

2013-2014

The Parliament of the
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

As read a third time

**Clean Energy Legislation (Carbon Tax
Repeal) Bill 2014**

No. , 2014

**A Bill for an Act to repeal the *Clean Energy Act
2011*, and for other purposes**

Contents

| | | |
|---|--|-----------|
| 1 | Short title..... | 1 |
| 2 | Commencement..... | 1 |
| 3 | Schedule(s)..... | 3 |
| Schedule 1—Repeal of the carbon tax | | 4 |
| Part 1—Repeal of Acts | | 4 |
| | <i>Clean Energy Act 2011</i> | 4 |
| | <i>Clean Energy (Charges—Customs) Act 2011</i> | 4 |
| | <i>Clean Energy (Charges—Excise) Act 2011</i> | 4 |
| | <i>Clean Energy (Unit Issue Charge—Auctions) Act 2011</i> | 4 |
| | <i>Clean Energy (Unit Issue Charge—Fixed Charge) Act 2011</i> | 4 |
| | <i>Clean Energy (Unit Shortfall Charge—General) Act 2011</i> | 4 |
| Part 2—Amendments | | 5 |
| | <i>A New Tax System (Goods and Services Tax) Act 1999</i> | 5 |
| | <i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006</i> | 6 |
| | <i>Australian National Registry of Emissions Units Act 2011</i> | 6 |
| | <i>Australian Securities and Investments Commission Act 2001</i> | 14 |
| | <i>Clean Energy Regulator Act 2011</i> | 15 |
| | <i>Corporations Act 2001</i> | 18 |
| | <i>Fuel Tax Act 2006</i> | 19 |
| | <i>Fuel Tax (Consequential and Transitional Provisions) Act 2006</i> | 26 |
| | <i>Income Tax Assessment Act 1997</i> | 26 |
| | <i>National Greenhouse and Energy Reporting Act 2007</i> | 30 |
| | <i>Ozone Protection and Synthetic Greenhouse Gas Management Act 1989</i> | 41 |
| | <i>Petroleum Resource Rent Tax Assessment Act 1987</i> | 42 |
| | <i>Taxation Administration Act 1953</i> | 42 |
| Part 3—Application and transitional provisions | | 43 |
| | Division 1—Preliminary | 43 |
| | Division 2—Provisions relating to the Clean Energy Act 2011 and associated charge Acts | 45 |
| | Division 3—Provisions relating to other Acts | 53 |

| | |
|--|-----|
| Division 4—Miscellaneous | 60 |
| Division 5—Transitional provisions commencing on Royal Assent | 61 |
| Part 4—Jobs and Competitiveness Program | 64 |
| Division 1—Preliminary | 64 |
| Division 2—Reporting requirements | 65 |
| Division 3—Issue of additional free carbon units | 66 |
| Division 4—True-up shortfalls | 67 |
| Division 5—Collection of levy | 69 |
| Division 6—Miscellaneous | 70 |
| Schedule 2—Carbon tax price reduction obligation | 71 |
| <i>Competition and Consumer Act 2010</i> | 71 |
| Schedule 3—Repeal of tax offset for conservation tillage | 102 |
| <i>Clean Energy (Consequential Amendments) Act 2011</i> | 102 |
| <i>Income Tax Assessment Act 1997</i> | 102 |
| Schedule 4—Repeal of the Steel Transformation Plan Act 2011 | 103 |
| <i>Steel Transformation Plan Act 2011</i> | 103 |
| Schedule 5—Australian Renewable Energy Agency’s finances | 104 |
| <i>Australian Renewable Energy Agency Act 2011</i> | 104 |

1
2 THIS Bill originated in the House of
3 Representatives; and, having this day passed,
4 is now ready for presentation to the Senate
5 for its concurrence.

6 D. R. ELDER
7 *Clerk of the House of Representatives*

8 House of Representatives
9 14 July 2014

10 **A Bill for an Act to repeal the *Clean Energy Act***
11 ***2011*, and for other purposes**

12 The Parliament of Australia enacts:

13 **1 Short title**

14 This Act may be cited as the *Clean Energy Legislation (Carbon*
15 *Tax Repeal) Act 2014*.

16 **2 Commencement**

17 (1) Each provision of this Act specified in column 1 of the table
18 commences, or is taken to have commenced, in accordance with
19 column 2 of the table. Any other statement in column 2 has effect
20 according to its terms.
21

