)(a), (1A)(a), (2A)(a)**  
4 **and(4A)(a)**  
5 Omit “business of primary production”, substitute “primary production  
6 business”.
- 7 **198 Subparagraphs 36AAA(5)(b)(iii) and (6)(b)(ii)**  
8 Omit “business of primary production”, substitute “primary production  
9 business”.
- 10 **199 Paragraph 36AAA(8)(a)**  
11 Omit “business of primary production”, substitute “primary production  
12 business”.
- 13 **200 Subparagraph 36AAA(9)(b)(iii)**  
14 Omit “business of primary production”, substitute “primary production  
15 business”.
- 16 **201 Subsection 36AAA(12)**  
17 Omit “business of primary production” (wherever occurring), substitute  
18 “primary production business”.
- 19 **202 Paragraphs 36AAA(13)(c), (e) and (f) and 14(d)**  
20 Omit “business of primary production”, substitute “primary production  
21 business”.
- 22 **203 Subsection 36AAA(15)**  
23 Omit “business of primary production”, substitute “primary production  
24 business”.
- 25 **204 Subsection 36AAA(17)**  
26 Before “paragraph 36(8)(b)”, insert “former”.
- 27 **205 Subsection 45(2)**  
28 Omit “an unfranked dividend”, substitute “a dividend that is  
29 unfrankable (within the meaning of subsection 995-1(1) of the *Income*  
30 *Tax Assessment Act 1997*) and”.

1 **206 Subsection 45(2)**

2 Omit “46 or”.

3 **207 Subsection 45(3)**

4 Omit “160AQF or 160AQFA”, substitute “202-5 or 208-60 of the  
5 *Income Tax Assessment Act 1997*”.

6 **208 Paragraph 45A(4)(e)**

7 Omit “be entitled to a rebate under”, substitute “have been entitled to a  
8 rebate under former”.

9 **209 Subsection 45C(1)**

10 Omit “46 or”.

11 **210 Paragraph 45C(5)(b)**

12 Before “section”, insert “former”.

13 Note: The heading to subsection 45C(5) is altered by inserting “former” before “section”.

14 **211 Subsection 45C(5)**

15 Omit “arising under section 160AQCB, 160AQCNA or 160AQCNB”,  
16 substitute “arising under that former section”.

17 **212 Subsection 46A(5B)**

18 Before “Division”, insert “former”.

19 **213 Paragraph 46FA(1)(c)**

20 Repeal the paragraph, substitute:

21 (c) ignoring the amendments made by Schedule 1 to the *Tax*  
22 *Laws Amendment (Repeal of Inoperative Provisions) Act*  
23 *2006*, but for subsection 46AB(1) or 46AC(2) or  
24 subparagraph 46F(2)(a)(i) of this Act as in force just before  
25 the commencement of those amendments, the resident  
26 company would have been entitled to a rebate under  
27 section 46 of this Act as so in force in respect of the  
28 unfranked amount of the original dividend; and

29 **214 Paragraph 46FB(4)(c)**

30 Repeal the paragraph, substitute:

1 (c) ignoring the amendments made by Schedule 1 to the *Tax*  
2 *Laws Amendment (Repeal of Inoperative Provisions) Act*  
3 *2006*, but for subsection 46AB(1) or 46AC(2) or  
4 subparagraph 46F(2)(a)(i) of this Act as in force just before  
5 the commencement of those amendments, the company  
6 would have been entitled to a rebate under section 46 of this  
7 Act as so in force in respect of the unfranked amount of the  
8 dividend.

9 **215 Subsection 51AD(1) (definition of *associate*)**

10 Omit “26AAB”, substitute “318”.

11 **216 Subsection 51AD(17)**

12 Omit “section 67 of this Act or”.

13 **217 Paragraph 51AD(17)(a)**

14 Omit “subsection 67(2) of this Act or”.

15 **218 Subsection 51AD(18)**

16 Omit “section 68 of this Act or”.

17 **219 Subsection 51AF(2) (definition of *employee*)**

18 Repeal the definition, substitute:

19 *employee* means a person who receives, or is entitled to receive,  
20 work and income support related withholding payments and  
21 benefits.

22 **220 Subsection 51AF(2) (definition of *employer*)**

23 Repeal the definition, substitute:

24 *employer* means a person who pays or is liable to pay work and  
25 income support related withholding payments and benefits, and  
26 includes:

- 27 (a) in the case of an unincorporate body of persons other than a  
28 partnership—the manager or other principal officer of that  
29 body; and  
30 (b) in the case of a partnership—each partner; and  
31 (c) an Australian government agency as defined in subsection  
32 995-1(1) of the *Income Tax Assessment Act 1997*.

- 1     **221 Paragraph 51AH(1)(c)**  
2             Omit “paragraph 26(eaa)”, substitute “section 15-75 of the *Income Tax*  
3             *Assessment Act 1997*”.
- 4     **222 Subsection 51AH(2)**  
5             After “Expressions”, insert “(other than “fringe benefit”)”.
- 6     **223 Subsection 51AJ(2)**  
7             Omit “(other than “recipients contribution”)”, substitute “(other than  
8             “recipients contribution” and “fringe benefit”)”.
- 9     **224 Subsection 63(1A)**  
10            Omit “(1A)”.
- 11    **225 Paragraph 63E(3)(c)**  
12            Omit “subsection 63(3) of this Act or”.
- 13    **226 Paragraph 63F(1)(b)**  
14            Omit “or under section 51 or 63 of this Act”, substitute “, under former  
15            section 51 of this Act or under section 63”.
- 16    **227 Subparagraph 63G(a)(i)**  
17            Omit “under section 51 or 63”, substitute “under former section 51 of  
18            this Act, under section 63 of this Act or under section 8-1 or 25-35 of  
19            the *Income Tax Assessment Act 1997*”.
- 20    **228 Paragraph 65(1B)(a)**  
21            Omit “and Division 4 of Part VI”.
- 22    **229 Subsection 73A(4)**  
23            Omit “consideration received or receivable in respect of the disposal,  
24            loss or destruction”, substitute “termination value of the building or  
25            part”.
- 26    **230 Subsection 73A(4)**  
27            Omit “disposal, loss or destruction occurs”, substitute “disposal or  
28            destruction occurs”.
- 29    **231 Subsection 73A(4)**
-



1 Omit “consideration relates to the disposal, loss or destruction”,  
2 substitute “termination value relates to the disposal or destruction”.

3 **232 Subsection 73A(4)**

4 Omit “of the consideration”, substitute “of the termination value”.

5 **233 Subsection 73A(6)**

6 Insert:

7 *termination value* has the meaning given by subsection 995-1(1)  
8 of the *Income Tax Assessment Act 1997*.

9 **234 Subsection 73B(1AA)**

10 Omit “, 73CA and 73D”, substitute “and 73CA”.

11 **235 Subsection 73B(1) (paragraph (d) of the definition of**  
12 ***aggregate research and development amount*)**

13 Omit “Division 10D of this Part, or”.

14 **236 Subsection 73B(1) (definition of *associate*)**

15 Omit “26AAB”, substitute “318”.

16 **237 Paragraph 73B(2C)(c)**

17 Omit “, petroleum”.

18 **238 Paragraphs 73B(3A)(c) and (d)**

19 Omit “, 73CA and 73D”, substitute “and 73CA”.

20 **239 Paragraph 73B(3A)(da)**

21 Omit “subsections 73C(2A) and 73D(2A) do”, substitute “subsection  
22 73CA(2A) does”.

23 **240 Paragraph 73B(3A)(f)**

24 Omit “, 73CA and 73D”, substitute “and 73CA”.

25 **241 Subsection 73B(4)**

26 Repeal the subsection, substitute:

27 (4) Subject to subsection (5), if, during a year of income:

- 1 (a) an eligible company commences to use a unit of plant  
2 exclusively for the purpose of the carrying on by or on behalf  
3 of the company of research and development activities; and  
4 (b) the eligible company has incurred an amount of plant  
5 expenditure in respect of the unit;  
6 that amount is, in relation to the unit, taken to be an amount of  
7 qualifying plant expenditure in relation to the company in relation  
8 to the year of income and each of the 2 succeeding years of  
9 income.

10 **242 Subsection 73B(5)**

11 Repeal the subsection, substitute:

12 (5) If:

- 13 (a) apart from this subsection, there would be an amount of  
14 qualifying plant expenditure in relation to a unit of plant  
15 owned by an eligible company in relation to a year of  
16 income; and  
17 (b) at any time during the year of income, the company ceases to  
18 use that unit of plant exclusively for the purpose of the  
19 carrying on by or on behalf of the company of research and  
20 development activities;  
21 there is no amount of qualifying plant expenditure in relation to  
22 that unit of plant in relation to the year of income or any  
23 succeeding year of income.

24 **243 Subsection 73B(5A)**

25 Repeal the subsection, substitute:

- 26 (5A) This section does not apply to expenditure incurred by an eligible  
27 company in the acquisition or construction of a building or of an  
28 extension, alteration or improvement to a building.

29 **244 Subsection 73B(17A)**

30 Omit “, (15) or (17)”, substitute “or (15)”.

31 **245 Subsection 73B(20)**

32 Omit “, (22), (28) and (30)”, substitute “and (22)”.

33 **246 Paragraphs 73B(23)(d), (24)(d) and (24B)(d)**

1 Before “section”, insert “former”.

2 **247 Paragraph 73B(27)(a)**

3 Before “subsection”, insert “former”.

4 **248 Paragraph 73B(27)(b)**

5 Repeal the paragraph, substitute:

6 (b) the company sells or otherwise disposes of the building,  
7 extension, alteration or improvement more than 5 years after  
8 the day on which it began to use the building, extension,  
9 alteration or improvement exclusively for the purpose of the  
10 carrying on by or on behalf of the company of research and  
11 development activities;

12 **249 Paragraph 73B(27)(c)**

13 Before “Division 10D” (wherever occurring), insert “former”.

14 **250 Paragraph 73B(31)(a)**

15 Omit “, a building or an extension, alteration or improvement to a  
16 building”.

17 **251 Paragraph 73CA(2)(a)**

18 Omit “and section 73D”.

19 **252 Paragraph 73E(1)(c)**

20 Before “section”, insert “the former”.

21 **253 Subsection 73E(10)**

22 Omit “, 73CB or 73D”, substitute “or 73CB”.

23 **254 Subsection 82(2)**

24 Omit “(2)”.

25 **255 Subsection 82(2)**

26 Omit “or has been allowed or is allowable as a deduction in assessments  
27 under the previous Act”.

28 **256 Subsection 82AAC(3) (definition of *associate*)**

29 Omit “26AAB”, substitute “318”.

- 1 **257 Subparagraph 82AAD(3)(a)(ii)**  
2 Omit “subsection 26AAB(14)”, substitute “section 318”.
- 3 **258 Subsection 82AAF(4) (definition of *associate*)**  
4 Omit “26AAB”, substitute “318”.
- 5 **259 Subsection 82AAQ(1)**  
6 Omit “or the previous Act”.
- 7 **260 Subsection 82KH(1) (paragraph (o) of the definition of**  
8 ***relevant expenditure*)**  
9 Omit “or section 64 of this Act”.
- 10 **261 Paragraph 82KH(1AB)(b)**  
11 Before “section”, insert “former”.
- 12 **262 Paragraph 82KZM(1)(c)**  
13 Omit “section 51.”, substitute “former section 51 or section”.
- 14 **263 Paragraphs 82KZN(c) and 82KZO(c)**  
15 Before “section 51”, insert “former”.
- 16 **264 Subsection 82P(2)**  
17 Omit “subparagraphs 82S(1)(d)(ii) and”, substitute “subparagraph”.
- 18 **265 Subsections 82R(1) and 82T(1)**  
19 Omit “sections 82S and”, substitute “section”.
- 20 **266 Subsection 95(1) (definition of *net income*)**  
21 Omit “Division 16C or”.
- 22 **267 Subparagraph 97(3)(c)(i)**  
23 Omit “section 23 of this Act or”.
- 24 **268 Paragraph 97A(1)(b)**  
25 Omit “the owner of a current IED scheme deposit or”.
- 26 **269 Paragraph 97A(1)(c)**

1 Omit “an eligible primary producer or a primary producer, as the case  
2 requires,”, substitute “a primary producer”.

3 **270 Paragraph 97A(1A)(b)**

4 Omit “the owner of a current IED scheme deposit or”.

5 **271 Paragraph 97A(1A)(c)**

6 Omit “an eligible primary producer or a primary producer, as the case  
7 requires,”, substitute “a primary producer”.

8 **272 Paragraph 97A(1A)(c)**

9 Omit “business of primary production”, substitute “primary production  
10 business”.

11 **273 Section 102AAB**

12 Insert:

13 *base interest rate* for a day has the same meaning as in  
14 section 8AAD of the *Taxation Administration Act 1953*.

15 **274 Section 102AAB (definition of *depreciation provision*)**

16 Repeal the definition, substitute:

17 *depreciation provision* means:

- 18 (a) any provision of Division 40 of the *Income Tax Assessment*  
19 *Act 1997* (other than Subdivision 40-E); or  
20 (b) any provision of Division 43 of that Act.

21 **275 Section 102AAB (paragraphs (a) and (b) of the definition**  
22 **of *weighted statutory interest rate*)**

23 Omit “basic statutory” (wherever occurring), substitute “base”.

24 **276 Subsection 102AAE(2)**

25 Omit “section 23 of this Act or”.

26 **277 Subsection 102AAK(11)**

27 Omit “(other than section 102AAN)”.

28 **278 Paragraph 102AAM(1)(c)**

1 Omit “so much of the distributed amount as is not a rebatable  
2 section 99B amount for the purposes of section 102AAN”, substitute  
3 “the distributed amount”.

4 **279 Paragraph 102AAM(5)(b)**

5 Repeal the paragraph, substitute:  
6 (b) at the base interest rate.

7 **280 Paragraph 102AAM(6)(d)**

8 Repeal the paragraph, substitute:  
9 (d) so much of the tax payable in respect of the year of income as  
10 is attributable to the aggregate of the principal amounts  
11 (ignoring any tax offset under Part 3-6 of the *Income Tax*  
12 *Assessment Act 1997*).

13 **281 Subsection 102AAM(12)**

14 Omit “an instalment taxpayer (as defined in subsection 221AZK(1))  
15 or”.

16 **282 Paragraph 102AAM(13A)(a)**

17 Omit “an instalment taxpayer (as defined in subsection 221AZK(1))  
18 or”.

19 **283 Paragraph 102AAM(13A)(c) (note)**

20 Omit “and paragraph 221AZS(c)”.

21 **284 Subsection 102AAM(14)**

22 Omit “170AA, 172, 174, 204, 205, 206, 208, 209, 214, 215, 216, 254,  
23 255, 258 and 259, and Division 1C of Part VI”, substitute “172, 174,  
24 204, 254 and 255”.

25 **285 Subsection 102AAW(1)**

26 Omit “38 to 43 (inclusive)”.

27 **286 Paragraph 102AAZBA(d)**

28 Omit “subsection 160M(9) or (10) of this Act, or section 104-170 of the  
29 *Income Tax Assessment Act 1997* (CGT event I2)”, substitute  
30 “section 104-170 of the *Income Tax Assessment Act 1997* (CGT event  
31 I2)”.

- 1 **287 Paragraph 102AF(1)(a)**  
2 Omit “within the meaning of subsection 221A(1)”.
- 3 **288 Subsection 102A(1) (definition of associate)**  
4 Omit “subsection 26AAB(14)”, substitute “section 318”.
- 5 **289 Subsection 102L(2)**  
6 Omit “45Z, 46, 46A, 46B, 46C, 46E and 46F”, substitute “46A, 46B,  
7 and 46E”.
- 8 **290 Paragraphs 102L(2)(a) and (b)**  
9 Omit “46 or”.
- 10 **291 Subsection 102L(6)**  
11 Omit “or Division 1A of Part VI (other than subsection 221AA(1) or  
12 section 221AC)”.
- 13 **292 Subsection 102L(10)**  
14 Omit “, section 128B or Division 4 of Part VI (other than subsection  
15 221YK(2))”, substitute “or section 128B”.
- 16 **293 Subsection 102L(11)**  
17 Omit “128B or Division 4 of Part VI (other than subsection  
18 221YK(2))”, substitute “section 128B”.
- 19 **294 Subsection 102T(2)**  
20 Omit “45Z, 46, 46A, 46B, 46C, 46E and 46F”, substitute “46A, 46B,  
21 and 46E”.
- 22 **295 Paragraphs 102T(2)(a) and (b)**  
23 Omit “46 or”.
- 24 **296 Subsection 102T(7)**  
25 Omit “or Division 1A of Part VI (other than subsection 221AA(1) or  
26 section 221AC)”.
- 27 **297 Subsection 102T(11)**

1 Omit “paragraph 23(jb), subsection 44(1), section 128B or Division 4 of  
2 Part VI (other than subsection 221YK(2))”, substitute “subsection 44(1)  
3 or section 128B”.

4 **298 Subsection 102T(12)**

5 Omit “in paragraph 23(jb), subsection 44(1), section 128A or 128B or  
6 Division 4 of Part VI (other than subsection 221YK(2))”, substitute  
7 “44(1), or in section 128A or 128B,”.

8 **299 Subsection 103A(5A)**

9 Repeal the subsection, substitute:

10 (5A) The Commissioner may, under subsection (5), form an opinion that  
11 it is reasonable that a company should be treated as a public  
12 company for the purposes of subsection (1) in relation to a year of  
13 income notwithstanding that the forming of such an opinion by the  
14 Commissioner would impose on the company a liability to pay a  
15 greater amount of income tax than the company would otherwise  
16 be liable to pay.

17 **300 Subsection 108(1)**

18 Omit “and Division 4 of Part VI”.

19 **301 Subparagraph 108(3)(c)(ii)**

20 Omit “26AAB”, substitute “318”.

21 **302 Paragraph 109(1)(d)**

22 Omit “and Division 4 of Part VI”.

23 **303 Subparagraph 109(2)(b)(ii)**

24 Omit “26AAB”, substitute “318”.

25 **304 Section 121AS (table item 5, column headed “Event”)**

26 Before “Part IIIA” (wherever occurring), insert “former”.

27 Note: The heading to section 121AS is amended by omitting “**Part IIIA**” and substituting  
28 “**CGT**”.

29 **305 Subsection 121G(10)**

30 Repeal the subsection, substitute:



1 (10) For the purposes of the application of subsection (8), a reference to  
2 a deduction that is allowable in calculating the net income of a  
3 partnership does not include a reference to a deduction allowable to  
4 the partnership in respect of expenditure taken under  
5 sections 70-90 and 70-95 and subsection 70-100(3) of the *Income*  
6 *Tax Assessment Act 1997* to have been incurred in the acquisition  
7 of trading stock by the partnership.

8 **306 Subsection 124K(1) (definition of *film*)**

9 Repeal the definition, substitute:

10 *film* has the meaning given by subsection 995-1(1) of the *Income*  
11 *Tax Assessment Act 1997*.

12 **307 Subsection 124K(1) (definition of *Senior Executive***  
13 ***Service office*)**

14 Repeal the definition, substitute:

15 *Senior Executive Service office* has the meaning given by  
16 subsection 995-1(1) of the *Income Tax Assessment Act 1997*.

17 **308 Subsection 124K(1) (subparagraph (a)(iv) of the**  
18 **definition of *unit of industrial property*)**

19 Omit “patent, copyright or design”, substitute “copyright”.

20 **309 Paragraph 124K(2)(a)**

21 Omit “of the previous Act or”.

22 **310 Subparagraph 124K(2)(b)(iv)**

23 Omit “paragraph 124ZAF(1)(c) or”, substitute “former paragraph  
24 124ZAF(1)(c) or paragraph”.

25 **311 Paragraph 124KA(1)(b)**

26 Omit “section 124ZAF or”, substitute “former section 124ZAF or  
27 section”.

28 Note: The heading to section 124KA is altered by omitting “**section 124ZAF or 124ZAF**”  
29 and substituting “**former section 124ZAF or section 124ZAF**”.

30 **312 Paragraph 124L(1)(a)**

31 Repeal the paragraph, substitute:

1 (a) became the owner of the unit by reason of being the first  
2 owner of the copyright to which the unit relates and, before  
3 the unit came into existence, incurred expenditure of a capital  
4 nature directly in relation to producing the work or other  
5 subject-matter in which the copyright subsists; or

6 **313 At the end of paragraph 124L(1)(b)**

7 Add “or”.

8 **314 Paragraph 124N(2)(a)**

9 Omit “patent or copyright, or the registration of the design,” substitute  
10 “copyright”.

11 **315 Paragraph 124N(2)(b)**

12 Omit “patent, copyright or design”, substitute “copyright”.

13 **316 Paragraph 124R(2)(b)**

14 Omit “devising the invention, producing the work or other  
15 subject-matter in which the copyright subsists or producing the design,  
16 as the case may be,” substitute “producing the work or other  
17 subject-matter in which the copyright subsists”.

18 **317 Subsection 124S(2)**

19 Omit “patent, copyright or design, as the case may be,” substitute  
20 “copyright”.

21 **318 Subsections 124V(1), (2) and (3)**

22 Omit “patent, copyright or design”, substitute “copyright”.

23 **319 Paragraph 124WA(1)(c)**

24 Omit “section 124ZAF or”, substitute “former section 124ZAF or  
25 section”.

26 Note: The heading to section 124WA is amended by omitting “**section 124ZAF or**” and  
27 substituting “**former section 124ZAF or section**”.

28 **320 Subsection 124WA(7)**

29 Omit “section 124ZAF or”, substitute “former section 124ZAF or  
30 section”.

31 **321 Section 124Y**

1 Omit “patent, copyright or design”, substitute “copyright”.

2 **322 Subsection 124ZAA(1) (definition of *feature film*)**

3 Repeal the definition, substitute:

4 *feature film* has the meaning given by subsection 995-1(1) of the  
5 *Income Tax Assessment Act 1997*.

6 **323 Subsection 124ZAA(1) (definition of *film*)**

7 Repeal the definition, substitute:

8 *film* has the meaning given by subsection 995-1(1) of the *Income*  
9 *Tax Assessment Act 1997*.

10 **324 Paragraph 124ZAA(7)(b)**

11 Before “paragraph”, insert “former”.

12 **325 Paragraph 124ZAA(7)(c)**

13 Omit “paragraph 221ZN(1)(a), being an amount to which subsection  
14 221ZN(4) applies”, substitute “former paragraph 221ZN(1)(a), being an  
15 amount to which former subsection 221ZN(4) applied”.

16 **326 Subsection 124ZAE(2)**

17 Omit “sections 124ZAF and”, substitute “section”.

18 **327 Paragraph 124ZAO(1)(a)**

19 Omit “124ZAF or”.

20 **328 Paragraph 124ZAO(2)(b)**

21 Omit “, but for section 23H,”.

22 **329 Section 124ZM**

23 Repeal the section, substitute:

1 **124ZM Treatment distributions to shareholders in PDF**

2 *Unfranked part of distribution exempt from income tax*

3 (1) If a company makes a distribution to a shareholder at a time when  
4 the company is a PDF, the unfranked part of the distribution is  
5 exempt from income tax.

6 *Rest of section deals with franked part*

7 (2) The rest of this section applies to the franked part of the  
8 distribution.

9 *Usual case*

10 (3) Subsection (4) applies if the assessable income of a year of income  
11 of a taxpayer who or that is:

- 12 (a) a company or a natural person (other than a company or  
13 natural person in the capacity of a trustee); or  
14 (b) a corporate unit trust in relation to that year of income; or  
15 (c) a public trading trust in relation to that year of income; or  
16 (d) an eligible entity within the meaning of Part IX in relation to  
17 that year of income;

18 would (apart from subsection (4)) include:

- 19 (e) the franked part of the distribution; or  
20 (f) any of the franked part of the distribution that flows  
21 indirectly to the taxpayer.

22 This subsection does not apply to cases dealt with in  
23 subsections (5) and (6).

24 (4) Subject to subsection (7), the following is exempt income of the  
25 taxpayer:

- 26 (a) if paragraph (3)(e) applies—the franked part;  
27 (b) if paragraph (3)(f) applies—so much of the franked part of  
28 the distribution as flows indirectly to the taxpayer.

29 *Taxpayers who qualify for venture capital franking tax offset*

30 (5) If a taxpayer (other than a life assurance company) is entitled to a  
31 tax offset in relation to the distribution under section 210-170 of  
32 the *Income Tax Assessment Act 1997*, then:

- 1 (a) so much of the franked part of the distribution as equals the  
2 part of the distribution that is franked with a venture capital  
3 credit is exempt income of the taxpayer; and  
4 (b) if the franked part exceeds the amount so exempt—the excess  
5 is, subject to subsection (7), exempt income of the taxpayer.
- 6 (6) If a life assurance company is entitled to a tax offset in relation to  
7 the distribution under section 210-170 of the *Income Tax*  
8 *Assessment Act 1997*, then:  
9 (a) so much of the franked part of the distribution as equals the  
10 amount worked out using the following formula is exempt  
11 income of the life assurance company:

$$\text{Venture capital franked part} \times \frac{\text{Complying superannuation class of taxable income}}{\text{Total income}}$$

- 12 where:  
13 ***complying superannuation class of taxable income*** is the  
14 life assurance company's complying superannuation class of  
15 taxable income, within the meaning of subsection 995-1(1) of  
16 the *Income Tax Assessment Act 1997*, for the year of income  
17 in which the distribution is made.  
18 ***venture capital franked part*** is the part of the distribution  
19 that is franked with a venture capital credit.  
20 ***total income*** is the life assurance company's assessable  
21 income for the year of income in which the distribution is  
22 made; and  
23 (b) if the franked part exceeds the amount so exempt—the excess  
24 is, subject to subsection (7), exempt income of the life  
25 assurance company.  
26

27 *No exemption if return prepared on basis that amount assessable*

- 28 (7) Subsection (4) and paragraphs (5)(b) and (6)(b) do not exempt, and  
29 are taken never to have exempted, an amount if the taxpayer's  
30 return of income of the year of income is prepared on the basis that  
31 the amount is included in the taxpayer's assessable income of that  
32 year.

33 *Where partner entitled to deduction for amount flowing indirectly*

- 34 (8) If:

- 1 (a) any of the franked part of the distribution flows indirectly to  
2 a taxpayer who is a partner in a partnership; and  
3 (b) apart from this subsection, the amount that flows indirectly  
4 would be allowable as a deduction from the taxpayer's  
5 assessable income of a year of income; and  
6 (c) the taxpayer is of a kind mentioned in any of  
7 paragraphs (3)(a) to (d);  
8 the amount that flows indirectly is not allowable as a deduction  
9 from that assessable income.

- 10 (9) Subsection (8) does not prevent, and is taken never to have  
11 prevented, an amount from being allowable as a deduction if the  
12 taxpayer's return of income of the year of income is prepared on  
13 the basis that the amount is so allowable.

14 *Where trustee assessed on amount flowing indirectly*

- 15 (10) If:  
16 (a) any of the franked part of the distribution flows indirectly to  
17 the trustee of a trust estate; and  
18 (b) apart from this subsection, the trustee would be liable under  
19 section 98, 99 or 99A to be assessed and pay tax on the  
20 amount that flows indirectly;  
21 the trustee is not liable under that section to be assessed and to pay  
22 tax on the amount that flows indirectly.

- 23 (11) Subsection (10) does not prevent, and is taken never to have  
24 prevented, the trustee from being liable under that section to be  
25 assessed and to pay tax on an amount if the trustee elects to be so  
26 liable.

- 27 (12) An election must be made in the trustee's return of income of the  
28 trust estate for the year of income concerned.

29 *Interpretation*

- 30 (13) In this section:  
31 *flows indirectly* has the meaning given by subsection 995-1(1) of  
32 the *Income Tax Assessment Act 1997*.

1                    *part of a distribution that is franked with a venture capital credit*  
2                    has the meaning given by subsection 995-1(1) of the *Income Tax*  
3                    *Assessment Act 1997*.

4                    **330 Paragraph 126(1)(c)**

5                    Omit “, 128G, 128GA”.

6                    **331 Paragraph 128AAA(2)(ba)**

7                    Omit “128FA; and”, substitute “128FA.”.

8                    **332 Subsection 128A(1A)**

9                    Omit “and 128NA:”, substitute “, 128NA and 128NBA:”.

10                  **333 Subsection 128A(4)**

11                  Repeal the subsection, substitute:

12                  (4) In section 260, *income tax* or *tax* includes withholding tax.

13                  **334 Paragraph 128A(1A)(c)**

14                  Omit “and 128NA”, substitute “, 128NA and 128NBA”.

15                  **335 Subparagraph 128B(3)(a)(i)**

16                  Omit “paragraph 23(jb) of this Act or”.

17                  **336 Subparagraph 128B(3)(h)(iv)**

18                  Omit “specified in section 128E or to which section 128EA, 128F,  
19                  128FA, 128G, 128GA or 128GB”, substitute “to which section 128EA,  
20                  128F, 128FA or 128GB”.

21                  **337 After paragraph 128B(3)(j)**

22                  Insert:

23                  (jb) income that:

24                          (i) is derived by a non-resident that is a foreign  
25                          superannuation fund; and

26                          (ii) consists of interest, or consists of dividends or  
27                          non-share dividends paid by a company that is a  
28                          resident; and

29                          (iii) is exempt from income tax in the country in which the  
30                          non-resident resides; or

1 **338 Subparagraph 128B(3A)(b)(ii)**

2 Omit “finance”, substitute “financing”.

3 **339 Subsection 128B(3B)**

4 Insert:

5 *financing arrangement* has the meaning given by subsection  
6 995-1(1) of the *Income Tax Assessment Act 1997*.

7 **340 Paragraph 128B(9C)(c)**

8 Omit “or section 128E”.

9 **341 Paragraph 128B(9C)(d)**

10 Omit “subsection 221YS(1) of this Act, or section 18-30 in Schedule 1  
11 to the *Taxation Administration Act 1953*,” substitute “section 18-30 in  
12 Schedule 1 to the *Taxation Administration Act 1953*”.

13 **342 Subsection 128C(1)**

14 Omit “or of such further period as the Commissioner, in special  
15 circumstances, allows”.

16 **343 Section 128D**

17 After “128B(3)(ga)”, insert “or (jb)”.

18 **344 Section 128D**

19 Omit “, section 128G, section 128GA”.

20 **345 After section 128NB**

21 Insert:

22 **128NBA Credits in respect of amounts assessed under Division 16E**  
23 **of Part III**

24 *When section applies*

25 (1) This section applies if:

26 (a) the amount of any withholding tax that has become payable  
27 by a taxpayer on a payment of interest under, or in relation to  
28 the transfer of, a qualifying security has been paid; and



- 1 (b) there is a net Division 16E amount (see subsection (5)) in  
2 relation to the taxpayer in relation to:  
3 (i) if the payment of interest is a payment in relation to the  
4 transfer of the qualifying security—the security; or  
5 (ii) if the payment of interest is such a payment by virtue of  
6 the application of section 128AC in relation to an  
7 attributable agreement payment within the meaning of  
8 that section—the attributable agreement payment; or  
9 (iii) in any other case—the payment of interest; and  
10 (c) the amount of the withholding tax payable on the interest  
11 exceeds the amount that would have been payable on the  
12 interest if the interest were reduced by the net Division 16E  
13 amount.

14 *Entitlement to apply for credit*

- 15 (2) The taxpayer may apply to the Commissioner for a credit of an  
16 amount equal to the excess.

17 *Requirements for application*

- 18 (3) The application must be in the approved form.

19 *Entitlement to credit*

- 20 (4) If the Commissioner is satisfied as to the matters mentioned in  
21 paragraphs (1)(a), (b) and (c), the applicant is entitled to a credit of  
22 an amount equal to the excess.

23 *Net Division 16E amount*

- 24 (5) For the purposes of this section, if:  
25 (a) the sum of all amounts (if any) included in the assessable  
26 income of the taxpayer of any years of income in relation to  
27 the qualifying security, attributable agreement payment or  
28 payment of interest under section 159GQ;  
29 exceeds:  
30 (b) the sum of all amounts (if any) allowable as deductions from  
31 the assessable income of the taxpayer of any years of income  
32 in relation to the security or the payment, as the case may be,  
33 under that section;  
34 there is a net Division 16E amount equal to the excess.

1 **346 Subsection 128U(1) (paragraph (b) of the definition of**  
2 ***minerals*)**

3 After “petroleum”, insert “(within the meaning of the *Income Tax*  
4 *Assessment Act 1997*)”.

5 **347 Subsections 128U(2) and (3)**

6 Repeal the subsections, substitute:

7 (2) In section 260, *income tax* or *tax* includes mining withholding tax.

8 (3) For the purposes of this Division, a mining payment is taken to  
9 include any amount that has been, or purports to have been,  
10 withheld from the mining payment for the purposes of  
11 section 12-320 in Schedule 1 to the *Taxation Administration Act*  
12 *1953*.

13 **348 Section 139DE**

14 Omit “and paragraph 26(e)”, substitute “of this Act and section 15-2 of  
15 the *Income Tax Assessment Act 1997*”.

16 Note: The heading to section 139DE is altered by omitting “**section 21A or paragraph 26(e)**”  
17 and substituting “**other provisions**”.

18 **349 Subsection 139GA(1)**

19 Repeal the subsection, substitute:

20 (1) The expression *employee* means:

21 (a) a person who receives, or is entitled to receive, work and  
22 income support related withholding payments and benefits;  
23 or

24 (b) a person who is engaged in foreign service.

25 **350 Subsection 139GA(3)**

26 Repeal the subsection, substitute:

27 (3) The expression *employer* means:

28 (a) in the case of an unincorporate body of persons other than a  
29 partnership—the manager or other principal officer of that  
30 body; and

31 (b) in the case of a partnership—each partner; and

32 (c) an Australian government agency as defined in subsection  
33 995-1(1) of the *Income Tax Assessment Act 1997*; and

1 (d) a person who is engaged in foreign service.

2 **351 Section 139GE**

3 Repeal the section, substitute:

4 **139GE Meaning of associate**

5 The expression *associate* has the same meaning as it would have in  
6 section 318 if references in that section to subsection (1) included a  
7 reference to subsection (1A) and the following subsection were  
8 inserted before subsection (1):

9 (1A) For the purposes of this Part, if an entity holds (whether directly or  
10 indirectly through one or more interposed companies, partnerships  
11 or trusts) a share in a company, or a right to acquire a share in a  
12 company, the company is an associate of the entity.

13 **352 Section 140C (definition of associate)**

14 Omit “26AAB”, substitute “318”.

15 **353 Section 140C (paragraph (a) of the definition of payer)**

16 Before “subsection” (wherever occurring), insert “former”.

17 **354 Subsection 140M(6)**

18 Before “subsection 160ZZPZE(4)”, insert “former”.

19 **355 Paragraph 140N(4)(a)**

20 Before “subsection 160ZZPZE(4)”, insert “former”.

21 **356 Subsection 140P(3)**

22 Before “subsection 160ZZPZE(4)”, insert “former”.

23 **357 Section 140ZJA**

24 Before “subsection 160ZZPZE(4)”, insert “former”.

25 **358 Subparagraph 149A(1)(b)(ii)**

26 Omit “an abnormal income amount as specified in section 158L”,  
27 substitute “above-average special professional income within the  
28 meaning of the *Income Tax Assessment Act 1997*”.

1 **359 Subsection 156(1) (definition of assessable primary**  
2 **production income)**

3 Omit “business of primary production” (wherever occurring), substitute  
4 “primary production business”.

5 **360 Subsection 156(6) (definition of assessable primary**  
6 **production income)**

7 Omit “business of primary production” (wherever occurring), substitute  
8 “primary production business”.

9 **361 Subsections 157(2) and (3)**

10 Omit “business of primary production”, substitute “primary production  
11 business”.

12 **362 Subsection 159GE(1) (definition of associate)**

13 Repeal the definition, substitute:

14 *associate* means, in relation to a person other than an exempt  
15 public body, any person who is an associate, within the meaning of  
16 section 318, in relation to the person or, in relation to an exempt  
17 public body:

- 18 (a) a partner of the exempt public body or a partnership in which  
19 the exempt public body is a partner; or  
20 (b) if a partner of the exempt public body is a natural person  
21 otherwise than in the capacity of trustee—the spouse or a  
22 child of that partner; or  
23 (c) a trustee of a trust where the exempt public body, or another  
24 entity that is an associate of the exempt public body because  
25 of paragraph (a), (b) or (d), benefits under the trust; or  
26 (d) a company where:  
27 (i) the company is sufficiently influenced by:  
28 (A) the exempt public body; or  
29 (B) another entity that is an associate of the exempt  
30 public body because of paragraph (a), (b) or (c);  
31 or  
32 (C) another company that is an associate of the  
33 exempt public body because of another  
34 application of this paragraph; or

- 1 (D) 2 or more entities covered by the preceding  
2 sub-subparagraphs; or  
3 (ii) a majority voting interest in the company is held by:  
4 (A) the exempt public body; or  
5 (B) the entities that are associates of the primary  
6 entity because of subparagraph (i) of this  
7 paragraph and paragraphs (a), (b) and (c); or  
8 (C) the exempt public body and the entities that are  
9 associates of the exempt public body because of  
10 subparagraph (i) of this paragraph and because  
11 of paragraphs (a), (b) and (c).  
12 Subsections 318(6) and (7) apply for the purposes of paragraphs (a)  
13 to (d) in the same way as those subsections apply for the purposes  
14 of section 318.

15 **363 Subsection 159GE(1) (paragraph (a) of the definition of**  
16 ***capital expenditure deduction*)**

17 Before “Division”, insert “the former”.

18 **364 Subsection 159GE(1) (paragraph (a) of the definition of**  
19 ***Division 10, 10AA or 10A property*)**

20 Before “Division”, insert “the former”.

21 **365 Subsection 159GE(1) (paragraph (b) of the definition of**  
22 ***Division 10, 10AA or 10A property*)**

23 Before “paragraph”, insert “the former”.

24 **366 Subsection 159GE(1) (paragraph (c) of the definition of**  
25 ***Division 10, 10AA or 10A property*)**

26 Before “subsection”, insert “the former”.

27 **367 Subsection 159GE(1) (definition of *Division 10AAA***  
28 ***property*)**

29 Before “Division 10AAA of this Part”, insert “the former”.

30 **368 Subsection 159GE(1) (definition of *Division 10C or 10D***  
31 ***property*)**

32 Before “Division 10C or 10D or for which”, insert “the former”.

1 **369 Subsection 159GE(1) (paragraph (a) of the definition of**  
2 **eligible amount)**

3 Repeal the paragraph, substitute:

4 (a) where the item is an item of eligible depreciation property—  
5 the amount that:

6 (i) was the cost of the item of property within the meaning  
7 of Division 40, or the former Division 42, of the *Income*  
8 *Tax Assessment Act 1997* to the taxpayer who holds it;  
9 or

10 (ii) would have been the cost of the item of property to the  
11 taxpayer for the purposes of that Division if that  
12 Division had applied in relation to the item of property;  
13 and

14 **370 Subsection 159GE(1) (paragraph (a) of the definition of**  
15 **eligible depreciation property)**

16 Before “section”, insert “the former”.

17 **371 Paragraphs 159GF(3)(a) to (e)**

18 Before “Division”, insert “the former”.

19 **372 Subsection 159GF(4)**

20 Before “Division 10AAA of this Part”, insert “the former”.

21 **373 Subsection 159GF(5)**

22 Before “Division 10C or 10D of this Part”, insert “the former”.

23 **374 Sub-subparagraph 159GJ(1)(c)(iii)(C)**

24 Before “paragraph 56(1)(a)”, insert “the former”.

25 **375 Sub-subparagraph 159GJ(1)(c)(iii)(C)**

26 Omit “Division 3 of this Part”, substitute “the former section 62 of this  
27 Act”.

28 **376 Subparagraph 159GJ(2)(a)(iii)**

29 Omit “or” (last occurring).

30 **377 Subparagraph 159GJ(2)(c)(iii)**

31 Omit “or” (last occurring).

1 **378 Paragraph 159GJ(3)(a)**

2 Repeal the paragraph, substitute:

- 3 (a) no deduction is allowable to any taxpayer under  
4 section 40-830 of the *Income Tax Assessment Act 1997* for a  
5 project amount that is transport capital expenditure within the  
6 meaning of that Act in relation to any amount of expenditure  
7 (not being expenditure incurred after the application period)  
8 by reason of which the item is Division 10AAA property for  
9 any year of income in which the whole or a part of the  
10 application period occurs; and

11 **379 Paragraph 159GJ(3)(c)**

12 Repeal the paragraph, substitute:

- 13 (c) for the purposes of the application of section 40-830 of the  
14 *Income Tax Assessment Act 1997*, for a project amount that is  
15 transport capital expenditure within the meaning of that Act,  
16 in relation to an amount of expenditure (not being  
17 expenditure incurred after the application period) by reason  
18 of which the item is Division 10AAA property for any year  
19 of income after the year of income in which this Division  
20 ceases to apply—it is taken to be a requirement of that  
21 section that the deduction allowable under that section in  
22 respect of the amount of expenditure does not exceed the  
23 residual amount in relation to the amount of expenditure as  
24 worked out in accordance with paragraph (b).

25 **380 Paragraph 159GJ(4)(a)**

26 Omit “under Division 10C or 10D of this Part, or”.

27 **381 Subparagraph 159GJ(4)(b)(i)**

28 Omit “Division 10C or 10D, of this Part, or under Division 43 of the  
29 *Income Tax Assessment Act 1997*, as appropriate”, substitute  
30 “Division 43 of the *Income Tax Assessment Act 1997*”.

31 **382 Subparagraph 159GJ(4)(b)(ii)**

32 Omit “Division 10C or 10D of this Part, or under Division 43 of the  
33 *Income Tax Assessment Act 1997*,” substitute “Division 43 of the  
34 *Income Tax Assessment Act 1997*”.

35 **383 At the end of sub-subparagraph 159GJ(4)(b)(iii)(A)**

1 Add “and”.

2 **384 Sub-subparagraph 159GJ(4)(b)(iii)(C)**

3 Omit “Division 10C or 10D of this Part, or under Division 43 of the  
4 *Income Tax Assessment Act 1997*, as appropriate,” substitute  
5 “Division 43 of the *Income Tax Assessment Act 1997*”.

6 **385 Paragraph 159GJ(4)(d)**

7 Omit “Division 10C or 10D of this Part, or of Division 43 of the *Income*  
8 *Tax Assessment Act 1997*,” (wherever occurring), substitute  
9 “Division 43 of the *Income Tax Assessment Act 1997*”.

10 **386 Paragraphs 159GJ(5)(a) and (c)**

11 Omit “the former Division 380, or Division 40,” substitute  
12 “Division 40”.

13 **387 Paragraph 159GL(2)(a)**

14 Before “Division 10C or 10D of this Part”, insert “the former”.

15 **388 Paragraph 159GM(b)**

16 Repeal the paragraph, substitute:

- 17 (b) the expenditure by reason of which the item of property is  
18 eligible capital expenditure property is the amount that:  
19 (i) was the cost of the item of property to the taxpayer who  
20 incurred the expenditure for the purpose of the former  
21 Subdivision 42-B, or Subdivision 40-C, of the *Income*  
22 *Tax Assessment Act 1997*; or  
23 (ii) would have been the cost to the taxpayer for the purpose  
24 of that Subdivision if it applied in relation to the item of  
25 property;

26 **389 Subsection 159GZZZC(1) (definition of associate)**

27 Repeal the definition, substitute:

28 *associate* has the same meaning as in section 318.

29 **390 Subsection 159GZZZZH(4)**

30 Omit “205, 206, 208, 209, 214, 215, 216, 254, 255, 258 and 259”,  
31 substitute “254 and 255 and former sections 215 and 216”.



- 1     **391 Subsections 159HA(1) and (6A)**  
2             Omit “, 159K”.
- 3     **392 Subsection 159HA(7) (at the end of paragraph (a) of the**  
4             **definition of *indexable amount*)**  
5             Add “or”.
- 6     **393 Subsection 159J(6) (paragraph (aa) of the definition of**  
7             ***separate net income*)**  
8             Omit “Part IIIA of this Act or”.
- 9     **394 Subsection 159ZR(1) (definition of *associate*)**  
10            Omit “26AAB”, substitute “318”.
- 11    **395 Subsection 159ZR(1) (at the end of paragraph (a) of the**  
12            **definition of *normal taxable income*)**  
13            Add “and”.
- 14    **396 Subsection 159ZR(1) (paragraph (b) of the definition of**  
15            ***normal taxable income*)**  
16            Repeal the paragraph, substitute:  
17                    (b) the taxable income were reduced by any above-average  
18                    special professional income included in the taxable income  
19                    under section 405-15 of the *Income Tax Assessment Act*  
20                    1997; and
- 21    **397 Subsection 159ZR(1) (paragraph (c) of the definition of**  
22            ***normal taxable income*)**  
23            Omit “section 160ZO of this Act or”.
- 24    **398 Subsection 160AF(8) (definition of *average rate of***  
25            ***Australian tax*)**  
26            Repeal the definition, substitute:  
27                    *average rate of Australian tax*, in relation to a taxpayer, means an  
28                    amount per dollar worked out by dividing:  
29                    (a) the amount of income tax that would be assessed under this  
30                    Act in respect of the taxpayer’s taxable income of the year of  
31                    income if the taxpayer was not entitled to:

- 1 (i) any rebate of tax (other than a rebate under subsection  
2 23AB(7), section 79A or 79B or Subdivision A of  
3 Division 17 of Part III, or under an Act imposing  
4 income tax for the year of tax); or  
5 (ii) any credit against the taxpayer's liability for tax;  
6 by:  
7 (b) a number equal to the number of whole dollars in that taxable  
8 income.

9 **399 Subsection 160AFD(9) (subparagraph (b)(ii) of the**  
10 **definition of assessable foreign income)**

11 Omit "Part IIIA of this Act or".

12 **400 Paragraphs 160AGA(1)(a) and (b)**

13 Repeal the paragraphs, substitute:

- 14 (a) a non-resident taxpayer derives an amount from sources  
15 outside Australia; and  
16 (b) the amount or a part of the amount (which amount or part is  
17 the *eligible amount*) is included in the taxpayer's assessable  
18 income of a year of income under subsection 26AG(2); and

19 **401 Paragraph 160AGA(3)(b)**

20 Repeal the paragraph, substitute:

- 21 (b) the amount of the Australian tax paid in respect of the  
22 eligible amount;

23 **402 Paragraph 160ZZZJ(1)(b)**

24 Omit "either section 221 YL of this Act or".

25 **403 Subsection 160ZZZJ(2)**

26 Omit "section 221 YL of this Act or Subdivision 12-F in Schedule 1 to  
27 the *Taxation Administration Act 1953* (as the case may be)", substitute  
28 "Subdivision 12-F in Schedule 1 to the *Taxation Administration Act*  
29 *1953*".

30 **404 Subsection 163A(8)**

31 Omit "205, 206, 208, 209, 214, 215, 216, 254, 255, 258 and 259",  
32 substitute "254 and 255 and former sections 215 and 216".

- 1 **405 Subsection 163A(9) (definition of *instalment taxpayer*)**  
2 Before “Division”, insert “former”.
- 3 **406 Subsection 163A(9) (definition of *relevant entity*)**  
4 Before “Division”, insert “former”.
- 5 **407 Subsection 166A(1)**  
6 Before “Division 1B”, insert “former”.
- 7 **408 Subsection 166A(1)**  
8 Omit “applies”, substitute “applied”.
- 9 **409 Paragraph 166A(2)(aa)**  
10 Before “Division 1C”, insert “former”.
- 11 **410 Paragraph 166A(2)(aa)**  
12 Omit “applies” (wherever occurring), substitute “applied”.
- 13 **411 Subsection 170(9D)**  
14 Omit “Part IIIA of this Act or”.
- 15 **412 Subsection 170(10A)**  
16 Omit “73D,”.
- 17 **413 Subsection 177B(2)**  
18 Omit “Division 16C of Part III or the operation of”.
- 19 **414 Subparagraph 177C(2)(a)(i)**  
20 Omit “other than section 160ZP or 160ZZO”.
- 21 **415 Subsection 202BD(1)**  
22 Omit “, or eligible paying authority in relation to, the applicant, the  
23 Commissioner may give to the payer or eligible paying authority”,  
24 substitute “the applicant, the Commissioner may give to the payer”.
- 25 **416 Subsection 202BD(5)**  
26 Omit “or eligible paying authority”.

- 1 **417 Paragraph 202D(8)(b)**  
2 Omit “and Division 3B of Part VI of this Act”.
- 3 **418 Subsection 202DDB(1)**  
4 Omit “of Division 3B of Part VI of this Act, and for the purposes of”.
- 5 **419 Paragraph 202EE(1)(c)**  
6 Omit “make a deduction under subsection 221YL, or withhold an  
7 amount under Subdivision 12-F in Schedule 1 to the *Taxation*  
8 *Administration Act 1953*,” substitute “withhold an amount under  
9 Subdivision 12-F in Schedule 1 to the *Taxation Administration Act*  
10 *1953*”.
- 11 **420 Paragraph 202EE(1)(d)**  
12 Omit “make such a deduction, or withhold such an amount,” substitute  
13 “withhold such an amount”.
- 14 **421 Subsection 222AFA(5)**  
15 Omit “Sections 220AAZA, 221YHZJ and 221YR of this Act, and  
16 Part 4-15 in Schedule 1 to the *Taxation Administration Act 1953*,  
17 provide”, substitute “Part 4-15 in Schedule 1 to the *Taxation*  
18 *Administration Act 1953* provides”.
- 19 **422 Subsection 222AFB(1) (definition of *person*)**  
20 Repeal the definition, substitute:  
21 *person* means an entity within the meaning of the *Income Tax*  
22 *Assessment Act 1997* or a government body.
- 23 **423 Subsection 222AFB(1) (paragraph (a) of the definition of**  
24 ***remittance provision*)**  
25 Before “Division”, insert “former”.
- 26 **424 Subsection 222AFB(1) (paragraph (a) of the definition of**  
27 ***remittance provision*)**  
28 Before “sections”, insert “former”.
- 29 **425 Subsection 222AFB(1) (paragraph (c) of the definition of**  
30 ***remittance provision*)**

1 Before “Division”, insert “former”.

2 **426 Subsection 222AFB(1) (paragraph (c) of the definition of**  
3 **remittance provision)**

4 Before “subsections”, insert “former”.

5 **427 Subsection 222AFB(1) (paragraph (d) of the definition of**  
6 **remittance provision)**

7 Before “Division”, insert “former”.

8 **428 Subsection 222AFB(1) (paragraph (d) of the definition of**  
9 **remittance provision)**

10 Before “subsection”, insert “former”.

11 **429 Subsection 222ANA(1)**

12 Omit “1AAA, 3B, 4 or”.

13 **430 Subsection 222ANA(4)**

14 Omit “Sections 220AAZA, 221YHZJ and 221YR of this Act, and  
15 Part 4-15 in Schedule 1 to the *Taxation Administration Act 1953*,  
16 provide”, substitute “Part 4-15 in Schedule 1 to the *Taxation*  
17 *Administration Act 1953* provides”.

18 **431 Subsection 251R(7)**

19 Omit “, section 102AAN, Division 17 of Part III and sections 160AQU,  
20 160AQX, 160AQY and 160AQZ”, substitute “and Division 17 of  
21 Part III”.

22 **432 Subsection 254(2)**

23 Omit “ section 170AA, subsection 204(3), subsection 221AZMAA(1),  
24 subsection 221AZP(1), subsection 221YD(3) or section 221YDB,  
25 additional tax under Part VII”, substitute “former section 170AA,  
26 subsection 204(3), former subsection 221AZMAA(1), former  
27 subsection 221AZP(1), former subsection 221YD(3) or former  
28 section 221YDB, additional tax under former Part VII”.

29 **433 Subsection 255(2A)**

1 Omit “by way of a natural resource payment within the meaning of  
2 Division 3B of Part VI of this Act, or section 12-325 in Schedule 1 to  
3 the *Taxation Administration Act 1953* (as the case requires),”, substitute  
4 “from which an amount must be withheld under section 12-325 in  
5 Schedule 1 to the *Taxation Administration Act 1953* (about natural  
6 resource payments)”.

7 **434 Subsection 255(4)**

8 Omit “section 170AA, subsection 204(3), subsection 221AZMAA(1),  
9 subsection 221AZP(1), subsection 221YD(3) or section 221YDB,  
10 additional tax under Part VII”, substitute “former section 170AA,  
11 subsection 204(3), subsection 221AZMAA(1), former subsection  
12 221AZP(1), former subsection 221YD(3) or former section 221YDB,  
13 additional tax under former Part VII”.

14 **435 Subsection 262A(4AA)**

15 Omit “section 59AA, 122R, 123F, 124AO or 124W”, substitute “former  
16 section 59AA, 122R, 123F or 124AO or under section 124W”.

17 **436 Paragraph 262A(4ACA)(a)**

18 Before “subsection”, insert “former”.

19 **437 Subsection 262A(4AC)**

20 Omit “subsection 58(1), 73AA(1), 73E(1), 73F(1), 73G(1), 122JAA(1),  
21 122JG(1), 123BBA(1), 123BF(1), 124AMAA(1), 124GA(1), 124JD(1)  
22 or 124PA(1)”, substitute “former subsection 58(1), subsection 73AA(1),  
23 73E(1), 73F(1) or 73G(1), former subsection 122JAA(1), 122JG(1),  
24 123BBA(1), 123BF(1), 124AMAA(1), 124GA(1) or 124JD(1) or  
25 subsection 124PA(1)”.

26 **438 Paragraph 262A(4AC)(a)**

27 Omit “section 58, 73AA, 73E, 73F, 73G, 122JAA, 122JG, 123BBA,  
28 123BF, 124AMAA, 124GA, 124JD or 124PA”, substitute “former  
29 section 58, section 73AA, 73E, 73F or 73G, former section 122JAA,  
30 122JG, 123BBA, 123BF, 124AMAA, 124GA or 124JD or  
31 section 124PA”.

32 **439 Subsection 262A(4AE)**

33 Omit “makes an election under paragraph 54A(1)(a)”, substitute “made  
34 an election under former paragraph 54A(1)(a)”.