Commencement information

| Column 1 | Column 2 | Column 3 |
|---|--|---------------------|
| Provision(s) | Commencement | Date/Details |
| 1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table | The day this Act receives the Royal Assent. | |
| 2. Schedule 1, Parts 1 and 2 | 1 July 2014. | 1 July 2014 |
| 3. Schedule 1, Part 3, Divisions 1 to 4 | 1 July 2014. | 1 July 2014 |
| 4. Schedule 1, Part 3, Division 5 | The day this Act receives the Royal Assent. | |
| 5. Schedule 1, Part 4 | The day after this Act receives the Royal Assent. However, if this Act receives the Royal Assent before 30 June 2014, the provision(s) commence on 1 July 2014. | |
| 6. Schedule 2 | The later of: (a) the day after this Act receives the Royal Assent; and (b) 1 January 2014. | |
| 7. Schedule 3 | The day after this Act receives the Royal Assent. | |
| 8. Schedule 4 | 1 July 2014. | 1 July 2014 |
| 9. Schedule 5 | The day this Act receives the Royal Assent. | |

1 Note: This table relates only to the provisions of this Act as originally
2 enacted. It will not be amended to deal with any later amendments of
3 this Act.

4 (2) Any information in column 3 of the table is not part of this Act.
5 Information may be inserted in this column, or information in it
6 may be edited, in any published version of this Act.

1
2
3
4
5

3 Schedule(s)

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 **Schedule 1—Repeal of the carbon tax**

2 **Part 1—Repeal of Acts**

3 *Clean Energy Act 2011*

4 **1 The whole of the Act**

5 Repeal the Act.

6 *Clean Energy (Charges—Customs) Act 2011*

7 **2 The whole of the Act**

8 Repeal the Act.

9 *Clean Energy (Charges—Excise) Act 2011*

10 **3 The whole of the Act**

11 Repeal the Act.

12 *Clean Energy (Unit Issue Charge—Auctions) Act 2011*

13 **4 The whole of the Act**

14 Repeal the Act.

15 *Clean Energy (Unit Issue Charge—Fixed Charge) Act 2011*

16 **5 The whole of the Act**

17 Repeal the Act.

18 *Clean Energy (Unit Shortfall Charge—General) Act 2011*

19 **6 The whole of the Act**

20 Repeal the Act.

1 **Part 2—Amendments**

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

3 **7 Section 195-1**

4 Insert:

5 *eligible Australian carbon credit unit* means:

6 (a) a Kyoto Australian carbon credit unit (within the meaning of
7 the *Carbon Credits (Carbon Farming Initiative) Act 2011*);

8 or

9 (b) a non-Kyoto Australian carbon credit unit (within the
10 meaning of that Act) issued in relation to an eligible offsets
11 project (within the meaning of that Act) for a reporting
12 period (within the meaning of that Act), where:

13 (i) if it were assumed that the reporting period had ended
14 before the Kyoto abatement deadline (within the
15 meaning of that Act), a Kyoto Australian carbon credit
16 unit would have been issued in relation to the project for
17 the reporting period instead of the non-Kyoto Australian
18 carbon credit unit; and

19 (ii) the non-Kyoto Australian carbon credit unit is not of a
20 kind specified in the regulations; or

21 (c) an Australian carbon credit unit (within the meaning of that
22 Act) of a kind specified in the regulations.

23 Subparagraph (b)(ii) and paragraph (c) do not, by implication, limit
24 the application of subsection 13(3) of the *Legislative Instruments*
25 *Act 2003* to other instruments under this Act.

26 **8 Section 195-1 (definition of *eligible emissions unit*)**

27 Repeal the definition, substitute:

28 *eligible emissions unit* means:

29 (a) an *eligible international emissions unit; or

30 (b) an *eligible Australian carbon credit unit.

31 **9 Section 195-1**

32 Insert:

1 *eligible international emissions unit* has the same meaning as in
2 the *Australian National Registry of Emissions Units Act 2011*.

3 ***Anti-Money Laundering and Counter-Terrorism Financing***
4 ***Act 2006***

5 **10 Section 5 (definition of *carbon unit*)**

6 Repeal the definition.

7 **11 Subsection 6(2) (paragraph (baa) of the cell at table**
8 **item 33, column headed “Provision of a designated**
9 **service”)**

10 Repeal the paragraph.

11 **12 Subsection 6(2) (paragraph (d) of the cell at table item 33,**
12 **column headed “Provision of a designated service”)**

13 Omit “carbon units,”.

14 ***Australian National Registry of Emissions Units Act 2011***

15 **13 Section 3**

16 Omit:

- | |
|--|
| <p>17 • Entries may be made in Registry accounts for:</p> <p>18 (a) carbon units; and</p> <p>19 (b) Australian carbon credit units; and</p> <p>20 (c) Kyoto units; and</p> <p>21 (d) prescribed international units.</p> <p>22 • This Act sets out rules about dealings with:</p> <p>23 (a) Kyoto units; and</p> <p>24 (b) prescribed international units.</p> |
|--|