- 1     **440 Paragraph 262A(4AF)(a)**  
2             Before “Division”, insert “former”.
- 3     **441 Subparagraph 262A(4AF)(b)(i)**  
4             Omit “or are allowable to the transferor under”, substitute “to the  
5             transferor under former”.
- 6     **442 Subparagraph 262A(4AF)(b)(ii)**  
7             Omit “or are allowable to any of the prior successive owners or lessees  
8             under”, substitute “to any of the prior successive owners or lessees  
9             under former”.
- 10    **443 Paragraph 262A(4AF)(c)**  
11            Omit “Division 10C of Part III will apply”, substitute “former  
12            Division 10C of Part III applies”.
- 13    **444 Paragraph 262A(4AH)(a)**  
14            Before “Division”, insert “former”.
- 15    **445 Subparagraph 262A(4AH)(b)(i)**  
16            Omit “or are allowable to the transferor under”, substitute “to the  
17            transferor under former”.
- 18    **446 Subparagraph 262A(4AH)(b)(ii)**  
19            Omit “or are allowable to any of the prior successive owners or lessees  
20            under”, substitute “to any of the prior successive owners or lessees  
21            under former”.
- 22    **447 Paragraph 262A(4AH)(c)**  
23            Omit “Division 10D of Part III will apply”, substitute “former  
24            Division 10D of Part III applies”.
- 25    **448 Paragraph 262A(4AJA)(b)**  
26            Omit “or is allowable under”, substitute “under former”.
- 27    **449 Subsection 265A(5) (definition of *tax deductions***  
28            ***unapplied*)**  
29            Repeal the definition, substitute:

1                    **tax deductions unapplied**, in relation to a deceased person, means  
2                    the total of any amounts withheld under paragraph 12-45(1)(c) in  
3                    Schedule 1 to the *Taxation Administration Act 1953* from amounts  
4                    earned by the deceased person as a member of the Defence Force  
5                    where:  
6                    (a) the amounts have not been credited in payment of income  
7                    tax; and  
8                    (b) the Commissioner has not made a payment in respect of  
9                    them.

10                    **450 Subparagraph 274(1)(aa)(ii)**

11                    Omit “(within the meaning of subsection 221A(1))”.

12                    **451 Section 277A**

13                    Omit “(within the meaning of the *Fringe Benefits Tax Assessment Act*  
14                    *1986*)”.

15                    **452 Section 300**

16                    Repeal the section, substitute:

17                    **300 Rebates**

18                    (1) The trustee of a fund that is an eligible superannuation fund or an  
19                    eligible ADF in relation to a year of income is not entitled to a  
20                    rebate as provided by section 46A.

21                    (2) The trustee of a PST is not entitled to a rebate as provided by  
22                    section 46A.

23                    **453 Subsection 310(3)**

24                    Before “Division”, insert “former”.

25                    **454 Section 317 (definition of CGT roll-over provisions)**

26                    Omit “section 160ZZF and Divisions 5A, 5B, 7A and 17 of”, substitute  
27                    “former section 160ZZF and Divisions 5A, 5B, 7A and 17 of former”.

28                    **455 Section 317 (paragraph (a) of the definition of**  
29                    **depreciation provision)**

30                    Before “sections”, insert “former”.



1 **456 Section 317 (paragraph (a) of the definition of**  
2 **depreciation provision)**

3 Before “Divisions”, insert “former”.

4 **457 Paragraph 389(a)**

5 Omit “and 23AK, sections 38 to 43 (inclusive) and 128D”, substitute “,  
6 23AK and 128D”.

7 **458 Subsection 396(2)**

8 Repeal the subsection, substitute:

9 (2) A reference in subsection (1) to a non-taxable Australian asset is a  
10 reference to a CGT asset other than one that has the necessary  
11 connection with Australia (within the meaning of the *Income Tax*  
12 *Assessment Act 1997*).

13 **459 Paragraph 398(3)(a)**

14 Before “sections”, insert “former”.

15 **460 Paragraph 399(1)(c)**

16 Omit “this Act is further modified by disregarding subsections  
17 160M(13) and (14), and”.

18 **461 Paragraph 399(1)(d)**

19 Omit “for the purpose of applying Part IIIA of this Act in accordance  
20 with the preceding paragraphs, the trust is a resident trust estate, or a  
21 resident unit trust, as the case may be and,”.

22 **462 Paragraph 401(1)(a)**

23 Omit “to take into account the amount of consideration received,  
24 entitled to be received or taken to be received, by the eligible CFC in  
25 respect of the disposal of an asset, or”.

26 Note: The heading to section 401 is altered by omitting “**disposal consideration or**”.

27 **463 Paragraph 401(1)(b)**

28 Omit “disposal or”.

29 **464 Paragraph 401(1)(c)**

30 Omit “consideration or”.

1 **465 Paragraph 401(1)(c)**

2 Omit “disposal or”.

3 **466 Paragraph 401(3)(b)**

4 Omit “disposal of the asset, or the CGT event,”, substitute “CGT  
5 event”.

6 **467 Paragraph 401(3)(c)**

7 Omit “the consideration in respect of the disposal or”.

8 **468 Paragraph 401(3)(c)**

9 Omit “the consideration or”.

10 **469 Paragraph 401(3)(d)**

11 Omit “the consideration in respect of the disposal or”.

12 **470 Subparagraph 401(3)(d)(i)**

13 Omit “the consideration or”.

14 **471 Subparagraph 401(3)(d)(ii)**

15 Repeal the subparagraph, substitute:

16 (ii) if subparagraph (i) does not apply—only a proportion of  
17 each surplus (after any application of paragraph (b)) is  
18 to be taken into account under paragraph (1)(c), being  
19 the proportion calculated using the formula:

$$\frac{\text{Amount of capital proceeds}}{\text{Total grossed-up surplus}}$$

20  
21 where:

22 ***total grossed-up surplus*** means the sum of the  
23 grossed-up amounts of the attribution surpluses (after  
24 any application of paragraph (b)).

25 **472 Section 408A**

26 Repeal the section, substitute:

27 **408A Certain events before commencing day ignored**

28 For the purposes of applying this Act in calculating the attributable  
29 income of an eligible CFC, if the eligible CFC’s commencing day

1 is after 30 June 1995, Parts 3-1 and 3-3 of the *Income Tax*  
2 *Assessment Act 1997* do not apply to CGT events involving the  
3 eligible CFC before the end of the commencing day.

4 **473 Subsection 413(3)**

5 Before “Division 10C or 10D”, insert “former”.

6 **474 Paragraph 418A(1)(f)**

7 Omit “if subsection 160M(8) of this Act, or section 104-160 of the  
8 *Income Tax Assessment Act 1997* (CGT event I1),”, substitute “if  
9 section 104-160 of the *Income Tax Assessment Act 1997* (CGT event  
10 I1)”.

11 **475 Subparagraph 423(2)(a)(i)**

12 Before “Part IIIA”, insert “former”.

13 **476 Subparagraph 423(3)(b)(i)**

14 Before “Part”, insert “former”.

15 **477 Subsection 424(2)**

16 Omit “Part IIIA of this Act or”.

17 **478 Subsection 431(5)**

18 Before “section” (wherever occurring), insert “former”.

19 **479 Subsection 438(3)**

20 Omit “Part IIIA of this Act and”.

21 **480 Subsection 438(3A)**

22 Omit “Part IIIA of this Act or”.

23 **481 Subsection 438(4)**

24 Omit “not a taxable Australian asset within the meaning of Part IIIA of  
25 this Act, or”.

26 **482 Sub-subparagraph 439(1)(a)(iii)(A)**

27 Before “section 54”, insert “the former”.

28 **483 Paragraph 461(1)(a)**

1 Omit “to take into account the amount of consideration received,  
2 entitled to be received or taken to have been received, by the taxpayer in  
3 respect of the disposal of an asset, or”.

4 Note: The heading to section 461 is altered by omitting “**disposal consideration**” and  
5 substituting “**capital proceeds**”.

6 **484 Paragraph 461(1)(b)**

7 Omit “disposal or”.

8 **485 Paragraph 461(1)(c)**

9 Omit “consideration or”.

10 **486 Paragraphs 461(1)(c), (d) and (g)**

11 Omit “disposal or”.

12 **487 Paragraph 461(3)(a)**

13 Omit “the disposal of the asset, or”.

14 **488 Paragraph 461(3)(b)**

15 Omit “the consideration in respect of the disposal or”.

16 **489 Paragraph 461(3)(b)**

17 Omit “the consideration or”.

18 **490 Paragraph 461(3)(c)**

19 Omit “the consideration in respect of the disposal or”.

20 **491 Subparagraph 461(3)(c)(i)**

21 Omit “the consideration or”.

22 **492 Subparagraph 461(3)(c)(ii)**

23 Repeal the subparagraph, substitute:

24 (ii) if subparagraph (i) does not apply—only a proportion of  
25 each surplus (after any application of paragraph (a)) is  
26 to be taken into account under paragraph (1)(c), being  
27 the proportion calculated using the formula:

28 
$$\frac{\text{Amount of capital proceeds}}{\text{Total surplus}}$$

1 where:  
2 *total surplus* means the sum of the attribution surpluses  
3 (after any application of paragraph (a)).

4 **493 Subsection 555(2) (paragraphs (a) and (b) of the**  
5 **definition of *Deemed rate of return*)**

6 Omit “basic statutory”, substitute “base”.

7 **494 Subparagraphs 570(1)(a)(i) and (ii)**

8 Repeal the subparagraphs, substitute:

- 9 (i) a depreciating asset within the meaning of Division 40  
10 of the *Income Tax Assessment Act 1997*; or  
11 (ii) industrial property within the meaning of Division 10B  
12 of Part III of this Act; or

13 **495 Paragraph 570(1)(b)**

14 Omit “plant, articles,”.

15 **496 Subsection 592(2) (paragraphs (a) and (b) of the**  
16 **definition of *Deemed rate of return*)**

17 Omit “basic statutory”, substitute “base”.

18 **497 Paragraph 613(1)(a)**

19 Omit “to take into account the amount of consideration received,  
20 entitled to be received or taken to have been received, by the taxpayer in  
21 respect of the disposal of an asset, or”.

22 Note: The heading to section 613 is altered by omitting “**disposal consideration**” and  
23 substituting “**capital proceeds**”.

24 **498 Paragraph 613(1)(b)**

25 Omit “disposal”, substitute “CGT event”.

26 **499 Paragraph 613(1)(c)**

27 Omit “consideration or” (first occurring).

28 **500 Paragraph 613(1)(c)**

29 Omit “disposal or”.

30 **501 Paragraph 613(1)(c)**

1 Omit “consideration or” (second occurring).

2 **502 Paragraph 613(1)(d)**

3 Omit “the disposal or”.

4 **503 Subsection 613(3)**

5 Omit “the disposal of the asset or”.

6 **504 Subsection 245-15(2) in Schedule 2C**

7 Omit “within the meaning of the *Fringe Benefits Tax Assessment Act*  
8 *1986*”.

9 **505 Subsection 57-25(2) in Schedule 2D**

10 Repeal the subsection, substitute:

11 *Deemed disposal and re-purchase*

12 (2) Subject to subsection (5), in determining for the purposes of this  
13 Act (other than the excluded provisions mentioned in  
14 subsection (4)) whether an amount is included in, or allowable as a  
15 deduction from, the assessable income of the transition taxpayer in  
16 respect of the disposal, the transition taxpayer is taken:

17 (a) to have sold, immediately before the transition time, each of  
18 its assets; and

19 (b) to have purchased each of its assets again at the transition  
20 time for consideration equal to the asset’s adjusted market  
21 value at the transition time.

22 **506 Paragraph 57-25(4)(j) in Schedule 2D**

23 Omit “and”.

24 **507 Subsection 57-85(3) in Schedule 2D (table item 1, column**  
25 **4)**

26 Omit “Section 67”, substitute “Former section 67”.

27 **508 Subsection 57-85(3) in Schedule 2D (table item 9, column**  
28 **4)**

29 Omit “Section 78”, substitute “Former section 78”.

1 **509 Subsection 57-85(3) in Schedule 2D (table item 18,**  
2 **column 4)**

3 Omit “Section 124J”, substitute “Former section 124J”.

4 **510 Subsection 57-85(3) in Schedule 2D (table item 19)**

5 Repeal the item, substitute:

19 Capital allowances Division 40

6 **511 Section 57-90 in Schedule 2D**

7 Omit “or the corresponding deduction provision”.

8 **512 Paragraphs 57-100(a) and (b) in Schedule 2D**

9 Omit “or the corresponding deduction provision (as appropriate)”.

10 **513 Subsection 57-110(2) in Schedule 2D (table item 1,**  
11 **column headed “Deduction rule to which the balancing**  
12 **adjustment provision relates”)**

13 Before “Divisions”, insert “former”.

14 **514 Subsection 57-130(1) in Schedule 2D**

15 Omit “Subdivisions 57-I and 57-J”, substitute “Subdivision 57-J”.

16 **515 Paragraph 42A-20(2)(d) in Schedule 2E**

17 Before “subsection”, insert “former”.

18 **516 Subparagraph 42A-90(4)(a)(ii) in Schedule 2E**

19 Before “subsection”, insert “former”.

20 **517 Subparagraph 42A-105(4)(a)(ii) in Schedule 2E**

21 Before “subsection”, insert “former”.

22 **518 Section 42A-115 in Schedule 2E (definition of *motor car***  
23 **or *car*)**

24 Repeal the definition, substitute:

25 *motor car* or *car* means a car within the meaning of subsection  
26 995-1(1) of the *Income Tax Assessment Act 1997*, other than one  
27 mentioned in subsection 40-230(2) of that Act (about cars modified  
28 to carry disabled people).

- 1     **519 Section 42A-120 in Schedule 2E**  
2             Before “section 57AF”, insert “former”.
- 3     **520 Subsections 266-60(6) and 266-185(6) in Schedule 2F**  
4             Omit “Part VII”, substitute “Part 4-25 in Schedule 1 to the *Taxation*  
5             *Administration Act 1953*”.
- 6     **521 Paragraph 268-35(2)(c) in Schedule 2F**  
7             Repeal the paragraph, substitute:  
8                     (c) deductions for expenditure, deductions for which are spread  
9                     over 2 or more years, but not full year deductions (see  
10                     subsection (5));
- 11    **522 Paragraph 268-35(5)(a) in Schedule 2F**  
12            Omit “under section 51 (Losses and outgoings), or”.
- 13    **523 Paragraph 268-35(5)(b) in Schedule 2F**  
14            Omit “under section 63 (Bad debts), or”.
- 15    **524 Paragraph 268-35(5)(c) in Schedule 2F**  
16            Omit “under section 51, or”.
- 17    **525 Paragraph 268-35(5)(d) in Schedule 2F**  
18            Repeal the paragraph, substitute:  
19                     (d) deductions allowable under Division 30 of the *Income Tax*  
20                     *Assessment Act 1997*;
- 21    **526 Paragraph 268-35(5)(f) in Schedule 2F (note)**  
22            Omit “sections 79E, 79F, 80, 80AAA and 80AA, and”.
- 23    **527 Subsection 268-35(6) in Schedule 2F (note)**  
24            Omit “section 59, and subsection 330-485(2)”, substitute  
25            “Subdivision 40-D”.
- 26    **528 Paragraph 268-40(3)(a) in Schedule 2F (note)**  
27            Omit “section 26B, and”.
- 28    **529 Paragraph 268-40(3)(b) in Schedule 2F (note)**



1 Omit “sections 36, 36AAA and 36AA”, substitute “section 36AAA”.

2 **530 Paragraph 268-40(3)(c) in Schedule 2F (note)**

3 Omit “section 70A, and”.

4 **531 Subsection 268-40(4) in Schedule 2F**

5 Omit “under section 26BA (Double wool clips), or under  
6 section 385-185 (Election to defer including profit on second wool clip)  
7 of the *Income Tax Assessment Act 1997*,” substitute “under  
8 section 385-185 (Election to defer including profit on second wool clip)  
9 of the *Income Tax Assessment Act 1997*”.

10 **532 Paragraph 268-45(4)(a) in Schedule 2F**

11 Omit “under section 51 (Losses and outgoings), or”.

12 **533 Paragraph 268-45(4)(b) in Schedule 2F**

13 Omit “under section 63 (Bad debts), or”.

14 **534 Paragraph 268-45(4)(c) in Schedule 2F**

15 Omit “section 51, or under Division 8 (which is about deductions) of  
16 the *Income Tax Assessment Act 1997*,” substitute “Division 8 (which is  
17 about deductions) of the *Income Tax Assessment Act 1997*”.

18 **535 Subsection 268-70(2) in Schedule 2F (note)**

19 Omit “268-50 or”.

20 **536 Paragraph 271-60(5)(a) in Schedule 2F**

21 Before “section 63B”, insert “former”.

22 **537 Paragraph 271-60(5)(c) in Schedule 2F**

23 Before “Part IIIA”, insert “former”.

24 **538 Paragraph 271-60(5)(c) in Schedule 2F**

25 Before “subsection 160ZC(5)”, insert “former”.

26 **539 Paragraph 271-60(5)(e) in Schedule 2F**

27 Before “section 50C”, insert “former”.

28 **540 Paragraph 271-60(5)(f) in Schedule 2F**

1 Before “section 50C” (wherever occurring), insert “former”.

2 **541 Paragraph 271-60(5)(f) in Schedule 2F**

3 Before “subsection 50D(2)”, insert “former”.

4 **542 Paragraph 271-60(5)(f) in Schedule 2F**

5 Before “section 50D”, insert “former”.

6 **543 Subsections 272-90(6) and (7) in Schedule 2F**

7 Repeal the subsections, substitute:

8 *Funds*

9 (6) A fund, authority or institution in Australia that is mentioned in  
10 item 1 or 2 of the table in section 30-15 of the *Income Tax*  
11 *Assessment Act 1997* is a member of the primary individual’s  
12 family group in relation to the conferral or distribution if, assuming  
13 that a deduction were allowable under Division 30 of that Act in  
14 respect of the conferral or distribution, section 78A of this Act  
15 would not prevent any of the deduction being allowable.

16 *Certain tax exempt bodies*

17 (7) An institution, hospital, trustee, society, association, club, or fund,  
18 all of whose income is exempt under:

19 (a) section 50-5, 50-10 or 50-20 of the *Income Tax Assessment*  
20 *Act 1997*; or

21 (b) item 6.1 or 6.2 of the table in section 50-30, or item 9.1 or  
22 9.2 of the table in section 50-45, of the *Income Tax*  
23 *Assessment Act 1997*;

24 is a member of the primary individual’s family group in relation to  
25 the conferral or distribution if, assuming that a deduction were  
26 allowable under Division 30 of that Act in respect of the conferral  
27 or distribution, section 78A of this Act would not prevent any of  
28 the deduction being allowable.

29 **544 Paragraph 272-90(8)(a) in Schedule 2F**

30 Omit “under paragraph 23(e), or”.

31 **545 Paragraph 272-90(8)(b) in Schedule 2F**

1 Omit “mentioned in any of the tables in subsection 78(4), covered by  
2 paragraph 78(5)(a) or”.

3 **546 Section 272-140 in Schedule 2F (paragraphs (a) and (b) of**  
4 **the definition of tax loss)**

5 Before “section”, insert “former”.

6 **547 Subsection 393-15(4) in Schedule 2G (note 2)**

7 Repeal the note, substitute:

8 Note 2: Under Part 2-5 in Schedule 1 to the *Taxation Administration Act 1953*  
9 (about pay as you go withholding), a deduction may nevertheless be  
10 required to be made from the actual payment.

11 **548 Paragraph 393-30(3)(a) in Schedule 2G (note)**

12 Omit “Division 6A of Part VI”, substitute “section 12-140 in  
13 Schedule 1 to the *Taxation Administration Act 1953*”.

14 **549 Paragraph 393-50(5)(a) in Schedule 2G**

15 Omit “sections 221ZXB, 221ZXD and”, substitute “section”.

16 **550 Paragraph 393-50(5)(a) in Schedule 2G (note)**

17 Omit “the transfer will not be subject to a deduction under Division 6A  
18 of Part VI and”.

19 **551 Paragraph 393-50(5)(c) in Schedule 2G**

20 Omit “(including for the purposes of section 221ZXB)”.

21 **552 Paragraph 393-50(5)(c) in Schedule 2G (note)**

22 Omit “, and how much of a deduction under Division 6A of Part VI is  
23 required”.

24 **553 Paragraph 393-60(4)(b) in Schedule 2G**

25 Omit “under Part IIIA (Capital gains and capital losses)”.

26 **554 Paragraph 326-70(1)(b) in Schedule 2H**

27 Repeal the paragraph, substitute:

28 (b) other shares (*non-demutualisation bonus shares*) in the  
29 same company, or an interest in such shares, where the shares  
30 are bonus equities mentioned in Subdivision 130-A of the

1 *Income Tax Assessment Act 1997* and any of the  
2 demutualisation shares (whether or not disposed of at the  
3 time) are the original equities mentioned in that Subdivision.

4 **555 Subsection 326-70(2) in Schedule 2H**

5 Omit “any of the original shares mentioned in Division 8 of Part IIIA  
6 or”.

7 **556 Paragraphs 326-100(1)(e), 326-105(1)(e), 326-110(1)(d)**  
8 **and 326-115(c) in Schedule 2H**

9 Omit “Division 8 of Part IIIA of this Act or”.

10 **557 Paragraph 326-135(1)(b) in Schedule 2H**

11 Repeal the paragraph, substitute:

12 (b) other shares (*non-demutualisation bonus shares*) in the  
13 same company, or an interest in such shares, where the shares  
14 are bonus equities mentioned in Subdivision 130-A of the  
15 *Income Tax Assessment Act 1997* and any of the  
16 demutualisation shares (whether or not disposed of at the  
17 time) are the original equities mentioned in that Subdivision.

18 **558 Subsection 326-135(2) in Schedule 2H**

19 Omit “any of the original shares mentioned in Division 8 of Part IIIA of  
20 this Act, or”.

21 **559 Paragraphs 326-155(1)(d), 326-160(1)(d) and 326-165(c) in**  
22 **Schedule 2H**

23 Omit “Division 8 of Part IIIA of this Act or”.

24 **560 Section 326-190 in Schedule 2H**

25 Repeal the section, substitute:

26 **326-190 Extinguishment of right to shares in demutualised entity by**  
27 **the issue of the shares**

28 (1) If, under the direct method of demutualisation or the holding  
29 company method of demutualisation, shares in a demutualised  
30 entity are issued to an existing member, Parts 3-1 and 3-3 of the  
31 *Income Tax Assessment Act 1997* do not apply in respect of any

1 CGT event constituted by the extinguishment of the member's  
2 right to have the shares issued to the member.

3 (2) If, under the combined direct and holding company method of  
4 demutualisation, shares in a demutualised entity or in a holding  
5 company are issued to an existing member, Parts 3-1 and 3-3 of the  
6 *Income Tax Assessment Act 1997* do not apply in respect of any  
7 CGT event constituted by the extinguishment of the member's  
8 rights to have the shares issued to the member.

9 **561 Section 326-205 in Schedule 2H**

10 Omit "neither Part IIIA of this Act nor Parts 3-1 and 3-3 of the *Income*  
11 *Tax Assessment Act 1997* apply in respect of any disposal, or any CGT  
12 event, as the case may be," substitute "Parts 3-1 and 3-3 of the *Income*  
13 *Tax Assessment Act 1997* do not apply in respect of any CGT event".

14 **562 Subsection 326-215(2) in Schedule 2H**

15 Repeal the subsection, substitute:

16 (2) Parts 3-1 and 3-3 of the *Income Tax Assessment Act 1997* do not  
17 apply in respect of the change in rights.

18 **563 Subsection 326-220(4) in Schedule 2H (definition of**  
19 ***disposal*)**

20 Before "section", insert "former".

21 **564 Subsection 326-220(4) in Schedule 2H (paragraph (a) of**  
22 **the definition of *rollover provision*)**

23 Before "section", insert "former".

24 **565 Section 326-225 in Schedule 2H**

25 Omit "for the purposes of section 160ZL or".

26 ***Income Tax Assessment Act 1997***

27 **566 Subsection 3-5(3) (note to question 3)**

28 Omit ", 214A".

29 **567 Section 10-5 (table item headed "barter transactions")**

30 Omit "26(e)", substitute "15-2".

- 1 **568 Section 10-5 (table item headed “car expenses”)**  
2 Omit “26(eaa)”, substitute “15-70”.
- 3 **569 Section 10-5 (table item headed “defence forces”)**  
4 Omit “26(ea)”, substitute “15-2”.
- 5 **570 Section 10-5 (table item headed “elections”)**  
6 Omit “74A(4)”, substitute “25-65”.
- 7 **571 Section 10-5 (table item headed “employment”)**  
8 Omit “26(e), 26(ea)”, substitute “15-2”.
- 9 **572 Section 10-5 (table item headed “insurance”)**  
10 Omit “26(i), 26AH”, substitute “26AH, 15-75”.
- 11 **573 Section 10-5 (table item headed “leases”)**  
12 Omit:  
crown leases used for primary production, assignment  
of ..... 88A(3)  
improvements made by lessee to land ..... 87
- 13 **574 Section 10-5 (table item headed “leases”)**  
14 Omit:  
premiums on old leases ..... 84
- 15 **575 Section 10-5 (table item headed “partnerships”)**  
16 Omit:  
*see also development allowance, drought investment  
allowance and leases*
- 17 substitute:  
*see also leases*
- 18 **576 Section 10-5 (table item headed “profits”)**  
19 Omit:  
business partly in Australia and partly overseas ..... 43(1)
- 20 **577 Section 10-5 (table item headed “trusts”)**  
21 Omit:

deceased estates, your interest in income of ..... **26(b)**

- 1 **578 Section 10-5 (table item headed “trusts”)**  
2 Omit “**26(b)**”.
- 3 **579 Section 10-5 (table item headed “wool clips”)**  
4 Omit “**26BA**”, substitute “385-135, 385-155”.
- 5 **580 Section 11-15 (table item headed “credit unions”)**  
6 Omit “**23G**”, substitute “**23G**”.
- 7 **581 Section 11-15 (table item headed “education”)**  
8 Omit “**23(ya)**”, substitute “842-105”.
- 9 **582 Section 11-15 (table item headed “foreign aspects of**  
10 **income taxation”)**  
11 Omit:  
Australian Federal Police member in Cambodia, pay  
and allowance ..... **23ADA**
- 12 **583 Section 11-15 (table item headed “foreign aspects of**  
13 **income taxation”)**  
14 Omit:  
Commonwealth Government Officer, official salary and  
foreign income ..... **23(a)(vi)**  
15 substitute:  
Commonwealth of Nations country officer, official  
salary and foreign income ..... 768-100
- 16 **584 Section 11-15 (table item headed “foreign aspects of**  
17 **income taxation”)**  
18 Omit “**23(a)(ii)**” (first occurring), substitute “768-100”.
- 19 **585 Section 11-15 (table item headed “foreign aspects of**  
20 **income taxation”)**  
21 Omit “**23(u)**”, substitute “842-105”.
- 22 **586 Section 11-15 (table item headed “foreign aspects of**  
23 **income taxation”)**

- 1 Omit “23(v)”, substitute “842-105”.
- 2 **587 Section 11-15 (table item headed “foreign aspects of**  
3 **income taxation”)**
- 4 Omit “23(a)(ii)” (second occurring), substitute “768-100”.
- 5 **588 Section 11-15 (table item headed “foreign aspects of**  
6 **income taxation”)**
- 7 Omit “23(c)(iv)” (first occurring), substitute “842-105”.
- 8 **589 Section 11-15 (table item headed “foreign aspects of**  
9 **income taxation”)**
- 10 Omit:  
expert, non-resident, remuneration of ..... 23(b)
- 11 substitute:  
expert, foreign resident, remuneration of ..... 842-105
- 12 **590 Section 11-15 (table item headed “foreign aspects of**  
13 **income taxation”)**
- 14 Omit “23(c)(iv)” (second occurring), substitute “842-105”.
- 15 **591 Section 11-15 (table item headed “foreign aspects of**  
16 **income taxation”)**
- 17 Omit:  
government representative and members of the  
entourage, non-resident, income of ..... 23(c)(iii)
- 18 substitute:  
government representative and members of the  
entourage, foreign resident, income of ..... 842-105
- 19 **592 Section 11-15 (table item headed “foreign aspect of**  
20 **income taxation”)**
- 21 Omit:  
non-resident, foreign sourced income ..... 23(r)
- 22 **593 Section 11-15 (table item headed “foreign aspects of**  
23 **income taxation”)**
- 24 Omit:



Papua New Guinea pension, Papua New Guinea  
resident ..... **23(kd)**

1 **594 Section 11-15 (table item headed “foreign aspects of**  
2 **income taxation”)**

3 Omit:  
persecution victim, pensions etc. .... **23(ke)**  
4 substitute:  
persecution victim, payments to ..... 768-105

5 **595 Section 11-15 (table item headed “foreign aspects of**  
6 **income taxation”)**

7 Omit “23(c)(v)”, substitute “842-105”.

8 **596 Section 11-15 (table item headed “foreign aspects of**  
9 **income taxation”)**

10 Omit:  
resistance fighter and victim of wartime persecution,  
payments to ..... **23AL**  
resistance fighter and victim of wartime persecution,  
pension and etc. of ..... **23(kca)**

11 substitute:  
resistance fighter and victim of wartime persecution,  
payments to ..... 768-105

12 **597 Section 11-15 (table item headed “foreign aspects of**  
13 **income taxation”)**

14 Omit:  
superannuation fund, non-resident, interest and dividend  
income of ..... **23(jb)**

15 **598 Section 11-15 (table item headed “social security or like**  
16 **payments”)**

17 Omit “24AIC and”.

18 **599 Section 11-15 (table item headed “social security or like**  
19 **payments”)**

20 Omit:  
persecution victim, pension etc. for ..... **23(ke)**

- 1 substitute:  
persecution victim, payments to ..... 768-105
- 2 **600 Section 11-15 (table item headed “social security or like**  
3 **payments”)**
- 4 Omit:  
resistance fighter and victim of wartime persecution,  
pension and etc. for ..... **23(kca)**
- 5 substitute:  
resistance fighter and victim of wartime persecution,  
payments to ..... 768-105
- 6 **601 Section 11-55 (table item headed “firearms surrender**  
7 **arrangements”)**
- 8 Omit:  
depreciated value, consideration exceeds ..... **59(2AAA)**
- 9 **602 Section 11-55 (table item headed “foreign aspects of**  
10 **income taxation”)**
- 11 Before:  
withholding tax, dividend royalty or interest subject to .... **128D**
- 12 insert:  
superannuation fund, foreign, interest and dividend income  
of ..... **128B(3)(jb)**
- 13 **603 Section 12-5 (table item headed “banks”)**
- 14 Omit:  
Commonwealth Savings Bank of Australia ..... **160ABB**
- 15 **604 Section 12-5 (table item headed “capital allowances”)**
- 16 Omit:  
intellectual property ..... Subdivision 40-B
- 17 substitute:  
intellectual property ..... Subdivisions 40-B  
and 40-I
- 18 **605 Section 12-5 (table item headed “capital allowances”)**  
19 Omit:

trading ships, special depreciation ..... 57AM

1 **606 Section 12-5 (table item headed “Commonwealth places**  
2 **windfall tax”)**

3 Omit “26-17”, substitute “26-17”.

4 **607 Section 12-5 (table item headed “copyrights”)**

5 Omit “68A”, substitute “Subdivisions 40-B and 40-I”.

6 **608 Section 12-5 (table item headed “designs”)**

7 Omit “68A”, substitute “Subdivisions 40-B and 40-I”.

8 **609 Section 12-5 (table item headed “dividends”)**

9 Omit:

debt dividends ..... 67AA

10 **610 Section 12-5 (table item headed “election expenses”)**

11 Omit “74A, 74B”, substitute “25-65, 25-70”.

12 **611 Section 12-5 (table item headed “film income”)**

13 Omit:

exempt film income ..... 23H

14 **612 Section 12-5 (table item headed “franchise fees windfall**  
15 **tax”)**

16 Omit “26-15”, substitute “26-15”.

17 **613 Section 12-5 (table item headed “leases”)**

18 Omit:

improvements on leased land and premiums, leases  
assigned or surrendered before 23 October 1964 and  
for mining leases assigned or surrendered before  
10 May 1968 ..... 83 to 89, 88A(3)

19 **614 Section 12-5 (table item headed “mining”)**

20 Repeal the item, substitute:

**mining**

see *capital allowances*

- 1 **615 Section 12-5 (table item headed “non-resident trust**  
2 **estates”)**  
3 Omit “section 79E, 79F, 80, 80AAA or 80AA”, substitute  
4 “Division 36”.
- 5 **616 Section 12-5 (table item headed “patents”)**  
6 Omit “68A”, substitute “Subdivisions 40-B and 40-I”.
- 7 **617 Section 12-5 (table item headed “primary production”)**  
8 Omit:  
drought investment allowance, generally ..... 625 to 684
- 9 **618 Section 12-5 (table item headed “primary production”)**  
10 Omit:  
income equalisation deposits ..... 159GA to  
159GDA  
land, preparing, clearing, ploughing or draining land for  
use in primary production and other activities ..... 75A
- 11 **619 Section 12-5 (table item headed “public trading trusts”)**  
12 Omit:  
debt dividends, application of section 67AA ..... 102T(4A)
- 13 **620 Section 12-5 (table item headed “superannuation**  
14 **guarantee charge”)**  
15 Omit “51(9)”, substitute “26-95”.
- 16 **621 Section 12-5 (table item headed “superannuation levy”)**  
17 Repeal the item, substitute:  
**superannuation supervisory levy**  
late lodgment amount, no deduction for..... 26-90
- 18 **622 Section 12-5 (table item headed “tax avoidance**  
19 **schemes”)**  
20 Omit “136AG”, substitute “136AF”.
- 21 **623 Section 12-5 (table item headed “transfer pricing”)**  
22 Omit “136AG”, substitute “136AF”.

1 **624 Section 13-1 (table item headed “foreign tax”)**

2 Omit:  
shipping income, credit for overseas tax paid ..... **160AGB(3)**

3 **625 Section 13-1 (table item headed “private health**  
4 **insurance”)**

5 Omit “Subdivisions 61-G and 61-H”, substitute “Subdivision 61-H”.

6 **626 Section 13-1 (table item headed “trusts”)**

7 Omit:  
non-resident trust estate, winding-up..... **102AAN**

8 **627 Before section 15-3**

9 Insert:

10 **15-2 Allowances and other things provided in respect of employment**  
11 **or services**

12 (1) Your assessable income includes the value to you of all  
13 allowances, gratuities, compensation, benefits, bonuses and  
14 premiums \*provided to you in respect of, or for or in relation  
15 directly or indirectly to, any employment of or services rendered  
16 by you (including any service as a member of the Defence Force).

17 (2) This is so whether the things were \*provided in money or in any  
18 other form.

19 (3) However, the value of the following are not included in your  
20 assessable income under this section:

- 21 (a) an \*eligible termination payment;
- 22 (b) an amount to which section 26AC or 26AD (about  
23 termination payments for unused leave) of the *Income Tax*  
24 *Assessment Act 1936* applies;
- 25 (c) a \*dividend or \*non-share dividend;
- 26 (d) an amount that is assessable as \*ordinary income under  
27 section 6-5.

28 Note: Section 23L of the *Income Tax Assessment Act 1936* provides that  
29 fringe benefits are non-assessable non-exempt income.

30 **628 At the end of Division 15**

1 Add:

2 **15-70 Reimbursed car expenses**

3 Your assessable income includes a reimbursement mentioned in  
4 section 22 of the *Fringe Benefits Tax Assessment Act 1986* (about  
5 exempt car expense payment benefits) that, but for that section,  
6 would be a \*fringe benefit\* provided to you.

7 **15-75 Bonuses**

8 Your assessable income includes any amount you receive as or by  
9 way of bonus on a \*life insurance policy, other than a reversionary  
10 bonus.

11 Note: Reversionary bonuses are covered by section 6-5 of this Act if they  
12 are ordinary income and, if not, by section 26AH of the *Income Tax*  
13 *Assessment Act 1936*.

14 **629 Subsection 20-30(1) (table)**

15 After table item 1.6, insert:

1.6A 25-65 election expenses, local governing body

16 **630 Subsection 20-30(2) (table items 2.1 and 2.2, column**  
17 **headed “Provision”)**

18 Omit “51(1) (so far as it allows you”, substitute “Former 51(1) (so far  
19 as it allowed you”.

20 **631 Subsection 20-30(2) (table item 2.4, column headed**  
21 **“Provision”)**

22 Before “69”, insert “Former”.

23 **632 Subsection 20-30(2) (table item 2.5, column headed**  
24 **“Provision”)**

25 Before “70A(3)”, insert “Former”.

26 **633 Subsection 20-30(2) (table item 2.6, column headed**  
27 **“Provision”)**

28 Before “71”, insert “Former”.

- 1 **634 Subsection 20-30(2) (table item 2.7, column headed**  
2 **“Provision”)**  
3 Before “72”, insert “Former”.
- 4 **635 Subsection 20-30(2) (table item 2.7A, column headed**  
5 **“Provision”)**  
6 Before “72A”, insert “Former”.
- 7 **636 Subsection 20-30(2) (table item 2.9, column headed**  
8 **“Provision”)**  
9 Before “74”, insert “Former”.
- 10 **637 Subsection 20-30(2) (table)**  
11 After table item 2.9, insert:  
12 2.9A Former 74A election expenses, local governing body
- 13 **638 Subsection 20-30(2) (table item 2.10, column headed**  
14 **“Provision”)**  
15 Before “75AA(1)”, insert “Former”.
- 16 **639 Subsection 20-30(2) (table item 2.11, column headed**  
17 **“Provision”)**  
18 Before “75B(2)”, insert “Former”.
- 19 **640 Subsection 20-30(2) (table item 2.12, column headed**  
20 **“Provision”)**  
21 Before “75D(2)”, insert “Former”.
- 22 **641 Subsection 20-30(2) (table item 2.13, column headed**  
23 **“Provision”)**  
24 Before “82AB”, insert “Former”.
- 25 **642 Subsection 20-30(2) (table item 2.14, column headed**  
26 **“Provision”)**  
27 Before “82BB”, insert “Former”.
- 28 **643 Subsection 20-30(2) (table item 2.15, column headed**  
**“Provision”)**

- 1           Before “**82BK**”, insert “Former”.
- 2       **644 Subsection 20-30(2) (table items 2.17 to 2.19, column**  
3       **headed “Provision”)**
- 4           Before “**Division**”, insert “Former”.
- 5       **645 Subsection 20-30(2) (table item 2.20, column headed**  
6       **“Provision”)**
- 7           Before “**124BA**”, insert “Former”.
- 8       **646 Subsection 20-30(2) (table item 2.21, column headed**  
9       **“Provision”)**
- 10          Before “**124ZZF**”, insert “Former”.
- 11       **647 Subsection 20-30(2) (table item 2.22, column headed**  
12       **“Provision”)**
- 13          Before “**124ZZG**”, insert “Former”.
- 14       **648 Subsection 20-30(2) (table item 2.23, column headed**  
15       **“Provision”)**
- 16          Before “**628**”, insert “Former”.
- 17       **649 Subsection 20-30(2) (table item 2.24, column headed**  
18       **“Provision”)**
- 19          Before “**636**”, insert “Former”.
- 20       **650 Subsection 20-55(1) (table item 1)**
- 21          Before “**26(j)**”, insert “former”.
- 22       **651 Subsection 20-55(1) (table item 2)**
- 23          Before “**26(k)**”, insert “former”.
- 24       **652 Subsection 20-55(1) (table item 3)**
- 25          Before “**63(3)**”, insert “former”.
- 26       **653 Subsection 20-55(1) (table item 4)**
- 27          Before “**69(8)**”, insert “former”.
- 28       **654 Subsection 20-55(1) (table item 5)**



1 Before “70A(5)”, insert “former”.

2 **655 Subsection 20-55(1) (table item 6)**

3 Before “72(2)”, insert “former”.

4 **656 Subsection 20-55(1) (table item 6A)**

5 Before “72A(4)(a)”, insert “former”.

6 **657 Subsection 20-55(1) (table item 7)**

7 Before “74(2)”, insert “former”.

8 **658 Subsection 20-55(2)**

9 Omit “Section”, substitute “Former section”.

10 **659 At the end of section 25-5**

11 Add:

12 *Expenditure by trustee of deceased estate*

13 (8) If:

14 (a) after you die, the trustee of your deceased estate incurs  
15 expenditure; and

16 (b) had you incurred the expenditure before you died, you could  
17 have deducted it under subsection (1);

18 for the purposes of assessing the trustee for the income year in  
19 which you died, the expenditure is an allowable deduction under  
20 that subsection.

21 **660 After section 25-60**

22 Insert:

23 **25-65 Local government election expenses**

24 (1) You can deduct expenditure you incur in contesting an election for  
25 membership of a \*local governing body, but you cannot deduct  
26 more than \$1,000 per election. You deduct the expenditure for the  
27 income year in which you incur it.

28 (2) However, you can deduct more than the \$1,000 limit if:

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36

- (a) you have received an amount as \*recoupment of the expenditure; and
- (b) some or all of that amount is included in your assessable income for an income year; and
- (c) the total of your deductions for the election would be less than the \$1,000 limit if you disregarded so much (the **assessed recoupment**) of the expenditure as equals the amount so included in your assessable income.

In that case:

- (d) the assessed recoupment is disregarded in applying the \$1,000 limit; and
- (e) the further amount that you can deduct because of paragraph (d) is deducted for the income year referred to in paragraph (b).

Example: Chris is elected to the Bunyip Shire Council. In the 2007-08 income year he incurs expenditure of \$1,200 in contesting the election, of which he deducts \$1,000 (the limit under subsection (1)).

In 2008-09, Chris receives \$360 as an assessable recoupment of the expenditure. \$300 of that is included in his assessable income by section 20-35 (as extended by section 20-50).

Because of the assessable recoupment, \$300 of the expenditure is disregarded under paragraph (2)(d) in applying the \$1,000 limit. As a result, Chris's deductions are treated as being only \$700, which is less than the limit. This does not affect his original deduction for 2007-2008, but it means he can deduct the previously undeducted \$200, for 2008-09 (see paragraph (2)(e)).

This triggers a further application of section 20-35 (as extended by section 20-50) to include the remaining \$60 of the assessable recoupment in Chris's assessable income for 2008-09. His total deductions (net of recoupment included in assessable income) come to \$840, which is the same as his original expenditure (net of recoupment).

Note: An amount you receive as recoupment of expenditure may be included in your assessable income as an assessable recoupment under Subdivision 20-A, as ordinary income under section 6-5 or as statutory income under some other provision.

### **661 Subsection 25-70(1)**

After "25-60", insert "or 25-65".

### **662 Paragraph 26-55(2)(c)**

1 Omit “Division 16C (Income equalisation deposits) of Part III of, or  
2 Schedule 2G (Farm management deposits) to,” substitute “Schedule 2G  
3 (Farm management deposits) to”.

4 **663 At the end of Division 26**

5 Add:

6 **26-90 Superannuation supervisory levy**

7 You cannot deduct under this Act so much of a levy imposed by  
8 the *Superannuation (Self Managed Superannuation Funds)*  
9 *Supervisory Levy Imposition Act 1991* as represents the late  
10 lodgment amount (within the meaning of section 6 of that Act).

11 **26-95 Superannuation guarantee charge**

12 You cannot deduct under this Act a charge imposed by the  
13 *Superannuation Guarantee Charge Act 1992*.

14 **664 Subsection 40-215(2)**

15 Repeal the subsection, substitute:

16 (2) Subsection (1) does not apply to deductions for research and  
17 development plant expenditure (sections 73B and 73BA of the  
18 *Income Tax Assessment Act 1936*).

19 Note: Subsection (2) does not have the effect that deductions for the same  
20 amount of any such expenditure will be allowable under both this  
21 Division and section 73B or 73BA. Such an outcome is prevented by  
22 subsection 40-25(2) (including as applied by section 73BC for the  
23 purposes of section 73BA) and subsections 73B(20) and 73BA(7).

24 **665 Paragraph 43-40(1)(a)**

25 Before “Division 10C”, insert “former”.

26 **666 Subparagraph 43-70(2)(f)(ii)**

27 Before “Division 10”, insert “the former”.

28 **667 Subparagraph 43-70(2)(f)(ii)**

29 Omit “deal”, substitute “dealt”.

30 **668 Subparagraph 43-70(2)(f)(iv)**

- 1           Before “section”, insert “the former”.
- 2   **669 Subparagraph 43-70(2)(f)(iv)**
- 3           Omit “allow”, substitute “allowed”.
- 4   **670 Subparagraph 43-70(2)(f)(v)**
- 5           Before “section”, insert “the former”.
- 6   **671 Subparagraph 43-70(2)(f)(v)**
- 7           Omit “allow”, substitute “allowed”.
- 8   **672 Subparagraph 43-70(2)(f)(vi)**
- 9           Before “section”, insert “the former”.
- 10 **673 Subparagraph 43-70(2)(f)(vi)**
- 11          Omit “allow”, substitute “allowed”.
- 12 **674 Paragraph 43-70(2)(h)**
- 13          Before “Subdivision”, insert “the former”.
- 14 **675 Section 43-250 (method statement, paragraph (c) of step**
- 15 **2)**
- 16          Before “Division”, insert “former”.
- 17 **676 Subsection 70-30(4) (table item 2, column headed “In this**
- 18 **case:”)**
- 19          Before “Part IIIA”, insert “former”.
- 20 **677 Subsection 70-30(4) (table item 3, column headed “The**
- 21 **cost is:”)**
- 22          Before “Part IIIA”, insert “former”.
- 23 **678 Subsection 70-30(4) (table item 3, column headed “The**
- 24 **cost is:”)**
- 25          Before “section 160ZG”, insert “former”.
- 26 **679 Subsection 104-25(3) (note)**
- 27          Before “section 160ZL”, insert “former”.

- 1 **680 Subsection 104-40(5) (note 2)**  
2 Before “Part IIIA”, insert “former”.
- 3 **681 Subsection 104-70(5) (note)**  
4 Before “section 160ZM”, insert “former”.
- 5 **682 Subsection 104-135(3) (note 2)**  
6 Before “section 160ZL”, insert “former”.
- 7 **683 Subsection 104-175(1) (note)**  
8 Before “section 160ZZO”, insert “former”.
- 9 **684 Subsection 104-185(1) (note 2)**  
10 Before “Part IIIA”, insert “former”.
- 11 **685 Subsection 104-190(1) (note)**  
12 Before “Part IIIA”, insert “former”.
- 13 **686 Subsection 108-5(2) (note 2)**  
14 Before “Part IIIA”, insert “former”.
- 15 **687 Subsection 108-75(2) (note)**  
16 Before “sections”, insert “former”.
- 17 **688 Paragraph 110-45(6)(a)**  
18 Before “section”, insert “former”.
- 19 **689 Subparagraph 110-45(6)(b)(ii)**  
20 Before “Division”, insert “former”.
- 21 **690 Paragraph 110-45(6)(b)**  
22 Before “subsections”, insert “former”.
- 23 **691 Paragraph 110-50(6)(a)**  
24 Before “section”, insert “former”.
- 25 **692 Subparagraph 110-50(6)(b)(ii)**  
26 Before “Division”, insert “former”.

1 **693 Paragraph 110-50(6)(b)**

2 Before “subsections”, insert “former”.

3 **694 Subparagraph 110-55(3)(b)(iii)**

4 Before “subsection”, insert “former”.

5 **695 Subparagraph 110-60(1)(b)(iii)**

6 Before “subsection”, insert “former”.

7 **696 Section 112-97 (table items 10 and 11)**

8 Repeal the items, substitute:

10	CGT event happens to CGT asset used in gold mining	First element of cost base and reduced cost base	section 112-100 of the <i>Income Tax (Transitional Provisions) Act 1997</i>
----	--	--	---

9 **697 Subsection 115-20(2) (example)**

10 Omit “Section”, insert “Former section”.

11 **698 Section 118-30**

12 Repeal the section, substitute:

13 **118-30 Film copyright**

- 14 (1) A \*capital gain or \*capital loss you make from a \*CGT event  
15 relating to your interest in the copyright in a film is disregarded if  
16 an amount is included in your assessable income under  
17 section 26AG (about film proceeds) of the *Income Tax Assessment*  
18 *Act 1936* because of the event.
- 19 (2) If you are a partner in a partnership, a \*capital gain or \*capital loss  
20 you make from a \*CGT event relating to the partnership’s interest  
21 in the copyright in a film is disregarded if an amount is included in  
22 the assessable income of a partner (including you) under  
23 section 26AG of that Act because of the event.
- 24 (3) If you are absolutely entitled to an interest in the copyright in a  
25 film as against the trustee of a trust (disregarding any legal  
26 disability), a \*capital gain or \*capital loss you make from a \*CGT

1 event relating to the interest is disregarded if an amount is included  
2 in your assessable income or the net income of the trust under  
3 section 26AG of that Act because of the event.

4 **699 Subsection 121-25(4) (note 1)**

5 Before “section 160ZZPI”, insert “former”.

6 **700 Section 136-25 (note)**

7 Before “section 160ZZN”, insert “former”.

8 **701 Subparagraph 149-10(b)(i)**

9 Before “subsection”, insert “former”.

10 **702 Subparagraph 149-10(b)(ii)**

11 Before “Part IIIA”, insert “former”.

12 **703 Paragraph 165-60(3)(a) (note)**

13 Omit “of this Act and section 26B of the *Income Tax Assessment Act*  
14 *1936*”.

15 **704 Paragraph 165-60(3)(b) (note)**

16 Omit “sections 36, 36AAA and 36AA”, substitute “section 36AAA”.

17 **705 Subsection 170-220(4) (note 2)**

18 Before “subsection”, insert “former”.

19 **706 Subsection 170-225(6) (note)**

20 Before “subsections”, insert “former”.

21 **707 Subsection 180-10(7)**

22 Omit “Part VII of the *Income Tax Assessment Act 1936*”, substitute  
23 “Part 4-25 in Schedule 1 to the *Taxation Administration Act 1953*”.

24 **708 Subsection 180-20(5)**

25 Omit “Part VII of the *Income Tax Assessment Act 1936*”, substitute  
26 “Part 4-25 in Schedule 1 to the *Taxation Administration Act 1953*”.

27 **709 Paragraph 202-45(b)**

28 Omit “paragraph 24BB(a)”, substitute “subsection 24B(1)”.

- 1 **710 Paragraph 207-145(1)(a)**  
2 Before “Part IIIAA”, insert “former”.
- 3 **711 Paragraph 207-150(1)(a)**  
4 Before “Part IIIAA”, insert “former”.
- 5 **712 Paragraph 210-170(1)(e)**  
6 Before “Part IIIAA”, insert “former”.
- 7 **713 Paragraph 240-15(a)**  
8 Omit “and Part IIIA of the *Income Tax Assessment Act 1936*”.
- 9 **714 Paragraph 243-15(1)(c)**  
10 Omit “(other than development allowance or drought investment  
11 allowance)”.
- 12 **715 Subsection 243-35(2) (method statement, step 1)**  
13 Omit “(other than development allowance or drought investment  
14 allowance)”.
- 15 **716 Subsection 243-55(1)**  
16 Omit “(other than development allowance or drought investment  
17 allowance)”.
- 18 **717 Subsection 243-65(3) (method statement, steps 1, 3 and  
19 4)**  
20 Omit “(other than development allowance or drought investment  
21 allowance)”.
- 22 **718 Subsection 328-295(1) (note 1)**  
23 Omit “Note 1”, substitute “Note”.
- 24 **719 Paragraph 375-805(2)(a)**  
25 Omit “sections 124ZAF and”, substitute “section”.
- 26 **720 Paragraph 405-30(3)(c)**  
27 Repeal the paragraph, substitute:  
28 (c) a \*net capital gain.



1 **721 Paragraph 705-47(1)(a)**

2 Before “section”, insert “former”.

3 **722 Paragraph 705-47(1)(b)**

4 Repeal the paragraph, substitute:

5 (b) former Subdivision 57-I, and Subdivision 57-J, in  
6 Schedule 2D to the *Income Tax Assessment Act 1936* (about  
7 depreciation and capital allowance deductions);

8 **723 Subparagraph 705-47(2)(b)(i)**

9 Before “section”, insert “former”.

10 **724 Subparagraph 705-47(2)(b)(ii)**

11 Repeal the subparagraph, substitute:

12 (ii) former Subdivision 57-I, and Subdivision 57-J, in  
13 Schedule 2D to the *Income Tax Assessment Act 1936*  
14 (about depreciation and \*capital allowance deductions);

15 **725 Subsection 705-47(2) (note 2)**

16 Omit “Section 61A of, or Subdivision 57-I or 57-J in”, substitute  
17 “Former section 61A of, or former Subdivision 57-I or Subdivision 57-J  
18 in”.

19 **726 Paragraphs 705-50(2)(b) and (3)(b)**

20 Omit “section 46 or 46A”, substitute “section 46A or former  
21 section 46”.

22 **727 Subsection 705-57(3)**

23 Before “subsection”, insert “former”.

24 **728 Subsection 705-57(3)**

25 Before “Part IIIA”, insert “former”.

26 **729 Paragraph 705-57(4)(b)**

27 Before “subsection”, insert “former”.

28 **730 Paragraph 705-57(4)(b)**

29 Before “Part IIIA”, insert “former”.

- 1 **731 Paragraph 705-65(3)(b)**  
2 Before “subsection”, insert “former”.
- 3 **732 Subparagraph 705-93(1)(a)(ii)**  
4 Before “section 160ZZO of the”, insert “former”.
- 5 **733 Subparagraph 705-147(3)(a)(ii)**  
6 Before “section 160ZZO of the”, insert “former”.
- 7 **734 Subsection 705-150(1)**  
8 Before “section 160ZZO”, insert “former”.
- 9 **735 Paragraph 705-150(2)(a)**  
10 Before “section”, insert “former”.
- 11 **736 Subparagraph 705-150(2)(b)(ii)**  
12 Before “section”, insert “former”.
- 13 **737 Subparagraph 705-155(4)(b)(i)**  
14 Before “section”, insert “former”.
- 15 **738 Subsection 705-155(6)**  
16 After “Also, if”, insert “former”.
- 17 **739 Paragraph 705-155(6)(a)**  
18 Before “subsection 160ZK(5)”, insert “former”.
- 19 **740 Subsection 705-155(6)**  
20 Before “subsection 160ZK(5) of the *Income Tax Assessment Act 1936*,  
21 or”, insert “former”.
- 22 **741 Paragraph 705-163(6)(f)**  
23 Before “sections”, insert “former”.
- 24 **742 Subsection 705-190(2)**  
25 Omit “section 46 or 46A”, substitute “section 46A or former  
26 section 46”.

1 **743 Subparagraph 705-227(3)(a)(ii)**

2 Before “section 160ZZO of the”, insert “former”.

3 **744 Subparagraph 716-855(b)(ii)**

4 Before “section”, insert “former”.

5 **745 Section 716-855**

6 After “Subdivision 126-B or”, insert “former”.

7 **746 Subsection 721-10(2) (table item 5)**

8 Before “section 160ARDZ”, insert “former”.

9 **747 Subsection 721-10(2) (table item 5)**

10 Before “Part IIIAA”, insert “former”.

11 **748 Before Subdivision 768-G**

12 Insert:

13 **Subdivision 768-B—Some items of income that are exempt**  
14 **from income tax**

15 **Table of sections**

16 768-100 Foreign government officials in Australia  
17 768-105 Compensation arising out of Second World War

18 **768-100 Foreign government officials in Australia**

- 19 (1) The amounts of \*ordinary income and \*statutory income covered  
20 by the table are exempt from income tax. In some cases, the  
21 exemption is subject to exceptions or special conditions, or both.

22 Note 1: Ordinary and statutory income that is exempt from income tax is  
23 called exempt income: see section 6-20. The note to subsection  
24 6-15(2) describes some of the other consequences of it being exempt  
25 income.

26 Note 2: Even if an exempt payment is made to you, the Commissioner can  
27 still require you to lodge an income tax return or information  
28 under section 161 of the *Income Tax Assessment Act 1936*.

29

---

**Exempt amounts**

---

<b>Item</b>	<b>If you are:</b>	<b>the following amounts are exempt from income tax:</b>	<b>subject to these exceptions and special conditions:</b>
1	(a) a representative in Australia of the government of a foreign country; or (b) a member of the official staff of such a representative; and you are neither an Australian citizen nor ordinarily resident in Australia	(a) your official salary; and (b) your *ordinary income, and your *statutory income, from a source outside Australia	(a) no Convention listed in subsection (2) applies to the representative; and (b) the country concerned grants in relation to Australia exemptions from taxes on income that correspond with the exemption in this item
2	(a) an officer of the government of a *Commonwealth of Nations country; and (b) temporarily in Australia to render service on behalf of that country, or an *Australian government agency, in accordance with an *arrangement between the governments of that country and of the Commonwealth or of a State or Territory	(a) your official salary; and (b) your *ordinary income, and your *statutory income, from a source outside Australia	that country exempts from income tax the salaries of officers of the government of the Commonwealth temporarily in that country for similar purposes in accordance with a similar arrangement

---

1 (2) The Conventions are:

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37

- (a) the Vienna Convention on Diplomatic Relations, as having the force of law because of the *Diplomatic Privileges and Immunities Act 1967*;
- (b) the Vienna Convention on Consular Relations, as having the force of law because of the *Consular Privileges and Immunities Act 1972*.

Note: Those Conventions have the force of law in Australia because of those Acts and achieve substantially the same effect as item 1 of the table: see Article 34 of the Vienna Convention on Diplomatic Relations and Article 49 of the Vienna Convention on Consular Relations.

### **768-105 Compensation arising out of Second World War**

- (1) A payment to you is exempt from income tax if:
  - (a) you are an Australian resident at the time when it would otherwise be included in your assessable income; and
  - (b) the payment is from a source in a foreign country; and
  - (c) the payment is in connection with:
    - (i) any wrong or injury; or
    - (ii) any loss of, or damage to, property; or
    - (iii) any other detriment;  
suffered by you or another individual as a result of:
    - (iv) persecution by the National Socialist regime of Germany during the National Socialist period; or
    - (v) persecution during the Second World War by any other enemy of the Commonwealth or by a regime covered by subsection (3); or
    - (vi) flight from persecution mentioned in subparagraph (iv) or (v); or
    - (vii) participation in a resistance movement during the Second World War against forces of the National Socialist regime of Germany or against forces of any other enemy of the Commonwealth; and
  - (d) the payment is not directly or indirectly from any of your \*associates.

Note: An example of a detriment covered by subparagraph (c)(iii) is if you lost the opportunity to qualify for a pension because your period of contribution was cut short because you had to flee persecution by the National Socialist regime.

1 *Duration of Second World War*

- 2 (2) Subsection (1) applies to:  
3 (a) the period immediately before the Second World War; and  
4 (b) the period immediately after the Second World War;  
5 in the same way as it applies to the period of the Second World  
6 War.

7 *Regimes associated with an enemy of the Commonwealth*

- 8 (3) This subsection covers a regime that was:  
9 (a) in alliance with; or  
10 (b) occupied by; or  
11 (c) effectively controlled by; or  
12 (d) under duress from; or  
13 (e) surrounded by;  
14 either or both of the following:  
15 (f) the National Socialist regime of Germany;  
16 (g) any other enemy of the Commonwealth.

17 *Legal personal representative*

- 18 (4) Subsection (1) applies to a payment to:  
19 (a) your \*legal personal representative; or  
20 (b) a trust established by your will;  
21 in a corresponding way to the way in which it would have applied  
22 if:  
23 (c) the payment had been to you; and  
24 (d) if the payment is made after your death—you were still alive.

25 **749 Subsection 820-39(4) (note 1)**

26 Repeal the note, substitute:

27 Note 1: While an entity meets the conditions in subsection (3), it is treated for  
28 the purposes of this Division as *not* being a member of a consolidated  
29 group or MEC group (see section 820-584).

30 **750 Paragraph 820-40(1)(c)**

31 Before “section 67”, insert “former”.

32 **751 Subsection 820-85(1) (note 4)**

1 Repeal the note, substitute:

2 Note 4: A consolidated group or MEC group may be an outward investing  
3 entity (non-ADI) to which this Subdivision applies: see  
4 Subdivisions 820-FA and 820-FB.

5 **752 Subsection 820-185(1) (note 6)**

6 Repeal the note, substitute:

7 Note 6: A consolidated group or MEC group may be an inward investing  
8 entity (non-ADI) to which this Subdivision applies: see  
9 Subdivisions 820-FA and 820-FB.

10 **753 Subsection 820-300(1) (note 4)**

11 Repeal the note, substitute:

12 Note 4: A consolidated group or MEC group may be an outward investing  
13 entity (ADI) to which this Subdivision applies: see  
14 Subdivisions 820-FA and 820-FB.

15 **754 At the end of subsection 820-395(1)**

16 Add:

17 Note 4: A consolidated group or MEC group may be an inward investing  
18 entity (ADI) to which this Subdivision applies: see  
19 Subdivision 820-FB.

20 **755 Section 820-445 (heading)**

21 Repeal the heading, substitute:

22 **820-445 How this Subdivision interacts with Subdivision 820-FA**

23 **756 Subsection 820-445(3)**

24 Omit “(3)”.

25 **757 After Division 830**

26 Insert:

27 **Division 842—Exempt Australian source income and gains**  
28 **of foreign residents**

29 **Table of Subdivisions**

1                   842-B   Some items of Australian source income of foreign residents  
2                                   that are exempt from income tax

3                   **Subdivision 842-B—Some items of Australian source income of**  
4                                   **foreign residents that are exempt from income tax**

5                   **Guide to Subdivision 842-B**

6                   **842-100 What this Subdivision is about**

7                   

8                                   If you are a foreign resident, some of the income you derive while  
                                  in Australia, or from Australian sources, may be exempt income.

9                   **Table of sections**

10                   842-105   Amounts of Australian source ordinary income and statutory income that  
11                                   are exempt

12                   **842-105 Amounts of Australian source ordinary income and**  
13                                   **statutory income that are exempt**

14                   The amounts of \*ordinary income and \*statutory income covered  
15                   by the table are exempt from income tax. In some cases, the  
16                   exemption is subject to exceptions or special conditions, or both.

17                   Note 1:    Ordinary and statutory income that is exempt from income tax is  
18                                   called exempt income: see section 6-20. The note to subsection  
19                                   6-15(2) describes some of the other consequences of it being exempt  
20                                   income.

21                   Note 2:    Even if an exempt payment is made to you, the Commissioner can  
22                                   still require you to lodge an income tax return or information  
23                                   under section 161 of the *Income Tax Assessment Act 1936*.

24



---

**Exempt amounts**

---

<b>Item</b>	<b>If you are:</b>	<b>the following amounts are exempt from income tax:</b>	<b>subject to these exceptions and special conditions:</b>
1	a foreign resident	your remuneration paid by an *Australian government agency	the remuneration is paid to you: (a) for expert advice to that agency; or (b) as a member of a Royal Commission
2	a foreign resident who is: (a) the representative of the government of a foreign country, visiting Australia on behalf of that government; or (b) a member of the entourage of such a representative	your *ordinary income, and your *statutory income, in your official capacity as such a representative or member	none
3	a foreign resident visiting Australia: (a) in the capacity of representative of any society or association established for educational, scientific, religious or philanthropic purposes; and (b) for the purpose of attending an international conference, or for the purpose of carrying on investigation or research for the society or association	your *ordinary income, and your *statutory income, in that capacity	none

---

---

**Exempt amounts**

<b>Item</b>	<b>If you are:</b>	<b>the following amounts are exempt from income tax:</b>	<b>subject to these exceptions and special conditions:</b>
4	a foreign resident visiting Australia: (a) in the capacity of representative of the media outside Australia; and (b) for the purpose of reporting the proceedings relating to any of the matters referred to in items 2 and 3	your *ordinary income, and your *statutory income, in that capacity	none
5	a member of the naval, military or air forces of the government of a foreign country	pay and allowances you earn in Australia as a member of those forces	the pay and allowances are not paid or provided by the Commonwealth
6	a foreign resident visiting Australia	your *ordinary income, and your *statutory income, that: (a) is from an occupation you carry on while in Australia; and (b) is not exempt from income tax in the country where you are ordinarily resident	in the opinion of the Treasurer, the visit and occupation are principally directed to assisting in the defence of Australia
7	(a) a foreign resident pursuing in Australia a course of study or training; and (b) in Australia for the sole purpose of pursuing that course	your *ordinary income, and your *statutory income, by way of a scholarship, bursary, or other educational allowance, provided by the Commonwealth	none

1 **758 Paragraph 900-30(7)(b)**

2 Omit “of this Act or section 74A (about local governing body election  
3 expenses) of the *Income Tax Assessment Act 1936*”, substitute “or  
4 section 25-65 (about local government election expenses)”.

5 **759 Paragraph 900-220(2)(b)**

6 Omit “paragraph 26(eaa) of the *Income Tax Assessment Act 1936*”,  
7 substitute “section 15-70”.

8 **760 Subsection 995-1(1) (definition of *adjusted average***  
9 ***equity capital*)**

10 Omit “820-562,”.

11 **761 Subsection 995-1(1) (definition of *annual payer*)**

12 Omit “, 45-155 or”, substitute “or 45-155 or former section”.

13 **762 Subsection 995-1(1) (definition of *average equity capital*)**

14 Omit “, 820-575”.

15 **763 Subsection 995-1(1)**

16 Insert:

17 ***Commonwealth of Nations country*** means:

- 18 (a) a foreign country that is a member of the Commonwealth of  
19 Nations; or  
20 (b) a colony, overseas territory or protectorate of such a member;  
21 or  
22 (c) a territory for whose international relations such a member is  
23 responsible;  
24 other than one declared by the regulations not to be a  
25 Commonwealth of Nations country.

26 **764 Subsection 995-1(1) (note to definition of *cost*)**

27 Before “section”, insert “former”.

28 **765 Subsection 995-1(1) (definition of *inward investing entity***  
29 ***(non-ADI)*)**

30 Omit “820-550,”.

- 1 **766 Subsection 995-1(1) (definition of *inward investment***  
2 ***vehicle (financial)*)**  
3 Omit “820-550,”.
- 4 **767 Subsection 995-1(1) (definition of *inward investment***  
5 ***vehicle (general)*)**  
6 Omit “, 820-550”.
- 7 **768 Subsection 995-1(1) (definition of *large withholder*)**  
8 Omit “sections 16-95 and 16-125 “, substitute “section 16-95”.
- 9 **769 Subsection 995-1(1) (definition of *local governing body*)**  
10 Repeal the definition, substitute:  
11 *local governing body* means a local governing body established by  
12 or under a \*State law or \*Territory law.
- 13 **770 Subsection 995-1(1) (definition of *medium withholder*)**  
14 Omit “and 16-135”.
- 15 **771 Subsection 995-1(1)**  
16 Insert:  
17 *natural resource* means minerals or any other non-living resource  
18 of the land, sea-bed or sea.
- 19 **772 Subsection 995-1(1) (definition of *outward investing***  
20 ***entity (ADI)*)**  
21 Omit “820-550,”.
- 22 **773 Subsection 995-1(1) (definition of *outward investing***  
23 ***entity (non-ADI)*)**  
24 Omit “820-550,”.
- 25 **774 Subsection 995-1(1) (definition of *outward investor***  
26 ***(financial)*)**  
27 Omit “820-550,”.

1 **775 Subsection 995-1(1) (definition of *outward investor***  
2 **(*general*))**

3 Omit “, 820-550”.

4 **776 Subsection 995-1(1) (paragraph (b) of the definition of**  
5 ***safe harbour capital amount*)**

6 Omit “and”.

7 **777 Subsection 995-1(1)**

8 Insert:

9 *TFN withholding tax* means tax payable in accordance with  
10 section 14-55 in Schedule 1 to the *Taxation Administration Act*  
11 *1953*.

12 Note: The tax is imposed by the *Income Tax (Deferred Interest Securities)*  
13 *(Tax File Number Withholding Tax) Act 1991*.

14 **778 Subsection 995-1(1)**

15 Insert:

16 *untaxable Commonwealth entity* means an untaxable  
17 Commonwealth entity as defined by section 195-1 of the *A New*  
18 *Tax System (Goods and Services Tax) Act 1999*.

19 ***Income Tax (Deferred Interest Securities) (Tax File Number***  
20 ***Withholding Tax) Act 1991***

21 **779 Section 4**

22 Omit “221YHZR of the *Income Tax Assessment Act 1936*”, substitute  
23 “section 14-55 in Schedule 1 to the *Taxation Administration Act 1953*”.

24 ***Income Tax Rates Act 1986***

25 **780 Paragraph 3(2)(a)**

26 Omit “, reduced notional income” (wherever occurring).

27 **781 Paragraph 13(2)(b)**

28 Omit “or Part I of Schedule 9, as the case requires,”.

- 1 **782 Subparagraphs 15(2)(a)(ii) and (b)(ii)**  
2 Omit “or Part II of Schedule 9, as the case requires,”.
- 3 **783 Clauses 1 and 2 of Part I of Schedule 10**  
4 Omit “or Part I of Schedule 9, as the case requires,”.
- 5 **784 Part II of Schedule 10**  
6 Omit “or Part II of Schedule 9, as the case requires,”.
- 7 **785 Clause 1 of Part I of Schedule 11**  
8 Omit “or Part I of Schedule 9, as the case requires,”.
- 9 **786 Sub-subparagraphs 3(c)(i)(B) and (C) of Part I of**  
10 **Schedule 11**  
11 Repeal the sub-subparagraphs, substitute:  
12 (B) if sub-subparagraph (A) does not apply—the  
13 reduced taxable income; and
- 14 **787 Paragraph 3(d) of Part I of Schedule 11**  
15 Omit “, reduced notional income”.
- 16 **788 Clause 1 of Part II of Schedule 11**  
17 Omit “or Part II of Schedule 9, as the case requires,”.
- 18 **789 Sub-subparagraphs 3(c)(i)(B) and (C) of Part II of**  
19 **Schedule 11**  
20 Repeal the sub-subparagraphs, substitute:  
21 (B) if sub-subparagraph (A) does not apply—the  
22 reduced taxable income; and
- 23 **790 Paragraph 3(d) of Part II of Schedule 11**  
24 Omit “, reduced notional income”.
- 25 **791 Clause 1 of Part I of Schedule 12**  
26 Omit “or Part I of Schedule 9, as the case requires,”.
- 27 **792 Clause 1 of Part II of Schedule 12**  
28 Omit “or Part II of Schedule 9, as the case requires,”.

1 ***Income Tax (Transitional Provisions) Act 1997***

2 **793 Subsection 20-1(1)**

3 Omit “(1)”.

4 **794 Subsection 20-105(1) (note 2)**

5 Omit “are”, substitute “were”.

6 **795 Subsection 20-105(2)**

7 Before “subsection”, insert “former”.

8 **796 Section 20-110**

9 Before “section 59”, insert “former”.

10 **797 Section 20-115 (table items 1 to 3)**

11 Omit “Section”, substitute “Former section”.

12 **798 Section 20-115 (table item 3)**

13 Before “subsection”, insert “former”.

14 **799 Section 20-115 (table item 4)**

15 Omit “Section”, substitute “Former section”.

16 **800 Section 20-115 (table item 4)**

17 Before “subsection”, insert “former”.

18 **801 Section 20-115 (table items 5 and 6)**

19 Omit “Subsection”, substitute “Former subsection”.

20 **802 At the end of Division 25**

21 Add:

22 **25-65 Local government election expenses**

23 Section 25-65 of the *Income Tax Assessment Act 1997* applies to  
24 the 2006-07 income year and later income years, in relation to  
25 expenditure whenever incurred. In relation to expenditure incurred  
26 in the 2005-06 income year or an earlier income year, it applies as  
27 if:

- 1 (a) it had applied to all income years before the 2006-07 income  
2 year; and  
3 (b) an allowable deduction for the expenditure under section 74A  
4 of the *Income Tax Assessment Act 1936* had been a deduction  
5 for the expenditure under section 25-65 of the *Income Tax*  
6 *Assessment Act 1997*.
- 7 Note: This section also has the result that, to the extent that a recoupment of  
8 the expenditure has been included in your assessable income by  
9 former subsections 74A(4) and (5) of the *Income Tax Assessment Act*  
10 *1936*, the expenditure will be disregarded in applying the \$1,000 per  
11 election deduction limit: see subsection 25-65(2) of the *Income Tax*  
12 *Assessment Act 1997*.

13 **803 Section 34-5 (heading)**

14 Repeal the heading, substitute:

15 **34-5 Things done under former section 51AL of the *Income Tax***  
16 ***Assessment Act 1936***

17 **804 Subsection 34-5(1)**

18 Before “section”, insert “former”

19 **805 Subsection 34-5(2) (table items 1 to 3, column headed**  
20 **“This:”)**

21 Before “subsection”, insert “former”.

22 **806 Paragraph 40-50(1)(a)**

23 Omit “; and”, substitute “or could have deducted an amount under that  
24 Subdivision if you had used the road or building for the purpose of  
25 producing assessable income; and”.

26 **807 Subsection 40-70(2)**

27 Before “section”, insert “former”.

28 **808 Paragraph 40-230(1)(b)**

29 Before “section”, insert “former”.

30 **809 Subparagraph 40-285(2)(a)(ii)**

31 Before “section”, insert “former”.



1 **810 After section 40-288**

2 Insert:

3 **40-289 Surrendered firearms**

4 If a balancing adjustment event for a firearm that you hold occurs  
5 because you surrender it after the commencement of this section  
6 under \*firearms surrender arrangements, any amount by which its  
7 termination value exceeds its adjustable value is not included in  
8 your assessable income under subsection 40-285(1) of the *Income*  
9 *Tax Assessment Act 1997*.

10 **811 Paragraph 40-525(b)**

11 Before “section”, insert “former”.

12 **812 Paragraph 40-645(3)(b)**

13 Before “section”, insert “former”.

14 **813 At the end of Division 40**

15 Add:

16 **Subdivision 40-J—Ships depreciated under section 57AM of the**  
17 **Income Tax Assessment Act 1936**

18 **Table of sections**

19 40-830 Ships depreciated under section 57AM of the *Income Tax Assessment Act*  
20 *1936*

21 **40-830 Ships depreciated under section 57AM of the *Income Tax***  
22 ***Assessment Act 1936***

23 (1) This section applies if:

- 24 (a) you have deducted or can deduct amounts for a ship under  
25 section 57AM of the *Income Tax Assessment Act 1936* as in  
26 force before its repeal by Schedule 1 to the *Tax Laws*  
27 *Amendment (Repeal of Inoperative Provisions) Act 2006*; and  
28 (b) you hold the ship when this section commences.

29 (2) Division 40 of the *Income Tax Assessment Act 1997* applies to the  
30 ship after the commencement of this section.

- 1 (3) For the purposes of that application:  
2 (a) the cost of the ship when this section commences is its cost  
3 under the *Income Tax Assessment Act 1936* just before that  
4 time; and  
5 (b) the ship's adjustable value when this section commences is  
6 its depreciated value under the *Income Tax Assessment Act*  
7 *1936* just before that time; and  
8 (c) paragraphs 40-285(1)(a) and (2)(a) have effect as if amounts  
9 you have deducted or can deduct under section 57AM of the  
10 *Income Tax Assessment Act 1936*, as in force before its  
11 repeal, are taken to be part of the ship's decline in value  
12 under Subdivision 40-B of the *Income Tax Assessment Act*  
13 *1997*.

14 **814 Paragraph 70-10(2)(b)**

15 Before "subsection", insert "former".

16 **815 Subsection 70-10(3)**

17 Before "subsection", insert "former".

18 **816 Paragraph 70-10(4)(a)**

19 Before "subsection", insert "former".

20 **817 Subsection 70-55(2)**

21 Before "section", insert "former".

22 **818 Paragraph 70-55(3)(b)**

23 Before "section", insert "former".

24 **819 Section 70-55 (notes 1 and 2)**

25 Omit "Section", substitute "Former section".

26 **820 Subsection 70-70(1)**

27 Before "Subdivision", insert "former".

28 **821 Subsection 70-70(3) (heading)**

29 Repeal the heading, substitute:

1                                    *Effect of election under former subsection 31(5) of the Income Tax*  
2                                    *Assessment Act 1936 on valuation of interests in FIFs*

3        **822 Subsection 70-70(3)**

4                                    Before “subsection 31(5)”, insert “former”.

5        **823 Subsections 102-15(2) and (3)**

6                                    Before “Part IIIA”, insert “former”.

7        **824 Section 102-20 (definition of *capital gain*)**

8                                    Before “Part IIIA”, insert “former”.

9        **825 Section 102-20 (definition of *capital loss*)**

10                                   Before “Part IIIA”, insert “former”.

11       **826 Section 102-20 (definition of *net capital gain*)**

12                                   Before “Part IIIA”, insert “former”.

13       **827 Section 104-25**

14                                   Before “section”, insert “former”.

15       **828 Paragraph 104-40(a)**

16                                   Before “Part IIIA”, insert “former”.

17       **829 Paragraph 104-70(1)(b)**

18                                   Before “section”, insert “former”.

19       **830 Paragraph 104-70(1)(d)**

20                                   Before “Division”, insert “former”.

21       **831 Subsection 104-70(3)**

22                                   Before “section”, insert “former”.

23       **832 Section 104-135**

24                                   Before “section”, insert “former”.

25       **833 Subsection 104-175(1)**

26                                   Before “section 160ZZO”, insert “former”.

- 1 **834 Paragraph 104-175(2)(a)**  
2 Before “section”, insert “former”.
- 3 **835 Paragraph 104-175(2)(b)**  
4 Before “paragraphs”, insert “former”.
- 5 **836 Subsection 104-175(3)**  
6 Before “Part IIIA”, insert “former”.
- 7 **837 Section 104-185 (heading)**  
8 Repeal the heading, substitute:
- 9 **104-185 Change of status of replacement asset for a roll-over under**  
10 **Division 17A of former Part IIIA of the 1936 Act or**  
11 **Division 123 of the 1997 Act**
- 12 **838 Paragraph 104-185(a)**  
13 Before “Part IIIA”, insert “former”.
- 14 **839 Section 104-190 (heading)**  
15 Repeal the heading, substitute:
- 16 **104-190 Change of circumstances where a share or interest is a**  
17 **replacement asset for a roll-over under Division 17A of**  
18 **former Part IIIA of the 1936 Act or Division 123 of the**  
19 **1997 Act**
- 20 **840 Paragraph 104-190(a)**  
21 Before “Part IIIA”, insert “former”.
- 22 **841 Section 104-205**  
23 Before “section”, insert “former”.
- 24 **842 Paragraph 108-5(b)**  
25 Before “section”, insert “former”.
- 26 **843 Subsections 108-75(1) to (4)**  
27 Before “section”, insert “former”.

1 **844 At the end of Division 112**

2 Add:

3 **Subdivision 112-B—Special rules**

4 **112-100 Effect of terminated gold mining exemptions**

- 5 (1) This section affects how to work out a capital gain or capital loss  
6 you make from a CGT event that happens to a CGT asset after  
7 31 December 1990 if:
- 8 (a) before 1 January 1991, you used the asset (other than on a  
9 prior holding of it) solely for the purpose of producing  
10 exempt income, and principally for the purpose of producing  
11 exempt income to which former paragraph 23(o) or former  
12 subsection 23C(1) of the *Income Tax Assessment Act 1936*  
13 (about income from producing or selling gold) applied; and
  - 14 (b) you owned the asset continuously from the end of  
15 31 December 1990 until the CGT event.

16 *Capital gain*

- 17 (2) For the purposes of working out a capital gain you make from the  
18 CGT event, if the asset's market value at the end of 31 December  
19 1990 was more than its cost base at that time, the first element of  
20 its cost base at that time is that market value.

21 *Capital loss*

- 22 (3) The rest of this section has effect for the purposes of working out a  
23 capital loss you make from the CGT event.
- 24 (4) If the asset's market value at the end of 31 December 1990 was  
25 less than its reduced cost base at that time, the first element of its  
26 reduced cost base at that time is that market value.
- 27 (5) In applying section 110-55 of the *Income Tax Assessment Act 1997*  
28 (about reduced cost base):
- 29 (a) treat your notional deductions (within the meaning of  
30 Subdivision B or C of former Division 16H of Part III of the  
31 *Income Tax Assessment Act 1936*) as amounts you have  
32 deducted; and

1 (b) disregard the effect of former sections 159GZZO and  
2 159GZZZ of that Act.