1 substitute:

- | |
|--|
| <ul style="list-style-type: none">• Entries may be made in Registry accounts for:<ul style="list-style-type: none">(a) Australian carbon credit units; and(b) Kyoto units.• This Act sets out rules about dealings with Kyoto units. |
|--|

6 **14 Section 4 (definition of *Australian-issued international***
7 ***unit*)**

8 Repeal the definition.

9 **15 Section 4 (definition of *benchmark average auction***
10 ***charge*)**

11 Repeal the definition.

12 **16 Section 4 (definition of *carbon unit*)**

13 Repeal the definition.

14 **17 Section 4 (definition of *Commonwealth foreign registry***
15 ***account*)**

16 Repeal the definition.

17 **18 Section 4 (paragraph (d) of the definition of *eligible***
18 ***international emissions unit*)**

19 Omit “rules; or”, substitute “rules.”.

20 **19 Section 4 (paragraph (e) of the definition of *eligible***
21 ***international emissions unit*)**

22 Repeal the paragraph.

23 **20 Section 4 (definition of *European allowance unit*)**

24 Repeal the definition.

1 **21 Section 4 (definition of *European Union Greenhouse Gas***
2 ***Emission Allowance Trading Directive*)**

3 Repeal the definition.

4 **22 Section 4 (definition of *fixed charge year*)**

5 Repeal the definition.

6 **23 Section 4 (definition of *foreign account*)**

7 Repeal the definition, substitute:

8 *foreign account*, when used in relation to a Kyoto unit, means an
9 account kept within a foreign Kyoto registry.

10 **24 Section 4 (definition of *foreign government body*)**

11 Repeal the definition.

12 **25 Section 4 (definition of *hold*)**

13 Omit “a carbon unit or”.

14 **26 Section 4 (definition of *Information Database*)**

15 Repeal the definition.

16 **27 Section 4 (definition of *international arrangement*)**

17 Repeal the definition.

18 **28 Section 4 (definition of *international organisation*)**

19 Repeal the definition.

20 **29 Section 4 (definition of *issue*)**

21 Repeal the definition, substitute:

22 *issue*, in relation to an Australian carbon credit unit, has the same
23 meaning as in the *Carbon Credits (Carbon Farming Initiative) Act*
24 *2011*.

25 **30 Section 4 (definition of *prescribed international unit*)**

26 Repeal the definition.

1 **31 Section 4 (definition of *quarter*)**

2 Repeal the definition.

3 **32 Section 4 (paragraph (aa) of the definition of *registered***
4 ***holder*)**

5 Repeal the paragraph.

6 **33 Section 4 (paragraph (b) of the definition of *registered***
7 ***holder*)**

8 Omit “unit; or”, substitute “unit.”.

9 **34 Section 4 (paragraph (c) of the definition of *registered***
10 ***holder*)**

11 Repeal the paragraph.

12 **35 Section 4 (definition of *relinquish*)**

13 Repeal the definition.

14 **36 Section 4 (definition of *transfer*)**

15 Repeal the definition, substitute:

16 *transfer*, in relation to a Kyoto unit, has the meaning given by
17 section 33.

18 **37 Section 4 (definition of *vintage year*)**

19 Repeal the definition.

20 **38 Paragraph 9(4)(a)**

21 Omit “carbon units, Australian carbon credit units and prescribed
22 international units”, substitute “Australian carbon credit units”.

23 **39 Paragraph 11(5)(a)**

24 Omit “carbon units or”.

25 **40 Section 14A**

26 Repeal the section.

1 **41 Paragraph 15(2)(aa)**

2 Repeal the paragraph.

3 **42 Paragraph 15(2)(c)**

4 Omit “account; and”, substitute “account.”.

5 **43 Paragraph 15(2)(d)**

6 Repeal the paragraph.

7 **44 Subparagraph 16(2)(b)(ii)**

8 Omit “(4), (5) and (6)”, substitute “(4) and (6)”.

9 **45 Subsection 16(2A)**

10 Repeal the subsection (not including the heading).

11 **46 Subsection 16(5)**

12 Repeal the subsection.

13 **47 Paragraph 16(7)(b)**

14 Omit “or (5)”.

15 **48 Subsection 17(1A)**

16 Repeal the subsection.

17 **49 Subsection 17(3)**

18 Repeal the subsection.

19 **50 Paragraph 19(3A)(a)**

20 Omit “or 49A”.

21 **51 Subsection 19(3B)**

22 Repeal the subsection.

23 **52 Section 21**

24 Repeal the section.

25 **53 Paragraph 22(4A)(a)**

26 Omit “or 49A”.

- 1 **54 Subsection 22(4B)**
2 Repeal the subsection.
- 3 **55 Subparagraph 26(3)(a)(ia)**
4 Repeal the subparagraph.
- 5 **56 Subparagraph 26(3)(a)(ii)**
6 Omit “or”.
- 7 **57 Subparagraph 26(3)(a)(iii)**
8 Repeal the subparagraph.
- 9 **58 Paragraph 27(3B)(b)**
10 Omit “account; or”, substitute “account.”.
- 11 **59 Paragraph 27(3B)(c)**
12 Repeal the paragraph.
- 13 **60 Paragraph 28A(1)(aa)**
14 Repeal the paragraph.
- 15 **61 Paragraph 28A(1)(b)**
16 Omit “or”.
- 17 **62 Paragraph 28A(1)(c)**
18 Repeal the paragraph.
- 19 **63 Paragraph 28A(4)(aa)**
20 Repeal the paragraph.
- 21 **64 Paragraph 28B(1)(aa)**
22 Repeal the paragraph.
- 23 **65 Paragraph 28B(1)(b)**
24 Omit “or”.
- 25 **66 Paragraph 28B(1)(c)**
26 Repeal the paragraph.
-

1 **67 Paragraph 28B(11)(aa)**

2 Repeal the paragraph.

3 **68 Subsection 28B(11) (paragraph (c) of the note)**

4 Omit “Act; and”, substitute “Act.”.

5 **69 Subsection 28B(11) (paragraphs (d) and (e) of the note)**

6 Repeal the paragraphs.

7 **70 Paragraph 28C(17)(aa)**

8 Repeal the paragraph.

9 **71 Subparagraph 28D(5)(a)(ii)**

10 Omit “carbon units or”.

11 **72 Paragraph 28D(5)(b)**

12 Repeal the paragraph, substitute:

13 (b) a notice to relinquish Australian carbon credit units under
14 section 175 of the *Carbon Credits (Carbon Farming*
15 *Initiative) Act 2011* does not have effect.

16 **73 Paragraph 28D(16)(aa)**

17 Repeal the paragraph.

18 **74 Part 4**

19 Repeal the Part.

20 **75 Section 58**

21 Omit:

- 22
- 23
- 24
- 25
- | |
|---|
| <ul style="list-style-type: none">• The Regulator must publish certain information about:<ul style="list-style-type: none">(a) the holders of Registry accounts; and(b) carbon units; and(c) Kyoto units; and |
|---|

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

(d) prescribed international units.

substitute:

- The Regulator must publish certain information about:
 - (a) the holders of Registry accounts; and
 - (b) Kyoto units.

76 Section 59A

Repeal the section.

77 Subsections 61(3) to (6)

Repeal the subsections.

78 Section 61A

Repeal the section.

79 Sections 63 to 63G

Repeal the sections.

80 Section 64

Omit:

- If a person is the registered holder of one or more carbon units, the person may request the Regulator to cancel any or all of those units. However, this rule does not apply to a unit that was issued for a fixed charge and has a vintage year that is a fixed charge year.

81 Section 64

Omit:

- If a person is the registered holder of one or more prescribed international units, the person may request the Regulator to cancel any or all of those units.

1 **82 Section 64A**

2 Repeal the section.

3 **83 Section 66**

4 Repeal the section.

5 **84 Parts 6A and 6B**

6 Repeal the Parts.

7 **85 Paragraph 79(1)(c)**

8 Omit “27(4);”, substitute “27(4).”.

9 **86 Paragraph 79(1)(d)**

10 Repeal the paragraph.

11 **87 Section 82 (table item 2)**

12 Omit “or 53”.

13 **88 Section 82 (table item 3)**

14 Repeal the item.

15 **89 Section 82 (table items 8 and 9)**

16 Omit “or 21”.

17 **90 Section 82 (table items 15 and 16)**

18 Repeal the items.

19 **91 Section 86A**

20 Repeal the section.

21 ***Australian Securities and Investments Commission Act 2001***

22 **92 Paragraph 12BAA(7)(ka)**

23 Repeal the paragraph.

24 **93 Paragraph 12BAB(1)(g)**

25 Omit “a carbon unit,”.

1 **94 At the end of the Act**

2 Add:

3 **Part 20—Transitional provisions relating to the**
4 **Clean Energy Legislation (Carbon Tax**
5 **Repeal) Act 2014**
6

7 **295 Definition**

8 In this Part:

9 *designated carbon unit day* has the same meaning as in Part 3 of
10 Schedule 1 to the *Clean Energy Legislation (Carbon Tax Repeal)*
11 *Act 2014*.