3 **845 Section 121-15**

4 Before “section”, insert “former”.

5 **846 Subsections 121-25(1) and (2)**

6 Before “subsection” (first occurring), insert “former”.

7 **847 Paragraph 126-100(1)(a)**

8 Before “section”, insert “former”.

9 **848 Paragraph 136-25(b)**

10 Before “Part IIIA”, insert “former”.

11 **849 Paragraph 136-25(b)**

12 Before “section”, insert “former”.

13 **850 Paragraphs 149-5(1)(c) and (2)(b)**

14 Before “Part IIIA”, insert “former”.

15 **851 Section 170-220**

16 Before “subsection”, insert “former”.

17 **852 Section 170-225**

18 Before “subsections”, insert “former”.

19 **853 Section 201-1**

20 Before “Part IIIAA”, insert “Former”.

21 **854 Section 205-1**

22 Omit “account under Part IIIAA”, substitute “account under former  
23 Part IIIAA”.

24 **855 Subparagraphs 205-1(b)(i) and (ii)**

25 Before “Part IIIAA”, insert “former”.

26 **856 Section 205-5**

27 Before “Part IIIAA”, insert “former”.

- 1 **857 Section 205-5 (note)**  
2 Before “section”, insert “former”.
- 3 **858 Subsection 205-10(1)**  
4 Before “Part IIIAA”, insert “former”.
- 5 **859 Subsection 205-10(2)**  
6 Before “Part IIIAA”, insert “former”.
- 7 **860 Paragraph 205-10(2)(a)**  
8 Before “section”, insert “former”.
- 9 **861 Subsection 205-15(1)**  
10 Before “Part IIIAA”, insert “former”.
- 11 **862 Subsection 205-15(2)**  
12 After “class under”, insert “former”.
- 13 **863 Paragraph 205-15(2)(a)**  
14 After “company under”, insert “former”.
- 15 **864 Subsection 205-15(4)**  
16 After “class under”, insert “former”.
- 17 **865 Paragraph 205-15(4)(a)**  
18 After “company under”, insert “former”.
- 19 **866 Subparagraph 205-75(1)(b)(i)**  
20 Omit “section 160AQK or of”, substitute “former section 160AQK or  
21 of former section”.
- 22 **867 Section 205-80 (heading)**  
23 Repeal the heading, substitute:
- 24 **205-80 Application of Subdivision C of Division 5 of former**  
25 **Part IIIAA of the *Income Tax Assessment Act 1936***
- 26 **868 Subsection 205-80(1)**

1           After “Division 5”, insert “of former Part IIIAA”.

2       **869 Subsection 205-80(1)**

3           Before “section” (second occurring), insert “former”.

4       **870 Subsection 205-80(2)**

5           Omit “Section”, substitute “Former section”.

6       **871 Subsection 208-111(1)**

7           Before “Part IIIAA”, insert “former”.

8       **872 Subsection 208-111(2)**

9           Before “Part IIIAA”, insert “former”.

10      **873 Subsection 208-111(2) (note)**

11           Before “sections”, insert “former”.

12      **874 Subsection 208-111(3)**

13           Before “Part IIIAA”, insert “former”.

14      **875 Subsection 208-111(3) (note)**

15           Before “sections”, insert “former”.

16      **876 Subsection 208-111(4)**

17           Before “Part IIIAA”, insert “former”.

18      **877 Subsection 208-111(4) (note)**

19           Before “section 160AQCNO”, insert “former”.

20      **878 Subsection 208-111(5)**

21           Before “Part IIIAA”, insert “former”.

22      **879 Subsection 208-111(5) (note)**

23           Before “section 160AQCNO”, insert “former”.

24      **880 Section 210-1**

25           After “PDF under”, insert “former”.

26      **881 Subparagraphs 210-1(b)(i) and (ii)**



- 1           Before “Part”, insert “former”.
- 2    **882 Section 210-5**
- 3           Before “Part”, insert “former”.
- 4    **883 Subsections 210-10(1) and (2)**
- 5           Before “Part”, insert “former”.
- 6    **884 Paragraph 210-10(2)(a)**
- 7           Omit “arises under”, substitute “arose under former”.
- 8    **885 Subsection 210-15(1)**
- 9           Before “Part IIIAA”, insert “former”.
- 10   **886 Subsection 210-15(2)**
- 11           Omit “surplus under Part IIIAA”, substitute “surplus under former
- 12           Part IIIAA”.
- 13   **887 Paragraph 210-15(2)(a)**
- 14           Before “Part IIIAA”, insert “former”.
- 15   **888 Subsection 210-15(4)**
- 16           Omit “deficit under Part IIIAA”, substitute “deficit under former
- 17           Part IIIAA”.
- 18   **889 Paragraph 210-15(4)(a)**
- 19           Before “Part IIIAA”, insert “former”.
- 20   **890 Paragraph 219-40(1)(a)**
- 21           Before “section”, insert “former”.
- 22   **891 Paragraph 219-45(1)(a)**
- 23           Before “section”, insert “former”.
- 24   **892 Subsection 219-45(2) (note)**
- 25           Before “sections 160AQCNC”, insert “former”.
- 26   **893 Subsection 219-45(2) (note)**
- 27           Before “section 160AQCNC”, insert “former”.

1 **894 Subsection 219-45(2) (note)**

2 Before “section 160APVN”, insert “former”.

3 **895 Section 375-105**

4 Before “section”, insert “former”.

5 **896 Subsection 701-50(3) (table item 1, column headed “If,**  
6 **because of the circumstances described in**  
7 **paragraphs (2)(a) and (b):”)**

8 Before “section”, insert “former”.

9 **897 Subsection 701-50(3) (table item 1, column headed “If,**  
10 **because of the circumstances described in**  
11 **paragraphs (2)(a) and (b):”)**

12 Before “Subdivision”, insert “former”.

13 ***National Rail Corporation Agreement Act 1992***

14 **898 Paragraph 8(d)**

15 Omit “or of paragraph 23(d) of the *Income Tax Assessment Act 1936*”.

16 ***Ships (Capital Grants) Act 1987***

17 **899 Paragraph 25(b)**

18 Before “section”, insert “former”.

19 ***Snowy Mountains Engineering Corporation Limited Sale Act***  
20 ***1993***

21 **900 Subsection 37(2)**

22 Before “sections”, insert “former”.

23 **901 Subsection 37(5)**

24 Omit “that Act”, substitute “the *Income Tax Assessment Act 1997*”.

25 ***Social Security Act 1991***

- 1     **902 Subsection 10A(2) (note to the definition of *associate*)**  
2             Omit “26AB”, substitute “318”.
- 3     **903 Paragraph 10B(4)(c)**  
4             Omit “Division 1AA of Part 3 of the *Income Tax Assessment Act 1936*  
5             or”.
- 6     **904 Subsection 23(1) (definition of *exempt spousal***  
7             ***maintenance income*)**  
8             Omit “paragraph 23(1) or”.
- 9     **905 Subsection 23(1) (note to the definition of *exempt***  
10            ***spousal maintenance income*)**  
11            Omit “paragraph 23(1) or”.
- 12    **906 Subsection 1061ZZFG(1)**  
13            Omit “(1)”.
- 14    **907 Subsection 1061ZZFG(1)**  
15            Omit “Division 1 of Part VI”, substitute “section 204”.
- 16    **908 Subsection 1061ZZFG(1) (note 1)**  
17            Repeal the note.
- 18    **909 Subsection 1061ZZFG(1) (note 2)**  
19            Omit “Note 2”, substitute “Note”.
- 20    **910 Subsection 1061ZZFG(2)**  
21            Repeal the subsection.
- 22    **911 Paragraph 1075(1)(a)**  
23            Omit “section 51 of the *Income Tax Assessment Act 1936* or section 8-1  
24            of the *Income Tax Assessment Act 1997*, as appropriate”, substitute  
25            “section 8-1 of the *Income Tax Assessment Act 1997*”.
- 26    **912 Paragraphs 1075(1)(b) and (ba)**  
27            Repeal the paragraphs, substitute:

1 (b) amounts that relate to the business and can be deducted in  
2 respect of plant (within the meaning of the *Income Tax*  
3 *Assessment Act 1997*) under Division 40 of that Act; and

4 **913 Subsections 1075(3) and (4)**

5 Omit “51 of the *Income Tax Assessment Act 1936* or section 8-1 of the  
6 *Income Tax Assessment Act 1997*, as appropriate,” substitute “8-1 of  
7 the *Income Tax Assessment Act 1997*”.

8 **914 Subparagraph 1185K(3)(d)(i)**

9 Omit “51 of the *Income Tax Assessment Act 1936* or section 8-1 of the  
10 *Income Tax Assessment Act 1997*, as appropriate”, substitute “8-1 of the  
11 *Income Tax Assessment Act 1997*”.

12 **915 Subparagraphs 1185K(3)(d)(ii) and (iia)**

13 Repeal the subparagraphs, substitute:

14 (ii) amounts that relate to a relevant farm asset and can be  
15 deducted in respect of plant (within the meaning of the  
16 *Income Tax Assessment Act 1997*) under Division 40 of  
17 that Act; and

18 **916 Paragraph 1208B(1)(a)**

19 Omit “51 of the *Income Tax Assessment Act 1936* or section 8-1 of the  
20 *Income Tax Assessment Act 1997*, as appropriate”, substitute “8-1 of the  
21 *Income Tax Assessment Act 1997*”.

22 **917 Paragraphs 1208B(1)(b) and (ba)**

23 Repeal the paragraphs, substitute:

24 (b) amounts that relate to the business or investment and can be  
25 deducted in respect of plant (within the meaning of the  
26 *Income Tax Assessment Act 1997*) under Division 40 of that  
27 Act; and

28 **918 Paragraph 1209C(1)(a)**

29 Omit “section 51 of the *Income Tax Assessment Act 1936* or section 8-1  
30 of the *Income Tax Assessment Act 1997*, as appropriate”, substitute  
31 “section 8-1 of the *Income Tax Assessment Act 1997*”.

32 **919 Paragraphs 1209C(1)(b) and (ba)**

33 Repeal the paragraphs, substitute:

1 (b) amounts that relate to the primary production enterprise and  
2 can be deducted in respect of plant (within the meaning of  
3 the *Income Tax Assessment Act 1997*) under Division 40 of  
4 that Act; and

5 ***Student Assistance Act 1973***

6 **920 Subsection 12ZN(1)**

7 Omit “(1)”.

8 **921 Subsection 12ZN(1)**

9 Omit “Division 1 of Part VI”, substitute “section 204”.

10 **922 Subsection 12ZN(1) (note 1)**

11 Repeal the note.

12 **923 Subsection 12ZN(1) (note 2)**

13 Omit “Note 2”, substitute “Note”.

14 **924 Subsection 12ZN(2)**

15 Repeal the subsection.

16 ***Superannuation Guarantee (Administration) Act 1992***

17 **925 Subsection 12(10)**

18 Repeal the subsection, substitute:

19 (10) A person covered by paragraph 12-45(1)(e) in Schedule 1 to the  
20 *Taxation Administration Act 1953* (about members of local  
21 governing bodies subject to PAYG withholding) is an employee of  
22 the body mentioned in that paragraph.

23 **926 Subparagraph 24(4)(a)(ii)**

24 Omit “subsection 26AAB(14)”, substitute “section 318”.

25 **927 Subparagraph 25(2)(a)(ii)**

26 Omit “subsection 26AAB(14)”, substitute “section 318”.

27 **928 Section 29**

1 Omit “paragraph 23(s) of the *Income Tax Assessment Act 1936* or”.

2 ***Taxation Administration Act 1953***

3 **929 Subsection 3E(11) (definition of company)**

4 Omit “same meaning as in section 6 of the *Income Tax Assessment Act*  
5 *1936*”, substitute “meaning given by subsection 995-1(1) of the *Income*  
6 *Tax Assessment Act 1997*”.

7 **930 Part IIA (heading)**

8 Repeal the heading, substitute:

9 **Part IIA—The general interest charge**

10 **931 Section 8AAA**

11 Omit “Division”, substitute “Part”.

12 **932 Paragraph 8J(2)(ga)**

13 Omit “79(1)(b) or (c) or”.

14 **933 Paragraph 8J(2)(k)**

15 Omit all the words after “1985”.

16 **934 Paragraph 8J(18)(a)**

17 Repeal the paragraph, substitute:

18 (a) a depositor gives a financial institution a statement that a  
19 specified amount or no amount will be included in the  
20 depositor’s assessable income under section 393-15 of  
21 Schedule 2G to the *Income Tax Assessment Act 1936* (about  
22 repayments of farm management deposits); and

23 **935 Subsection 8J(19)**

24 Omit “Division 6A of Part VI of”, substitute “Schedule 2G to”.

25 **936 Subsection 8J(19)**

26 Omit “that Division”, substitute “that Schedule”.

27 **937 Sub-subparagraph 8WC(1)(b)(iii)(B)**

1 Omit “under subsection 221YHZD(1B) of that Act, or”.

2 **938 Sub-subparagraph 8WC(1)(b)(iii)(C)**

3 Omit “221YHZR of that Act”, substitute “14-55 in Schedule 1 to this  
4 Act”.

5 **939 Section 8ZE (note)**

6 Omit “226G of the *Income Tax Assessment Act 1936*”, substitute  
7 “284-75 in Schedule 1”.

8 **940 Subsection 14ZS(2)**

9 Before “Part IIIAA”, insert “former”.

10 **941 Subsection 14ZS(2)**

11 Before “section 163B”, insert “former”.

12 **942 Subsection 14ZS(2)**

13 Before “Part VII”, insert “former”.

14 **943 Paragraph 14ZS(2)(a)**

15 Before “section”, insert “former”.

16 **944 At the end of section 11-1 in Schedule 1**

17 Add:

18 ; and (f) \*TFN withholding tax.

19 **945 Paragraph 12-45(1)(e) in Schedule 1**

20 Repeal the paragraph, substitute:

21 (e) a member of a \*local governing body where there is in effect,  
22 in accordance with section 446-5, a unanimous resolution by  
23 the body that the remuneration of members of the body be  
24 subject to withholding under this Part.

25 **946 Subsection 12-45(1) in Schedule 1 (note)**

26 Omit “subsection (2) and”.

27 **947 Subsection 12-45(2) in Schedule 1**

28 Omit all the words after “member of a”, substitute “\*local governing  
29 body unless it is one to which paragraph (1)(e) applies.”.

1 **948 Subsection 12-140(2) in Schedule 1 (note)**

2 Omit “12-155”, substitute “12-150”.

3 **949 Section 12-150 in Schedule 1**

4 Repeal the section, substitute:

5 **12-150 Limited application of section 12-140 to payment under**  
6 **financial arrangement**

7 (1) This section limits the extent to which section 12-140 applies to a  
8 payment in respect of a \*Part VA investment if the investment is a  
9 qualifying security (within the meaning of Division 16E of Part III  
10 of the *Income Tax Assessment Act 1936* (about gains accruing on  
11 securities)) and:

12 (a) is of a kind mentioned in item 1 or 2 of the table in  
13 subsection 202D(1) of that Act; or

14 (b) is of a kind mentioned in item 3 of that table and is  
15 non-transferable.

16 Note: Section 202D of the *Income Tax Assessment Act 1936* lists the  
17 investments in connection with which tax file numbers are to be  
18 quoted.

19 (2) Section 12-140 applies to the payment only to the extent that is  
20 covered by one or both of these paragraphs:

21 (a) so much of the payment as consists of periodic interest  
22 (within the meaning of Division 16E of Part III of the *Income*  
23 *Tax Assessment Act 1936*);

24 (b) if the payment became payable at the end of the term (within  
25 the meaning of that Division) of the investment—so much of  
26 the payment as does *not* exceed what section 159GQ of that  
27 Act would include in the \*investor’s assessable income for  
28 the income year in which that term ended.

29 Note: This limitation ensures that an amount is not withheld from payment  
30 of an amount in respect of which TFN withholding tax is payable. See  
31 Subdivision 14-B.

32 (3) The adoption (under section 18 of the *Income Tax Assessment Act*  
33 *1936*) of an accounting period ending on a day other than 30 June  
34 is disregarded for the purposes of:

35 (a) paragraph (2)(b) of this section; and



1 (b) the application of Division 16E of Part III of that Act for the  
2 purposes of that paragraph.

3 **950 Section 12-255 in Schedule 1**

4 Repeal the section, substitute:

5 **12-255 Interest payment derived by lender in carrying on business**  
6 **through overseas permanent establishment**

7 An entity must withhold an amount from interest (within the  
8 meaning of Division 11A of Part III of the *Income Tax Assessment*  
9 *Act 1936*) it pays if it has been notified under section 12-260 of this  
10 Act that this section applies to the interest.

11 Note: For limits on the amount to be withheld, see section 12-300.

12 **951 Division 14 in Schedule 1 (heading)**

13 Repeal the heading, substitute:

14 **Division 14—Non-cash benefits, and accruing gains, for**  
15 **which amounts must be paid to the**  
16 **Commissioner**

17 **952 Before section 14-1 in Schedule 1**

18 Insert:

19 **Subdivision 14-A—Non-cash benefits**

20 **953 Section 14-1 in Schedule 1 (heading)**

21 Repeal the heading, substitute:

22 **14-1 Object of this Subdivision**

23 **954 Section 14-1 in Schedule 1**

24 Omit “this Division”, substitute “this Subdivision”.

25 **955 At the end of Division 14 in Schedule 1**

26 Add:

1 **Subdivision 14-B—Accruing gains**

2 **14-50 Object of this Subdivision**

3 The object of this Subdivision is to put the parties to a \*Part VA  
4 investment with an accruing gain in a position similar to what  
5 would have been their position under Subdivision 12-E (Payments  
6 where TFN or ABN not quoted) if the \*investment body had paid  
7 the gain in money to the \*investor at the end of the income year.

8 **14-55 Liability for TFN withholding tax**

- 9 (1) \*TFN withholding tax is payable if:
- 10 (a) in relation to a \*Part VA investment, an amount (the *accrued*  
11 *gain*) is included in the \*investor's assessable income for an  
12 income year under section 159GQ of the *Income Tax*  
13 *Assessment Act 1936* (about gains accruing on securities);  
14 and  
15 (b) the investment:  
16 (i) is of a kind mentioned in item 1 or 2 of the table in  
17 subsection 202D(1) of that Act; or  
18 (ii) is of a kind mentioned in item 3 of that table and is  
19 non-transferable; and  
20 (c) the term of the investment does not end during the income  
21 year; and  
22 (d) section 12-140 would have required the \*investment body to  
23 withhold an amount (the *TFN withholding amount*) from a  
24 payment of the accrued gain to the investor, if the investment  
25 body had made the payment at the end of the income year  
26 and section 12-150 had not been enacted.

27 Note: Section 202D of the *Income Tax Assessment Act 1936* lists the  
28 investments in connection with which tax file numbers are to be  
29 quoted.

- 30 (2) The amount of \*TFN withholding tax is equal to the TFN  
31 withholding amount.
- 32 (3) The \*TFN withholding tax is payable jointly and severally by the  
33 \*investor and the \*investment body.
- 34 (4) However, if the \*investment body is the Commonwealth or an  
35 \*untaxable Commonwealth entity:

- 1 (a) the \*TFN withholding tax is payable by the \*investor; and  
2 (b) the investor is taken to have authorised the investment body  
3 to pay the TFN withholding tax on the investor's behalf.
- 4 (5) The \*TFN withholding tax is due and payable at the end of 21 days  
5 after the end of the income year referred to in paragraph (1)(a).
- 6 Note 1: When it is due and payable, the TFN withholding tax is payable to the  
7 Commissioner: see paragraph 255-5(1)(b).
- 8 Note 2: An entity by whom it is payable must pay it to the Commissioner in  
9 accordance with Subdivision 16-B: see subsection 16-70(3). If any of  
10 it remains unpaid, the entity is liable to pay general interest charge:  
11 see section 16-80.
- 12 Note 3: The Commissioner may defer the time at which TFN withholding tax  
13 becomes due and payable: see section 255-10.
- 14 (6) The adoption (under section 18 of the *Income Tax Assessment Act*  
15 *1936*) of an accounting period ending on a day other than 30 June  
16 is disregarded for the purposes of:  
17 (a) this section; and  
18 (b) the application of Division 16E of Part III of that Act for the  
19 purposes of this section.

20 **14-60 Investment body may recover TFN withholding tax from**  
21 **investor**

- 22 (1) The \*investment body may recover from the \*investor as a debt any  
23 of the \*TFN withholding tax that it pays.
- 24 (2) The \*investment body is entitled to set off an amount that it can  
25 recover from the \*investor under this section against:  
26 (a) a debt due by it to the investor; or  
27 (b) an amount that is accruing to the investor, or stands to the  
28 investor's credit, in respect of the \*Part VA investment, even  
29 if the amount is not yet due.

30 **14-65 Application of rules in Division 18**

- 31 These provisions:  
32 (a) subsection 18-15(1) and sections 18-20 and 18-25 (about  
33 credits for amounts withheld from withholding payments);  
34 and

- 1 (b) section 18-80 (about refunds when exemption declaration not  
2 given);  
3 apply as if any of the \*TFN withholding tax that has been paid  
4 were an amount withheld under subsection 12-140(1) from a  
5 \*withholding payment covered by that subsection and made to the  
6 \*investor during:  
7 (c) unless the \*investor has adopted (under section 18 of the  
8 *Income Tax Assessment Act 1936*) an accounting period  
9 ending on a day other than 30 June—the income year  
10 referred to in paragraph 14-55(1)(a); or  
11 (d) if the investor has adopted such an accounting period—the  
12 income year in which the TFN withholding tax is paid.  
13 Note: Unless the investor has adopted such an accounting period, the credit  
14 under section 18-15, 18-20 or 18-25 will be in respect of the income  
15 year before the one in which the TFN withholding tax is paid.

16 **14-75 Overpayment of TFN withholding tax**

- 17 If \*TFN withholding tax has been overpaid:  
18 (a) the Commissioner must refund the amount overpaid; and  
19 (b) the \*investor is not entitled to a credit under section 18-15,  
20 18-20 or 18-25 in respect of the amount overpaid.

21 **14-85 Other laws do not exempt from TFN withholding tax**

- 22 (1) A provision of a law passed before the commencement of this  
23 section that purports to exempt an entity from liability to pay \*TFN  
24 withholding tax, or to pay taxes that include TFN withholding tax,  
25 does not exempt that entity from liability to pay TFN withholding  
26 tax.  
27 (2) A provision of a law passed at or after the commencement of this  
28 section that purports to exempt an entity from liability to pay taxes  
29 under the laws of the Commonwealth, or to pay certain taxes under  
30 those laws that include \*TFN withholding tax, is not to be  
31 interpreted as exempting the entity from liability to pay TFN  
32 withholding tax, unless it specifically mentions TFN withholding  
33 tax.

34 **956 Subsection 16-70(2) in Schedule 1 (not including the**  
35 **note)**

1 Repeal the subsection, substitute:

2 (2) An entity that must pay an amount to the Commissioner under  
3 Division 13 or Subdivision 14-A must do so in accordance with  
4 section 16-85.

5 (3) An entity that must pay an amount to the Commissioner under  
6 Subdivision 14-B must do so in accordance with sections 16-80  
7 and 16-85.

8 **957 Section 16-80 in Schedule 1**

9 After “16-70(1)” insert “or (3)”.

10 **958 Paragraph 16-95(1)(a) in Schedule 1**

11 Omit “because of section 16-125”.

12 **959 Paragraph 16-100(1)(a) in Schedule 1**

13 Omit “because of section 16-135”.

14 **960 Subsection 18-30(2) in Schedule 1 (note)**

15 Omit “section 221 YSA”, substitute “section 128NBA”.

16 **961 Subsection 45-115(1) in Schedule 1**

17 Omit “For the amount of an instalment you are liable to pay for 2000-01  
18 or 2001-02, see section 45-175.”.

19 **962 Paragraph 45-235(1)(a) in Schedule 1**

20 Before “paragraph”, insert “former”.

21 **963 Subsection 45-235(2) in Schedule 1**

22 Before “paragraph”, insert “former”.

23 **964 Subsection 45-355(2) in Schedule 1**

24 Omit “or 45-175(1)(b)”.

25 **965 Subsection 45-525(3) in Schedule 1**

26 Omit “or 45-175(1)(b)”.

27 **966 Subsection 250-10(2) in Schedule 1 (after table item 90)**

28 Insert:

95 TFN withholding tax 14-55 in *Taxation Administration Act 1953*  
Schedule 1

1 **967 Subsection 250-10(2) (after table item 155)**

2 Insert:

157 trust recoupment tax 4(1), so far as *Trust Recoupment Tax*  
it applies *Assessment Act 1985*  
section 204 of  
the *Income*  
*Tax*  
*Assessment*  
*Act 1936*

3 **968 At the end of subsection 265-45(2) in Schedule 1**

4 Add:

5 Note: Item 15 of Schedule 6 to the *Tax Laws Amendment (Repeal of*  
6 *Inoperative Provisions) Act 2006* has the effect that, in addition to its  
7 normal application in relation to tax-related liabilities arising on or  
8 after 1 July 2000, subsection (2) also applies to such liabilities arising  
9 before that date, where amounts of the liabilities are paid after the  
10 commencement of that item.

11 **969 Subsection 340-10(2) in Schedule 1 (table item 3, column**  
12 **headed “Provision(s)”**

13 Omit “or subsections 204(3),”, substitute “, subsection 204(3) or former  
14 subsection”.

15 **970 At the end of Part 5-45 in Schedule 1**

16 Add:

17 **Division 446—Local governing bodies**

18 **Guide to Division**

19 **446-1 What this Division is about**

20 

21 A local governing body can resolve that its members are subject to  
22 Pay As You Go withholding. This also results in the members  
23 being treated as employees for a wide range of other taxation  
purposes.

1 **Table of sections**

2 **Operative provisions**

3 446-5 Requirements for unanimous resolutions by local governing bodies

4 **Operative provisions**

5 **446-5 Requirements for unanimous resolutions by local governing**  
6 **bodies**

7 *When section applies*

8 (1) This section applies to the following unanimous resolutions made  
9 by a \*local governing body:

10 (a) a resolution that the remuneration of members of the body be  
11 subject to withholding under Part 2-5 (about Pay As You Go  
12 withholding);

13 (b) a resolution cancelling a resolution covered by paragraph (a).

14 Note: Item 14 of Schedule 6 to the *Tax Laws Amendment (Repeal of*  
15 *Inoperative Provisions) Act 2006* provides that this section also  
16 applies to resolutions in force just before the repeal of the predecessor  
17 of this section (section 221B of the *Income Tax Assessment Act 1936*).

18 *When resolution takes effect*

19 (2) The resolution must specify a day as the day on which the  
20 resolution takes effect. The specified day must be within the  
21 28-day period beginning on the day after the day on which the  
22 resolution was made.

23 *Resolution not affected by change in membership of body*

24 (3) The resolution continues in force in spite of a change in the  
25 membership of the \*local governing body.

26 *Commissioner to be notified of resolution*

27 (4) The \*local governing body must give written notice of the  
28 resolution to the Commissioner within 7 days after the resolution  
29 was made.

- 1 *Eligible local governing bodies to be notified in Gazette*
- 2 (5) If the Commissioner is notified of the resolution, the
- 3 Commissioner must cause to be published in the *Gazette* a notice
- 4 setting out:
- 5 (a) the name of the \*local governing body; and
- 6 (b) the day on which the resolution takes effect.
- 7 *When resolution applies for purposes of affected provisions*
- 8 (6) This table sets out when the resolution applies for the purposes of
- 9 particular provisions whose operation it affects.
- 10

---

**When the resolution applies**

---

<b>Item</b>	<b>If the resolution affects the operation of ...</b>	<b>the resolution applies to ...</b>
1	section 12-45	amounts that become payable after the day on which the resolution takes effect
2	Subdivision AB of Division 17 of Part III of the <i>Income Tax Assessment Act 1936</i> (about tax offset for lump sum payments in arrears)	*ordinary income *derived, and amounts that become *statutory income, after the day on which the resolution takes effect
3	sections 26-30 and 34-5 of the <i>Income Tax Assessment Act 1997</i> (about deductions for relatives' travel expenses and non-compulsory uniforms)	expenditure incurred after the day on which the resolution takes effect
4	Divisions 28 and 900 of the <i>Income Tax Assessment Act 1997</i> (about car expenses and substantiation)	expenses incurred after the day on which the resolution takes effect
5	section 130-90 of the <i>Income Tax Assessment Act 1997</i> (about capital gains tax and employee share trusts)	*shares and rights to which a beneficiary becomes absolutely entitled after the day on which the resolution takes effect



---

**When the resolution applies**

---

<b>Item</b>	<b>If the resolution affects the operation of ...</b>	<b>the resolution applies to ...</b>
6	provisions of the <i>Fringe Benefits Tax Assessment Act 1986</i> relating to assessments	(a) in the case of a loan benefit within the meaning of the <i>Fringe Benefits Tax Assessment Act 1986</i> —a loan made after the day on which the resolution takes effect; (b) in the case of a housing benefit within the meaning of that Act—the subsistence, after the day on which the resolution takes effect, of the housing right concerned; (c) in the case of a residual benefit within the meaning of that Act that is *provided during a period—so much of the period as occurs after the day on which the resolution takes effect; (d) any other *fringe benefit provided after the day on which the resolution takes effect.
7	Division 4 of Part II of the <i>Income Tax Rates Act 1986</i> (about pro-rating the tax-free threshold)	amounts that become assessable income after the day on which the resolution takes effect
8	the provisions of the <i>Child Support (Registration and Collection) Act 1988</i>	*ordinary income *derived, and amounts that become *statutory income, after the day on which the resolution takes effect
9	section 9-20 of the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (about the meaning of <i>enterprise</i> )	activities, or series of activities, done after the day on which the resolution takes effect
10	Division 111 of the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (about reimbursement of employees)	reimbursements made after the day on which the resolution takes effect

1 ***Taxation (Interest on Overpayments and Early Payments) Act***  
2 ***1983***

1 **971 Subsection 3(1) (paragraph (b) of the definition of *income***  
2 ***tax crediting amount*)**

3 Before “section”, insert “former”.

4 **972 At the end of subparagraph 8A(1)(a)(vb)**

5 Add “and”.

6 **973 Paragraph 8A(1)(b)**

7 Repeal the paragraph, substitute:

8 (b) the payment is made more than 14 days before the day (the  
9 *appropriate due day*) on which the tax, debt, interest, amount  
10 or instalment concerned becomes due and payable;

11 **974 Subsection 8A(2)**

12 Omit “or section 20B of the *Loan (Income Equalisation Deposits) Act*  
13 *1976*”.

14 **975 Paragraphs 8B(1)(a) and (b)**

15 Omit “a relevant entity, an instalment taxpayer or”.

16 **976 Section 8C**

17 Omit “such annual rate or rates as are provided for by section 214A of  
18 the Tax Act”, substitute “the base interest rate (within the meaning of  
19 the Tax Act)”.

20 **977 Paragraphs 8E(1)(a) and (2)(a)**

21 Omit “a relevant entity, an instalment taxpayer or”.

22 **978 Paragraph 8G(1)(a)**

23 Omit “a relevant entity, an instalment taxpayer or”.

24 Note: The heading to section 8G is altered by omitting “**relevant entities, instalment**  
25 **taxpayers and**”.

26 **979 Paragraphs 8G(1)(e) and (f)**

27 Repeal the paragraphs, substitute:

28 (e) if the person furnishes the return of income for the year of  
29 income 30 days or more before the due date for payment of  
30 the assessed tax—the first crediting occurs 30 days or more  
31 after the day on which the person furnishes the return; and

1 (f) if the person furnishes the return of income for the year of  
2 income after 30 days or more before the due date for payment  
3 of the assessed tax—the first crediting occurs after the due  
4 date for payment of the assessed tax;

5 **980 Paragraph 8G(2)(a)**

6 Omit “a relevant entity, an instalment taxpayer or”.

7 **981 Paragraph 8H(3)(d)**

8 Repeal the paragraph, substitute:

9 (d) on so much of the excess as is not attributable to payments  
10 mentioned in paragraph (b), for the period from the  
11 beginning of the due date for payment of assessed tax until  
12 the end of the day on which the later crediting occurs.

13 Note: The heading to section 8H is altered by omitting “**relevant entities, instalment**  
14 **taxpayers and**”.

15 **982 Section 8I**

16 Omit “such annual rate or rates as are provided for by section 214A of  
17 the Tax Act”, substitute “the base interest rate (within the meaning of  
18 the Tax Act)”.

19 **983 Sections 8P, 8T, 8X and 8ZB**

20 Omit “such annual rate or rates as are provided for by section 214A of  
21 the Income Tax Assessment Act”, substitute “the base interest rate  
22 (within the meaning of the Tax Act)”.

23 **984 Paragraph 9(6)(b)**

24 Omit “an offset”, substitute “a tax offset”.

25 **985 Subsection 9(7)**

26 Repeal the subsection, substitute:

27 (7) In subsection (6), *franking deficit tax* and *tax offset* have the  
28 meanings given by subsection 995-1(1) of the *Income Tax*  
29 *Assessment Act 1997*.

30 **986 Paragraph 10(1)(a)**

31 Omit “if paragraph (aa) does not apply—”.

1 **987 Sub-subparagraph 10(1)(a)(iii)(A)**

2 Omit “, or 105,”.

3 **988 At the end of sub-subparagraphs 10(1)(a)(iii)(A) and (AA)**

4 Add “or”.

5 **989 At the end of sub-subparagraph 10(1)(a)(iii)(D)**

6 Add “and”.

7 **990 Paragraph 10(1)(b)**

8 Omit “such annual rate or rates as are provided for by section 214A of  
9 the Tax Act”, substitute “the base interest rate (within the meaning of  
10 the Tax Act)”.

11 **991 Subparagraph 12A(1)(a)(i)**

12 Omit “, section 170AA, subsection 204(3), subsection 221AZMAA(1),  
13 subsection 221AZP(1), subsection 221YD(3) and section 221YDB”,  
14 substitute “and subsection 204(3)”.

15 **992 Sub-subparagraph 12A(1)(a)(iv)(E)**

16 Omit “or”, substitute “and”.

17 **993 Subsection 12A(2)**

18 Omit “or section 20B of the *Loan (Income Equalisation Deposits) Act*  
19 *1976*”.

20 **994 Section 12C**

21 Omit “such annual rate or rates as are provided for by section 214A of  
22 the Tax Act”, substitute “the base interest rate (within the meaning of  
23 the Tax Act)”.

24 **995 Section 12AE**

25 Omit “annual rate or rates provided for in section 214A of the Tax Act”,  
26 substitute “base interest rate (within the meaning of the Tax Act)”.

27 ***Trust Recoupment Tax Assessment Act 1985***

28 **996 Subsection 3(1) (definition of associate)**

29 Omit “section 26AAB”, substitute “section 318”.

- 1 **997 Subsection 3(1) (definition of *applied penalty tax*)**  
2 Omit “additional tax under Part VII of the Assessment Act”, substitute  
3 “a penalty under Part 4-25 in Schedule 1 to the *Taxation Administration*  
4 *Act 1953*”.
- 5 **998 Subsection 3(1) (definition of *late payment tax*)**  
6 Omit “additional tax under section 207 of the Assessment Act”,  
7 substitute “general interest charge under Part IIA of the *Taxation*  
8 *Administration Act 1953*”.
- 9 **999 Subsection 4(1)**  
10 Omit “Division 1 of Part VI”, substitute “section 204”.
- 11 **1000 Subsection 4(1)**  
12 Omit “and regulations made under that Act”, substitute “Part IIA of,  
13 and Part 4-15 in Schedule 1 to, the *Taxation Administration Act 1953*,  
14 and regulations made under those Acts”.
- 15 **1001 Subsection 4(2)**  
16 After “Assessment Act”, insert “or of the *Taxation Administration Act*  
17 *1953*”.
- 18 **1002 Subsection 4(4)**  
19 After “Assessment Act”, insert “or section 3C of the *Taxation*  
20 *Administration Act 1953*”.
- 21 **1003 Subsection 4(6)**  
22 Omit “section 209 of the Assessment Act, or subsection 255-5(2) in  
23 Schedule 1 to the *Taxation Administration Act 1953*,”, substitute  
24 “subsection 255-5(2) in Schedule 1 to the *Taxation Administration Act*  
25 *1953*”.
- 26 **1004 Subsection 4(9)**  
27 After “Assessment Act”, insert “ or of the *Taxation Administration Act*  
28 *1953*”.
- 29 **1005 Paragraph 7(8)(b)**  
30 Omit “and Division 4 of Part VI”.

- 1 **1006 Subsection 10(2)**  
2 Omit “section 209 of the Assessment Act”, substitute “Part 4-15 in  
3 Schedule 1 to the *Taxation Administration Act 1953*”.
- 4 ***Veterans’ Entitlements Act 1986***
- 5 **1007 Paragraph 46C(1)(a)**  
6 Omit “51 of the *Income Tax Assessment Act 1936* or section 8-1 of the  
7 *Income Tax Assessment Act 1997*, as appropriate”, substitute “8-1 of the  
8 *Income Tax Assessment Act 1997*”.
- 9 **1008 Paragraph 46C(1)(b)**  
10 Repeal the paragraph.
- 11 **1009 Subparagraph 49J(3)(f)(i)**  
12 Omit “51 of the *Income Tax Assessment Act 1936* or section 8-1 of the  
13 *Income Tax Assessment Act 1997*, as appropriate”, substitute “8-1 of the  
14 *Income Tax Assessment Act 1997*”.
- 15 **1010 Subparagraph 49J(3)(f)(ii)**  
16 Repeal the subparagraph.
- 17 **1011 Paragraph 52ZZO(1)(a)**  
18 Omit “51 of the *Income Tax Assessment Act 1936* or section 8-1 of the  
19 *Income Tax Assessment Act 1997*, as appropriate”, substitute “8-1 of the  
20 *Income Tax Assessment Act 1997*”.
- 21 **1012 Paragraph 52ZZO(1)(b)**  
22 Repeal the paragraph.
- 23 **1013 Paragraph 52ZZZO(1)(a)**  
24 Omit “51 of the *Income Tax Assessment Act 1936* or section 8-1 of the  
25 *Income Tax Assessment Act 1997*, as appropriate”, substitute “8-1 of the  
26 *Income Tax Assessment Act 1997*”.
- 27 **1014 Paragraph 52ZZZO(1)(b)**  
28 Repeal the paragraph.
- 29 **1015 Subsections 58J(1) and (2)**

- 1 Omit “section 218 of the Income Tax Assessment Act, or”.
- 2 **1016 Subsection 58J(2) (note)**
- 3 Repeal the note.

1

2 **Part 2—Amendments consequential on repeal of**  
3 **heading to Division 1 of Part IIA of the**  
4 **Taxation Administration Act 1953**

5 **1017 Amendments**

6 The specified provisions and parts of provisions of the Acts listed in  
7 this Part are amended by omitting “Division 1 of”.

8 *A New Tax System (Commonwealth-State Financial*  
9 *Arrangements) Act 1999*

10 **1018 Section 4 (definition of *general interest charge*)**

11 *A New Tax System (Goods and Services Tax) Act 1999*

12 **1019 Section 195-1 (definition of *general interest charge*)**

13 *Fringe Benefits Tax Assessment Act 1986*

14 **1020 Subsection 93(2) (note)**

15 **1021 Subsection 136(1) (definition of *general interest charge*)**

16 *General Interest Charge (Imposition) Act 1999*

17 **1022 Subsection 3(2) (definition of *general interest charge*)**

18 *Income Tax Assessment Act 1936*

19 **1023 Section 6 (definition of *general interest charge*)**

20 **1024 Section 102UP (note)**

21 **1025 Subsection 128C(3) (note)**

22 **1026 Section 163AA (note)**



- 1 **1027 Subsection 170AA(4) (note)**
- 2 **1028 Subsection 172(2) (note 1)**
- 3 **1029 Subsection 204(3) (note 1)**
- 4 **1030 Subsection 215(6) (note 1)**
- 5 **1031 Subsection 216(3) (note 1)**
- 6 **1032 Subsection 220(5) (note 1)**
- 7 **1033 Subsection 222AJA(3) (note)**
- 8 **1034 Subsection 251M(1) (note 1)**
- 9 **1035 Subsection 254(2) (note 1)**
- 10 **1036 Subsection 255(4) (note 1)**
- 11 **1037 Section 271-80 in Schedule 2F (note)**
- 12 *Income Tax Assessment Act 1997*
- 13 **1038 Section 214-155 (note)**
- 14 **1039 Subsection 995-1(1) (definition of *general interest***  
15 ***charge*)**
- 16 *Income Tax (Transitional Provisions) Act 1997*
- 17 **1040 Section 214-105 (note)**
- 18 *Petroleum Resource Rent Tax Assessment Act 1987*
- 19 **1041 Section 2 (definition of *general interest charge*)**
- 20 **1042 Subsection 65(1) (note)**
- 21 **1043 Subsection 85(1) (note)**

1 ***Product Grants and Benefits Administration Act 2000***

2 **1044 Section 5 (definition of *general interest charge*)**

3 **1045 Subsection 35(2) (note)**

4 ***Superannuation Contributions Tax (Assessment and***  
5 ***Collection) Act 1997***

6 **1046 Subsection 21(1) (note)**

7 **1047 Section 22 (note)**

8 **1048 Subsection 25(1) (note)**

9 **1049 Subsection 25A(2) (note)**

10 **1050 Section 43 (definition of *general interest charge*)**

11 ***Superannuation Contributions Tax (Members of***  
12 ***Constitutionally Protected Superannuation Funds)***  
13 ***Assessment and Collection Act 1997***

14 **1051 Subsection 18(1) (note)**

15 **1052 Subsection 21(1) (note)**

16 **1053 Section 38 (definition of *general interest charge*)**

17 ***Superannuation (Government Co-contribution for Low***  
18 ***Income Earners) Act 2003***

19 **1054 Subsection 25(4) (definition of *general interest charge*)**

20 ***Superannuation Guarantee (Administration) Act 1992***

21 **1055 Section 6 (definition of *general interest charge*)**

22 **1056 Subsection 49(1) (note)**

- 1 ***Taxation Administration Act 1953***
- 2 **1057 Section 2 (definition of *general interest charge*)**
- 3 **1058 Subsection 40(1) (note)**
- 4 **1059 Section 298-25 in Schedule 1 (note)**
- 5 ***Termination Payments Tax (Assessment and Collection) Act***  
6 ***1997***
- 7 **1060 Subsection 13(1) (note)**
- 8 **1061 Subsection 16(1) (note)**
- 9 **1062 Subsection 16A(2) (note)**
- 10 **1063 Section 31 (definition of *general interest charge*)**

1  
2 **Schedule 3—Inoperative provisions repealed**  
3 **on 1 January 2008**  
4

5 **1 Repeal**

6 The provisions and parts of provisions specified in this Schedule are  
7 repealed.

8 *Income Tax Assessment Act 1936*

9 **2 Subsection 6(1) (definition of *live stock*)**

10 **3 Subdivision B of Division 2 of Part III**

11 **4 Subsection 45(2) (second sentence)**

12 **5 Subsection 45C(1) (second sentence)**

13 **6 Sections 46A to 46E**

14 **7 Subsection 102L(2)**

15 **8 Subsection 102T(2)**

16 **9 Section 128EA**

17 **10 Division 8 of Part IX**

18 *Income Tax Assessment Act 1997*

19 **11 Subsection 30-45(2) (table item 4.2.30)**

20 **12 Subsection 30-50(2) (table items 5.2.1, 5.2.21, 5.2.22 and**  
21 **5.2.25)**

22 **13 Subsection 30-80(2) (table items 9.2.10, 9.2.13 and 9.2.14)**

23 **14 Section 30-105 (table items 13.2.8 to 13.2.10)**

- 1     **15 Subsection 30-315(2) (table items 9A, 38A, 49A, 50D, 75A,**  
2             **97AAAA, 97AAA, 105A, 110, 110AA and 112AF)**
- 3     **16 Paragraph 820-40(1)(c) (including the note)**
- 4     **17 Section 820-591**
- 5     **18 Section 820-617**
- 6     **19 Subsection 995-1(1) (notes 1 and 2 to paragraph (b) of the**  
7             **definition of *value*)**
- 8     ***Income Tax (Transitional Provisions) Act 1997***
- 9     **20 Sections 70-35 to 70-41**
- 10    ***Taxation Administration Act 1953***
- 11    **21 Subsection 446-5(1) in Schedule 1 (note)**

1  
2 **Schedule 4—Consequential amendments**  
3 **relating to Schedule 3 repeals**  
4

5 ***Income Tax Assessment Act 1936***

6 **1 Subsection 6BA(3)**

7 Omit all the words from and including “If” to and including “46A;”,  
8 substitute “If the bonus shares are issued for no consideration and are  
9 not a dividend or taken to be a dividend.”.

10 **2 Paragraph 126(1)(c)**

11 Omit “none of sections 128EA,”, substitute “neither of sections”.

12 **3 Subparagraph 128B(3)(h)(iv)**

13 Omit “128EA.”.

14 **4 Section 128D**

15 Omit “section 128EA.”.

16 **5 Paragraph 268-40(3)(b) in Schedule 2F (note)**

17 Omit “section 36AAA, and”.

18 ***Income Tax Assessment Act 1997***

19 **6 Paragraph 165-60(3)(b) (note)**

20 Omit “of this Act and section 36AAA of the *Income Tax Assessment*  
21 *Act 1936*”.

22 **7 Paragraphs 705-50(2)(b) and (3)(b)**

23 Omit “section 46A or former section 46”, substitute “former section 46  
24 or 46A”.

25 **8 Subsection 705-190(2)**

26 Omit “section 46A or former section 46”, substitute “former section 46  
27 or 46A”.

28 **9 Paragraph 820-40(1)(b)**

1 Omit “and”.

2 **10 Section 820-601**

3 Omit “820-617”, substitute “820-615”.

4 **11 Subsections 820-603(6) and 820-611(2)**

5 Omit “820-617”, substitute “820-615”.

6 ***Income Tax (Transitional Provisions) Act 1997***

7 **12 Paragraph 70-10(4)(b)**

8 Before “Subdivision”, insert “former”.

1  
2 **Schedule 5—Inoperative Acts repealed on**  
3 **Royal Assent**

4 **Part 1—Repeals**

5 **1 Repeal of Acts**

6 The Acts specified in this Part are repealed.

7 *A New Tax System (End of Sales Tax) Act 1999*

8 *A New Tax System (Wine Equalisation Tax and Luxury Car*  
9 *Tax Transition) Act 1999*

10 *Debits Tax Act 1982*

11 *Debits Tax Administration Act 1982*

12 *Income Tax (Deficit Deferral) Act 1994*

13 *Income Tax (Untainting Tax) Act 1998*

14 *New Business Tax System (Venture Capital Deficit Tax) Act*  
15 *2000*

16 *Pay-Roll Tax Assessment Act 1941*

17 *Pay-Roll Tax (Termination Of Commonwealth Tax) Act 1971*

18 *Sales Tax Act (No. 1) 1930*

19 *Sales Tax Act (No. 2) 1930*

20 *Sales Tax Act (No. 3) 1930*



- 1 ***Sales Tax Act (No. 4) 1930***
- 2 ***Sales Tax Act (No. 5) 1930***
- 3 ***Sales Tax Act (No. 6) 1930***
- 4 ***Sales Tax Act (No. 7) 1930***
- 5 ***Sales Tax Act (No. 8) 1930***
- 6 ***Sales Tax Act (No. 9) 1930***
- 7 ***Sales Tax Act (No. 10A) 1985***
- 8 ***Sales Tax Act (No. 10B) 1985***
- 9 ***Sales Tax Act (No. 10C) 1985***
- 10 ***Sales Tax Act (No. 11A) 1985***
- 11 ***Sales Tax Act (No. 11B) 1985***
- 12 ***Sales Tax Amendment (Transitional) Act 1992***
- 13 ***Sales Tax Assessment Act 1992***
- 14 ***Sales Tax Assessment Act (No. 1) 1930***
- 15 ***Sales Tax Assessment Act (No. 2) 1930***
- 16 ***Sales Tax Assessment Act (No. 3) 1930***
- 17 ***Sales Tax Assessment Act (No. 4) 1930***
- 18 ***Sales Tax Assessment Act (No. 5) 1930***

- 1 ***Sales Tax Assessment Act (No. 6) 1930***
- 2 ***Sales Tax Assessment Act (No. 7) 1930***
- 3 ***Sales Tax Assessment Act (No. 8) 1930***
- 4 ***Sales Tax Assessment Act (No. 9) 1930***
- 5 ***Sales Tax Assessment Act (No. 10) 1985***
- 6 ***Sales Tax Assessment Act (No. 11) 1985***
- 7 ***Sales Tax (Customs) (Alcoholic Beverages) Act 1997***
- 8 ***Sales Tax (Customs) (Deficit Reduction) Act 1993***
- 9 ***Sales Tax (Customs) (Industrial Safety Equipment) Act 2000***
- 10 ***Sales Tax (Customs) (Wine—Deficit Reduction) Act 1993***
- 11 ***Sales Tax (Excise) (Alcoholic Beverages) Act 1997***
- 12 ***Sales Tax (Excise) (Deficit Reduction) Act 1993***
- 13 ***Sales Tax (Excise) (Industrial Safety Equipment) Act 2000***
- 14 ***Sales Tax (Excise) (Wine—Deficit Reduction) Act 1993***
- 15 ***Sales Tax (Exemptions and Classifications) Act 1935***
- 16 ***Sales Tax (Exemptions and Classifications) Act 1992***
- 17 ***Sales Tax (General) (Alcoholic Beverages) Act 1997***
- 18 ***Sales Tax (General) (Deficit Reduction) Act 1993***

- 1 ***Sales Tax (General) (Industrial Safety Equipment) Act 2000***
- 2 ***Sales Tax (General) (Wine—Deficit Reduction) Act 1993***
- 3 ***Sales Tax Imposition (Customs) Act 1992***
- 4 ***Sales Tax Imposition (Excise) Act 1992***
- 5 ***Sales Tax Imposition (General) Act 1992***
- 6 ***Sales Tax Imposition (In Situ Pools) Act 1992***
- 7 ***Sales Tax (Industrial Safety Equipment) (Transitional***
- 8 ***Provisions) Act 2000***
- 9 ***Sales Tax (In Situ Pools) (Deficit Reduction) Act 1993***
- 10 ***Sales Tax Procedure Act 1934***
- 11 ***Swimming Pools Tax Refund Act 1992***
- 12 ***Tobacco Charge Act (No. 1) 1955***
- 13 ***Tobacco Charge Act (No. 2) 1955***
- 14 ***Tobacco Charge Act (No. 3) 1955***
- 15 ***Tobacco Charges Assessment Act 1955***
- 16 ***Wool Tax Act (No. 1) 1964***
- 17 ***Wool Tax Act (No. 2) 1964***
- 18 ***Wool Tax Act (No. 3) 1964***

- 1 ***Wool Tax Act (No. 4) 1964***
- 2 ***Wool Tax Act (No. 5) 1964***
- 3 ***Wool Tax (Administration) Act 1964***

1

2 **Part 2—Consequential amendments**

3 *Administrative Decisions (Judicial Review) Act 1977*

4 **2 Paragraph (e) of Schedule 1**

5 Omit “*Debits Tax Administration Act 1982*”.

6 **3 Paragraph (e) of Schedule 1**

7 Omit “*Pay-roll Tax Assessment Act 1941*”.

8 **4 Paragraph (e) of Schedule 1**

9 Omit “Acts providing for the assessment of sales tax”.

10 **5 Paragraph (e) of Schedule 1**

11 Omit “*Wool Tax (Administration) Act 1964*”.

12 *A New Tax System (Goods and Services Tax Transition) Act*  
13 *1999*

14 **6 Subsection 5(3) (table items 1 to 3AA)**

15 Repeal the items.

16 **7 Subsection 5(3) (table items 5 to 7)**

17 Repeal the items.

18 **8 Paragraphs 6A(2)(c) to (e)**

19 Repeal the paragraphs.

20 **9 Sections 8 and 16 to 16C**

21 Repeal the sections.

22 **10 At the end of section 17**

23 Add:

24 (5) In this section:



1 **20 Subsection 53(2)**

2 Repeal the subsection.

3 ***Australian Institute of Aboriginal and Torres Strait Islander***  
4 ***Studies Act 1989***

5 **21 Section 39**

6 Omit “(including taxation under the *Debits Tax Act 1982*)”.

7 ***Australian Institute of Health and Welfare Act 1987***

8 **22 Section 26**

9 Omit “(including taxation under the *Bank Account Debits Tax Act*  
10 *1982*)”.

11 ***Australian National Maritime Museum Act 1990***

12 **23 Subsection 49(1)**

13 Omit “(1)”.

14 **24 Subsection 49(2)**

15 Repeal the subsection.

16 ***Australian Postal Corporation Act 1989***

17 **25 Section 90E (definition of sales tax on imports)**

18 Repeal the definition.

19 **26 Subparagraph 90K(3)(b)(ii)**

20 Repeal the subparagraph.

21 **27 Sub-subparagraph 90S(1)(b)(ii)(B)**

22 Repeal the sub-subparagraph.

23 **28 Subsection 90S(5)**

24 Omit “, (B)”.

1 **29 Subsection 90S(5)**

2 Omit “, sales tax.”.

3 **30 Subparagraph 90T(5)(b)(ii)**

4 Repeal the subparagraph.

5 **31 Subsection 90T(6)**

6 Omit “, sales tax.”.

7 ***Australian Securities and Investments Commission Act 2001***

8 **32 Paragraph 139(1)(a)**

9 Omit “a law imposing sales tax, the *Debits Tax Act 1982* or”.

10 **33 Paragraph 165(1)(a)**

11 Omit “a law imposing sales tax, the *Debits Tax Act 1982* or”.

12 ***Australian Sports Commission Act 1989***

13 **34 Subsection 50(1)**

14 Omit “(including taxation under the *Debits Tax Act 1982*)”.

15 **35 Subsection 50(1)**

16 Omit “(other than laws relating to sales tax)”.

17 **36 Subsection 50(2)**

18 Repeal the subsection.

19 **37 Subsection 50(3)**

20 Omit “or (2)”.

21 **38 Subsection 51(1)**

22 Omit “(including taxation under the *Debits Tax Act 1982*)”.

23 **39 Subsection 51(1)**

24 Omit “(other than laws relating to sales tax)”.

25 **40 Subsection 51(2)**



1 Repeal the subsection.

2 **41 Subsection 51(3)**

3 Omit “or (2)”.

4 ***Bank Integration Act 1991***

5 **42 Subsection 5(1) (paragraph (a) of the definition of tax)**

6 Repeal the paragraph.

7 ***Commonwealth Serum Laboratories Act 1961***

8 **43 Section 31 (paragraphs (a) and (b) of the definition of tax)**

9 Repeal the paragraphs.

10 ***Consular Privileges and Immunities Act 1972***

11 **44 Sections 8 and 8A**

12 Repeal the sections.

13 ***Crimes (Taxation Offences) Act 1980***

14 **45 Subsection 3(1) (definition of *Australian installation*)**

15 Repeal the definition, substitute:

16 *Australian installation* means an installation (within the meaning  
17 of the *Customs Act 1901*) that is deemed by section 5C of the  
18 *Customs Act 1901* to be part of Australia.

19 **46 Subsection 3(1) (definition of *old sales tax*)**

20 Repeal the definition.

21 **47 Subsection 3(1) (definition of *Sales Tax Assessment Acts*)**

22 Repeal the definition.

23 **48 Subsection 3(1) (definition of *Training Guarantee***  
24 ***(Administration) Act*)**

25 Repeal the definition.

- 1     **49 Subsection 3(1) (definition of *training guarantee charge*)**  
2             Repeal the definition.
- 3     **50 Paragraph 3(2)(a)**  
4             Omit “old sales tax” (wherever occurring), substitute “income tax”.
- 5     **51 Paragraph 3(2)(b)**  
6             Omit “future old sales tax”, substitute “future income tax”.
- 7     **52 Subparagraphs 3(2)(b)(i) and (ii)**  
8             Omit “the old sales tax”, substitute “the income tax”.
- 9     **53 Sub-subparagraph 3(2)(b)(ii)(B)**  
10            Omit “some one or other of the Sales Tax Assessment Acts”, substitute  
11            “the Income Tax Assessment Act”.
- 12    **54 Paragraph 3(2)(c)**  
13            Omit “old sales tax moneys”, substitute “income tax moneys”.
- 14    **55 Subparagraph 3(2)(c)(i)**  
15            Omit “the old sales tax”, substitute “the income tax”.
- 16    **56 Subparagraph 3(2)(c)(ii)**  
17            Omit “further sales tax”, substitute “further income tax”.
- 18    **57 Subparagraphs 3(2)(c)(ii), (iii) and (iv)**  
19            Omit “any of the Sales Tax Assessment Acts”, substitute “the Income  
20            Tax Assessment Act”.
- 21    **58 Subparagraph 3(2)(c)(v)**  
22            Omit “old sales tax, further sales tax”, substitute “income tax, further  
23            income tax”.
- 24    **59 Subsection 3(3)**  
25            Omit “old sales tax” (wherever occurring), substitute “income tax”.
- 26    **60 Paragraph 3(4)(e)**  
27            Omit “old sales tax” (wherever occurring), substitute “income tax”.

1 **61 Subsection 3(5)**

2 Omit “old sales tax” (wherever occurring), substitute “income tax”.

3 **62 Subsections 4(2), (2A) and (3)**

4 Repeal the subsections.

5 **63 Part II (heading)**

6 Repeal the heading (not including the note), substitute:

7 **Part II—Offences relating to income tax**

8 **64 Part II (paragraphs (a), (b) and (e) of note to heading)**

9 Repeal the paragraphs.

10 **65 Subsection 5(1)**

11 Omit “old sales tax”, substitute “income tax”.

12 **66 Paragraphs 5(2)(a) and (b)**

13 Omit “old sales tax”, substitute “income tax”.

14 **67 Subsection 6(1)**

15 Omit “old sales tax”, substitute “income tax”.

16 **68 Paragraphs 6(2)(a) and (b)**

17 Omit “old sales tax”, substitute “income tax”.

18 **69 Subsection 7(1)**

19 Omit “old sales tax”, substitute “income tax”.

20 **70 Paragraphs 7(2)(a) and (b)**

21 Omit “old sales tax”, substitute “income tax”.

22 **71 Paragraph 8(a)**

23 Omit “old sales tax”, substitute “income tax”.

24 **72 Sub-subparagraph 8(b)(i)(A)**

25 Omit “some one or other of the Sales Tax Assessment Acts”, substitute  
26 “the Income Tax Assessment Act”.

- 1     **73 Subparagraph 8(b)(ii)**  
2             Omit “old sales tax”, substitute “income tax”.
- 3     **74 Subparagraph 8(b)(iii)**  
4             Omit “if old sales tax”, substitute “if income tax”.
- 5     **75 Subparagraph 8(b)(iii)**  
6             Omit “when the old sales tax”, substitute “when the income tax”.
- 7     **76 Sub-subparagraphs 8(b)(iii)(A), (B) and (C)**  
8             Omit “old sales tax”, substitute “income tax”.
- 9     **77 Sub-subparagraph 8(b)(iii)(C)**  
10            Omit “some one or other of the Sales Tax Assessment Acts”, substitute  
11            “the Income Tax Assessment Act”.
- 12    **78 Paragraph 8(c)**  
13            Omit “old sales tax”, substitute “income tax”.
- 14    **79 Subsection 10(1)**  
15            Omit “old sales tax”, substitute “income tax”.
- 16    **80 Paragraph 10(2)(a)**  
17            Omit “old sales tax”, substitute “income tax”.
- 18    **81 Paragraph 10(2)(b)**  
19            Omit “some one or other of the Sales Tax Assessment Acts, that the old  
20            sales tax moneys, or part of the old sales tax moneys”, substitute “the  
21            Income Tax Assessment Act, that the income tax moneys, or part of the  
22            income tax moneys”.
- 23    **82 Subsection 10(2)**  
24            Omit “old sales tax moneys or the part of the old sales tax”, substitute  
25            “income tax moneys or the part of the income tax”.
- 26    **83 Subsection 10(3)**  
27            Omit “old sales tax” (wherever occurring), substitute “income tax”.
- 28    **84 Subsection 10(3)**
-

1 Omit “some one or other of the Sales Tax Assessment Acts”, substitute  
2 “the Income Tax Assessment Act”.

3 **85 Paragraph 11(1)(a)**

4 Omit “old sales tax”, substitute “income tax”.

5 **86 Paragraph 11(1)(a)**

6 Omit “some one or other of the Sales Tax Assessment Acts”, substitute  
7 “the Income Tax Assessment Act”.

8 **87 Paragraphs 11(1)(b), (c) and (d)**

9 Omit “old sales tax”, substitute “income tax”.

10 **88 Subsection 12(1)**

11 Omit “old sales tax” (wherever occurring), substitute “income tax”.

12 **89 Subsection 12(1)**

13 Omit “some one or other of the Sales Tax Assessment Acts”, substitute  
14 “the Income Tax Assessment Act”.

15 **90 Subsection 12(2)**

16 Omit “to the old sales tax moneys”, substitute “to the income tax  
17 moneys”.

18 **91 Paragraphs 12(2)(a) and (b)**

19 Omit “old sales tax” (wherever occurring), substitute “income tax”.

20 **92 Parts IIA and III**

21 Repeal the Parts.

22 **93 Paragraphs 14(1)(a) and (b)**

23 Omit “old sales tax”, substitute “income tax”.

24 **94 Paragraph 14(1)(c)**

25 Omit “some one or other of the Sales Tax Assessment Acts”, substitute  
26 “the Income Tax Assessment Act”.

27 **95 Paragraph 14(1)(d)**

28 Omit “old sales tax”, substitute “income tax”.

- 1     **96 Paragraphs 15(1)(a) and (b)**  
2             Omit “old sales tax”, substitute “income tax”.
- 3     **97 Paragraph 15(1)(c)**  
4             Omit “some one or other of the Sales Tax Assessment Acts”, substitute  
5             “the Income Tax Assessment Act”.
- 6     **98 Paragraph 15(1)(d)**  
7             Omit “old sales tax”, substitute “income tax”.
- 8     **99 Part VI**  
9             Repeal the Part.
- 10    **100 Paragraphs 17(1)(a) and (b)**  
11            Omit “old sales tax”, substitute “income tax”.
- 12    **101 Paragraph 17(1)(c)**  
13            Omit “some one or other of the Sales Tax Assessment Acts”, substitute  
14            “the Income Tax Assessment Act”.
- 15    **102 Paragraph 17(1)(d)**  
16            Omit “old sales tax”, substitute “income tax”.
- 17    **103 Paragraphs 18(1)(a) and (b)**  
18            Omit “old sales tax”, substitute “income tax”.
- 19    **104 Paragraph 18(1)(c)**  
20            Omit “some one or other of the Sales Tax Assessment Acts”, substitute  
21            “the Income Tax Assessment Act”.
- 22    **105 Paragraph 18(1)(d)**  
23            Omit “old sales tax”, substitute “income tax”.
- 24    **106 Paragraphs 19(1)(a) and (b)**  
25            Omit “old sales tax”, substitute “income tax”.
- 26    **107 Paragraph 19(1)(c)**

1 Omit “some one or other of the Sales Tax Assessment Acts”, substitute  
2 “the Income Tax Assessment Act”.

3 **108 Paragraph 19(1)(d)**

4 Omit “old sales tax”, substitute “income tax”.

5 **109 Paragraphs 20(1)(a) and (b)**

6 Omit “old sales tax”, substitute “income tax”.

7 **110 Paragraph 20(1)(c)**

8 Omit “some one or other of the Sales Tax Assessment Acts”, substitute  
9 “the Income Tax Assessment Act”.

10 **111 Paragraph 20(1)(d)**

11 Omit “old sales tax”, substitute “income tax”.

12 ***Diplomatic Privileges and Immunities Act 1967***

13 **112 Sections 10 and 10A**

14 Repeal the sections.

15 ***Freedom of Information Act 1982***

16 **113 Schedule 3**

17 Omit “*Debts Tax Administration Act 1982*, subsection 7(2)”.

18 **114 Schedule 3**

19 Omit “*Sales Tax Assessment Act (No. 1) 1930*, subsection 10(2)”.

20 **115 Schedule 3**

21 Omit “*Sales Tax Procedure Act 1934*, subsection 4A(3)”.

22 **116 Schedule 3**

23 Omit “*Sales Tax Assessment Act 1992*, subsection 110(2)”.

24 **117 Schedule 3**

25 Omit “*Tobacco Charges Assessment Act 1955*, subsections 10(2) and  
26 (5)”.

1 **118 Schedule 3**

2 Omit “*Wool Tax (Administration) Act 1964*, subsections 8(2) and (5)”.

3 ***Fringe Benefits Tax Assessment Act 1986***

4 **119 Subsection 136(1) (subparagraph (a)(i) of the definition of**  
5 ***cost price*)**

6 Repeal the subparagraph, substitute:

- 7 (i) where the car was manufactured by the person—the  
8 amount for which the car could reasonably have been  
9 expected to have been sold by the person by wholesale  
10 under an arm’s length transaction at or about the time  
11 when the car was applied to the person’s own use; or

12 **120 Subsection 136(1) (subparagraph (a)(iii) of the definition**  
13 ***of cost price*)**

14 Omit “sales tax or”.

15 **121 Subsection 136(1) (subparagraph (b)(i) of the definition**  
16 ***of cost price*)**

17 Repeal the subparagraph, substitute:

- 18 (i) where the accessory was manufactured by the person  
19 who held the car at the time of the fitting—the amount  
20 for which the accessory could reasonably have been  
21 expected to have been sold under an arm’s length  
22 transaction by the person by wholesale at or about the  
23 time when the accessory was applied to the person’s  
24 own use; and

25 **122 Subsection 136(1) (subparagraph (b)(iii) of the definition**  
26 ***of cost price*)**

27 Omit “sales tax or”.

28 **123 Subsection 136(1) (definition of *sales tax*)**

29 Repeal the definition.

30 ***Income Tax Assessment Act 1997***

31 **124 Section 17-30**



1 Repeal the section, substitute:

2 **17-30 Special credits because of indirect tax transition**

3 A special credit under section 19A of the *A New Tax System*  
4 *(Goods and Services Tax Transition) Act 1999* is assessable  
5 income at the time it is attributed to a \*tax period (for a credit  
6 under section 19A).

7 **125 Subsection 995-1(1) (paragraph (c) of the definition of**  
8 ***BAS provisions*)**

9 Omit “system); and”, substitute “system).”.

10 **126 Subsection 995-1(1) (paragraph (e) of the definition of**  
11 ***BAS provisions*)**

12 Repeal the paragraph.

13 ***International Organisations (Privileges and Immunities) Act***  
14 ***1963***

15 **127 Section 11A**

16 Repeal the section.

17 **128 At the end of paragraph 7(a) of Part I of the Third**  
18 **Schedule**

19 Add “and”.

20 **129 Paragraph 7(b) of Part I of the Third Schedule**

21 Repeal the paragraph.

22 ***Overseas Missions (Privileges and Immunities) Act 1995***

23 **130 Paragraph 12(1)(a)**

24 Repeal the paragraph.

25 Note: The heading to section 12 is altered by omitting “sales tax.”.

26 **131 Subsection 12(2)**

27 Omit “sales tax.”.

1 ***Primary Industries and Energy Research and Development***  
2 ***Act 1989***

3 **132 Subsection 4(1) (definition of *tobacco levy*)**

4 Repeal the definition.

5 **133 Subsection 32(1)**

6 Omit “Subject to subsection (3), where”, substitute “If”.

7 **134 Subsection 32(3)**

8 Repeal the subsection.

9 **135 Subsection 110(1)**

10 Omit “Subject to subsection (3), where”, substitute “If”.

11 **136 Subsection 110(3)**

12 Repeal the subsection.

13 ***Snowy Mountains Engineering Corporation Act 1970***

14 **137 Section 39M (paragraphs (a) and (b) of the definition of**  
15 ***tax*)**

16 Repeal the paragraphs.

17 ***Special Broadcasting Service Act 1991***

18 **138 Section 68**

19 Omit all the words after “Territory”.

20 ***Taxation Administration Act 1953***

21 **139 Subsection 8AAB(5) (table items 5 to 7, 21 and 22)**

22 Repeal the items.

23 **140 Subsection 8B(5)**

24 Repeal the subsection.

25 **141 Paragraph 8C(1)(c)**

1 Repeal the paragraph.

2 **142 Paragraphs 8J(2)(f), (g), (m), (n) and (na)**

3 Repeal the paragraphs.

4 **143 Paragraph 8J(2)(pa)**

5 Omit “Act; or”, substitute “Act.”.

6 **144 Paragraphs 8J(2)(q) to (r)**

7 Repeal the paragraphs.

8 **145 Section 14ZQ (definition of *appealable objection***  
9 ***decision*)**

10 Repeal the definition, substitute:

11 *appealable objection decision* means an objection decision other  
12 than one made on a taxation objection under section 14E of this  
13 Act.

14 **146 Section 14ZQ (paragraphs (c) to (f) of the definition of**  
15 ***delayed administration (beneficiary) objection*)**

16 Repeal the paragraphs.

17 **147 Section 14ZQ (definition of *ineligible sales tax remission***  
18 ***decision*)**

19 Repeal the definition.

20 **148 Section 14ZQ (definition of *registration-type sales tax***  
21 ***decision*)**

22 Repeal the definition.

23 **149 Section 14ZQ (definition of *reviewable objection***  
24 ***decision*)**

25 Repeal the definition, substitute:

26 *reviewable objection decision* means an objection decision that is  
27 not an ineligible income tax remission decision.

28 **150 Section 14ZQ (definition of *Sales Tax Assessment Act*)**

1 Repeal the definition.

2 **151 Subsection 14ZR(2)**

3 Omit all the words after paragraph (b), substitute:

4 and (c) the objection decision is to any extent an ineligible income  
5 tax remission decision;

6 then, this Part has effect, in relation to any review or appeal, as if  
7 so much of the objection decision as consists of one or more  
8 ineligible income tax remission decisions were taken to be a  
9 separate objection decision.

10 **152 Section 14ZT**

11 Repeal the section.

12 **153 Paragraph 14ZZB(1)(a)**

13 Omit “(other than a reviewable objection decision that relates to a  
14 registration-type sales tax decision)”.

15 **154 Subsection 14ZZB(2)**

16 Omit “(other than a reviewable objection decision that relates to a  
17 registration-type sales tax decision)”.

18 **155 Section 14ZZH**

19 Repeal the section.

20 **156 Sections 14ZZM and 14ZZR**

21 Omit “(other than a registration-type sales tax decision)”.

22 **157 Section 250-10(2) in Schedule 1 (table items 150 to 165)**

23 Repeal the items.

24 ***Taxation (Interest on Overpayments and Early Payments) Act***  
25 ***1983***

26 **158 Subsection 3(1) (subparagraph (d)(ii) of the definition of**  
27 ***decision to which this Act applies*)**

28 Omit “assessment; or”, substitute “assessment.”.

1 **159 Subsection 3(1) (paragraph (e) of the definition of**  
2 ***decision to which this Act applies*)**

3 Repeal the paragraph.

4 **160 Subsection 3(1) (definition of *objection*)**

5 Repeal the definition, substitute:

6 *objection* means a taxation objection within the meaning of  
7 Part IVC of the *Taxation Administration Act 1953*.

8 **161 Subsection 3(4)**

9 Repeal the subsection.

10 **162 Section 3C (table items 100, 105, 115, 125, 130, 135 and**  
11 **140 in the definition of *relevant tax*)**

12 Repeal the items.

13 **163 Section 12**

14 Repeal the section.

15 ***Trade Practices Act 1974***

16 **164 Section 75AT (paragraph (a) of the definition of *New Tax***  
17 ***System changes*)**

18 After “of the”, insert “former”.

19 **165 Section 75AT (paragraph (b) of the definition of *New Tax***  
20 ***System changes*)**

21 After “in the”, insert “former”.

22 ***Trans-Tasman Mutual Recognition Act 1997***

23 **166 Paragraph 1(1)(c) of Part 1 of Schedule 1**

24 Omit “wholesale sales tax (Commonwealth) and”.

25 **167 Clause 5 of Part 2 of Schedule 1**

26 Omit “*Sales Tax Assessment Act 1992* of the Commonwealth”.

- 1 **168 Clause 5 of Part 2 of Schedule 1**  
2 Omit “*Sales Tax (Exemptions and Classifications) Act 1992* of the  
3 Commonwealth”.
- 4 ***Wool International Act 1993***
- 5 **169 Title**  
6 Omit “through payments of wool tax”.
- 7 **170 Section 3**  
8 Omit “through payments of wool tax”.
- 9 **171 Section 4 (definition of *Administration Act*)**  
10 Repeal the definition.
- 11 **172 Section 4 (definition of *carpet wool*)**  
12 Repeal the definition.
- 13 **173 Section 4 (definition of *sale value*)**  
14 Repeal the definition.
- 15 **174 Section 4 (definition of *wool tax*)**  
16 Repeal the definition.
- 17 **175 Section 4 (definition of *Wool Tax Act*)**  
18 Repeal the definition.
- 19 **176 Part 7**  
20 Repeal the Part.
- 21 ***Wool Services Privatisation Act 2000***
- 22 **177 Section 7 (definition of *wool tax*)**  
23 Repeal the definition.
- 24 **178 Paragraph 31(1)(a)**  
25 Omit “wool tax and”.

1 **179 Subsections 31(5) and (6)**

2 Repeal the subsections, substitute:

3 *Overall limit on appropriation for category A payments*

4 (5) For category A payments, the total limit on the appropriation is the  
5 total amount of wool levy received by the Commonwealth. For this  
6 purpose, amounts received by the Commonwealth as penalties for  
7 late payment of wool levy are to be treated as amounts of wool  
8 levy.

9 *Overall limit on appropriation for category B payments*

10 (6) For category B payments, the total limit on the appropriation is the  
11 total amount of wool levy received by the Commonwealth. For this  
12 purpose, amounts received by the Commonwealth as penalties for  
13 late payment of wool levy are not to be treated as amounts of wool  
14 levy.

1  
2 **Schedule 6—Application and saving**  
3 **provisions**

4 **Part 1—Application provisions**

5 **1 Application of Schedule 1 and 2 amendments**

6 Except as mentioned in items 2 and 3, the repeals and amendments  
7 made by Schedules 1 and 2 apply:

- 8 (a) so far as they affect assessments—to assessments for the  
9 2006-07 income year and all later income years; and  
10 (b) otherwise—to acts done or omitted to be done, or states of  
11 affairs existing, after the commencement of the repeals and  
12 amendments.

13 **2 Application of Schedule 2 withholding tax amendments**

14 The amendments made by items 337, 343 and 344 of Schedule 2 apply  
15 to income derived in the 2006-07 income year and later income years.

16 **3 Application of TFN withholding tax amendments**

- 17 (1) The amendment made by item 949 of Schedule 2 applies to payments  
18 made on or after the day on which this Act receives the Royal Assent.
- 19 (2) The repeal of Subdivision C of Division 3B of Part VI of the *Income*  
20 *Tax Assessment Act 1936* by item 163 of Schedule 1 to this Act, and the  
21 insertion of section 14-55 in Schedule 1 to the *Taxation Administration*  
22 *Act 1953* by item 955 of Schedule 2 to this Act, apply to the 2006-07  
23 income year and later income years.
- 24 (3) The insertion of sections 14-50, 14-60, 14-65, 14-75 and 14-85 in  
25 Schedule 1 to the *Taxation Administration Act 1953* by item 955 of  
26 Schedule 2 to this Act applies to tax payable in accordance with former  
27 section 221YHZR of the *Income Tax Assessment Act 1936* as if:  
28 (a) the tax were TFN withholding tax (payable under  
29 section 14-55 in that Schedule); and  
30 (b) section 14-55 in that Schedule applied to the income year in  
31 respect of which the tax is payable.

32 **4 Application of Schedule 3 and 4 amendments**

33 The repeals and amendments made by Schedules 3 and 4 apply:



- 1 (a) so far as they affect assessments—to assessments for the  
2 2007-08 income year and all later income years; and  
3 (b) otherwise—to acts done or omitted to be done, or states of  
4 affairs existing, after the commencement of the amendments.

5 **5 Application of Schedule 5 amendments**

6 The repeals and amendments made by Schedule 5 apply to acts done or  
7 omitted to be done, or states of affairs existing, after the commencement  
8 of the amendments.

1

2 **Part 2—General saving provisions**

3 **6 Object**

4 The object of this Part is to ensure that, despite the repeals and  
5 amendments made by this Act, the full legal and administrative  
6 consequences of:

- 7 (a) any act done or omitted to be done; or  
8 (b) any state of affairs existing; or  
9 (c) any period ending;

10 before such a repeal or amendment applies, can continue to arise and be  
11 carried out, directly or indirectly through an indefinite number of steps,  
12 even if some or all of those steps are taken after the repeal or  
13 amendment applies.

14 **7 Making and amending assessments, and doing other**  
15 **things, in relation to past matters**

16 Even though an Act is repealed or amended by this Act, the repeal or  
17 amendment is disregarded for the purpose of doing any of the following  
18 under any Act or legislative instrument (within the meaning of the  
19 *Legislative Instruments Act 2003*):

- 20 (a) making or amending an assessment (including under a  
21 provision that is itself repealed or amended);  
22 (b) exercising any right or power, performing any obligation or  
23 duty or doing any other thing (including under a provision  
24 that is itself repealed or amended);

25 in relation to any act done or omitted to be done, any state of affairs  
26 existing, or any period ending, before the repeal or amendment applies.

27 **Example 1:** On 31 July 1999, Greg Ltd lodged its annual return under former  
28 section 160ARE of the *Income Tax Assessment Act 1936*. The return  
29 stated that the company had a credit on its franking account and that  
30 no franking deficit tax was payable for the 1998-99 franking year.  
31 Under former section 160ARH of that Act, the Commissioner was  
32 taken to have made an assessment consistent with the return.

33 Following an audit undertaken after the repeal of Part IIIAA of that  
34 Act, the Commissioner concludes that Greg Ltd fraudulently  
35 overfranked dividends it paid during the 1998-99 franking year, and  
36 had a franking account deficit for that franking year. As a result, the  
37 Commissioner considers that franking deficit tax and a penalty by way  
38 of additional tax are payable.

1 The Commissioner can amend the assessment under former  
2 section 160ARN of that Act, because item 7 of this Schedule  
3 disregards the repeal of that section for the purposes of making an  
4 assessment in relation to the 1998-99 franking year. Item 7 will also  
5 disregard the repeal of Division 11 of former Part IIIAA to the extent  
6 necessary for the Commissioner to assess Greg Ltd's liability to a  
7 penalty by way of additional tax.

8 Despite the repeal of sections 160ARU and 160ARV, item 9 will  
9 ensure that the general interest charge will accrue on the unpaid  
10 franking deficit tax and penalty until they are paid.

11 Item 7 will also preserve Greg Ltd's right, under former  
12 section 160ART of that Act, to object against the Commissioner's  
13 amended assessment (including the penalty), since the objection is the  
14 exercise of a right in relation to a franking year that ended before the  
15 repeal of Part IIIAA.

16 **Example 2:** During the 1997-98 income year, Duffy Property Ltd withheld  
17 amounts from its employees' wages as required by former  
18 Divisions 1AAA and 2 of Part VI of the *Income Tax Assessment Act*  
19 *1936*. The company failed to notify the Commissioner of those  
20 amounts, and failed to remit them to the Commissioner.

21 Following an audit undertaken after the repeal of those Divisions, the  
22 Commissioner discovers that the withheld amounts have not been  
23 remitted. The company's records are incomplete and the  
24 Commissioner is unable to completely ascertain the extent of its  
25 liability for the withheld amounts. Under section 222AGA of that Act,  
26 the Commissioner makes an estimate of the liability.

27 Item 7 will disregard the repeal of section 220AAZA of that Act  
28 (which empowered the Commissioner to recover the amount of the  
29 estimate). Even though the estimate is made after the repeal, it relates  
30 to amounts withheld before the repeal.

## 31 **8 Saving of provisions about effect of assessments**

32 If a provision or part of a provision that is repealed or amended by this  
33 Act deals with the effect of an assessment, the repeal or amendment is  
34 disregarded in relation to assessments made, before or after the repeal or  
35 amendment applies, in relation to any act done or omitted to be done,  
36 any state of affairs existing, or any period ending, before the repeal or  
37 amendment applies.

## 38 **9 Saving of provisions about general interest charge, failure** 39 **to notify penalty or late reconciliation statement penalty**

40 If:  
41 (a) a provision or part of a provision that is repealed or amended  
42 by this Act provides for the payment of:

- 1 (i) general interest charge, failure to notify penalty or late  
2 reconciliation statement penalty (all within the meaning  
3 of the *Income Tax Assessment Act 1936*); or  
4 (ii) interest under the *Taxation (Interest on Overpayments  
5 and Early Payments) Act 1983*; and  
6 (b) in a particular case, the period in respect of which the charge,  
7 penalty or interest is payable (whether under the provision or  
8 under the *Taxation Administration Act 1953*) has not begun,  
9 or has begun but not ended, when the provision is repealed or  
10 amended;  
11 then, despite the repeal or amendment, the provision or part continues to  
12 apply in the particular case until the end of the period.

13 **10 Repeals disregarded for the purposes of dependent**  
14 **provisions**

15 If the operation of a provision (the *subject provision*) of any Act or  
16 legislative instrument (within the meaning of the *Legislative*  
17 *Instruments Act 2003*) made under any Act depends to any extent on an  
18 Act, or a provision of an Act, that is repealed by this Act, the repeal is  
19 disregarded so far as it affects the operation of the subject provision.

20 **11 Schedule does not limit operation of section 8 of the Acts**  
21 ***Interpretation Act 1901***

22 This Schedule does not limit the operation of section 8 of the *Acts*  
23 *Interpretation Act 1901*.

1

2 **Part 3—Other saving provisions and transitional**  
3 **provisions**

4 **12 Continued operation of repealed section 215 of the**  
5 ***Income Tax Assessment Act 1936***

6 If, just before the repeal of section 215 of the *Income Tax Assessment*  
7 *Act 1936* by Schedule 1 to this Act, that section applied to:

- 8 (a) a liquidator of a company that was being wound up; or  
9 (b) a receiver for debenture holders who had taken possession of  
10 assets of a company; or  
11 (c) an agent for a non-resident who had been required by the  
12 agent's principal to wind up the business or realise the assets  
13 of the principal;

14 the section continues so to apply in spite of the repeal.

15 **13 Continued operation of repealed sections 216 and 220 of**  
16 **the *Income Tax Assessment Act 1936***

17 If, just before the repeal of section 216 or 220 of the *Income Tax*  
18 *Assessment Act 1936* by Schedule 1 to this Act, that section applied to a  
19 deceased taxpayer, the section continues so to apply in spite of the  
20 repeal.

21 **14 Resolutions to which section 221B of the *Income Tax***  
22 ***Assessment Act 1936* applies**

23 If a resolution to which section 221B of the *Income Tax Assessment Act*  
24 *1936* applied was in force just before the repeal of that section by  
25 Schedule 1 to this Act, section 446-5 in Schedule 1 to the *Taxation*  
26 *Administration Act 1953* (as inserted by item 970 of Schedule 2 to this  
27 Act) applies to the resolution after the repeal.

28 **15 Extended operation of subsection 265-45(2) in Schedule 1**  
29 **to the *Taxation Administration Act 1953***

1           In addition to the operation that it has apart from this item, subsection  
2           265-45(2) in Schedule 1 to the *Taxation Administration Act 1953* also  
3           applies to an amount of a liability (within the meaning of that  
4           subsection) that a person pays after the repeal of section 259 of the  
5           *Income Tax Assessment Act 1936* by item 166 of Schedule 1 to this Act,  
6           if the liability arose before 1 July 2000.  
7