12 **296 Transitional—carbon units issued before the designated carbon**
13 **unit day**

14 Despite the amendments of this Act made by Schedule 1 to the
15 *Clean Energy Legislation (Carbon Tax Repeal) Act 2014*, this Act
16 continues to apply, in relation to carbon units issued before the
17 designated carbon unit day, as if those amendments had not been
18 made.

19 ***Clean Energy Regulator Act 2011***

20 **95 Section 3**

21 Omit:

- 22
- 23
- 24
- 25
- 26
- | |
|---|
| <ul style="list-style-type: none">• The Regulator has such functions as are conferred on it by or under:<ul style="list-style-type: none">(a) the <i>Clean Energy Act 2011</i>; and(b) the <i>Carbon Credits (Carbon Farming Initiative) Act 2011</i>; and |
|---|

Schedule 1 Repeal of the carbon tax
Part 2 Amendments

1
2
3
4
5

- (c) the *National Greenhouse and Energy Reporting Act 2007*; and
- (d) the *Renewable Energy (Electricity) Act 2000*; and
- (e) the *Australian National Registry of Emissions Units Act 2011*.

6

substitute:

7
8
9
10
11
12
13
14
15

- The Regulator has such functions as are conferred on it by or under:
 - (a) the *Carbon Credits (Carbon Farming Initiative) Act 2011*; and
 - (b) the *National Greenhouse and Energy Reporting Act 2007*; and
 - (c) the *Renewable Energy (Electricity) Act 2000*; and
 - (d) the *Australian National Registry of Emissions Units Act 2011*.

16
17

96 Section 4

Insert:

18
19
20
21

Climate Change Convention means the United Nations Framework Convention on Climate Change, done at New York on 9 May 1992, as amended and in force for Australia from time to time.

22
23
24
25

Note: The text of the Convention is set out in Australian Treaty Series 1994 No. 2 ([1994] ATS 2). In 2013, the text of a Convention in the Australian Treaty Series was accessible through the Australian Treaties Library on the AustLII website (www.austlii.edu.au).

26
27
28

97 Section 4 (paragraphs (b) to (h) of the definition of *climate change law*)

Repeal the paragraphs.

1 **98 Section 4**

2 Insert:

3 *greenhouse gas* has the same meaning as in the *National*
4 *Greenhouse and Energy Reporting Act 2007*.

5 **99 Section 4 (definition of *international agreement*)**

6 Repeal the definition, substitute:

7 *international agreement* means an agreement whose parties are:

- 8 (a) Australia and a foreign country; or
9 (b) Australia and 2 or more foreign countries.

10 **100 Section 4 (definition of *international climate change***
11 ***agreement*)**

12 Repeal the definition, substitute:

13 *international climate change agreement* means:

- 14 (a) the Climate Change Convention; or
15 (b) any other international agreement, signed on behalf of
16 Australia, that:
17 (i) relates to climate change; and
18 (ii) imposes obligations on Australia to take action to
19 reduce greenhouse gas emissions; or
20 (c) an international agreement, signed on behalf of Australia,
21 that:
22 (i) relates to climate change; and
23 (ii) is specified in a legislative instrument made by the
24 Minister for the purposes of this definition.

25 **101 Section 4 (paragraph (a) of the definition of *objectives of***
26 ***the Regulator*)**

27 Repeal the paragraph.

28 **102 Section 4 (definition of *prescribed international unit*)**

29 Repeal the definition.

30 **103 Paragraph 41(3)(a)**

31 Repeal the paragraph.

1 **104 Paragraph 49(1)(z)**

2 Repeal the paragraph, substitute:

3 (z) a person or body responsible for the administration of a
4 scheme that involves the issue or registration of prescribed
5 eligible carbon units;

6 ***Corporations Act 2001***

7 **105 Section 9 (definition of *carbon unit*)**

8 Repeal the definition.

9 **106 Paragraph 764A(1)(kaa)**

10 Repeal the paragraph.

11 **107 At the end Chapter 10**

12 Add:

13 **Part 10.23—Transitional provisions relating to the**
14 **Clean Energy Legislation (Carbon Tax**
15 **Repeal) Act 2014**
16

17 **1542 Definition**

18 In this Part:

19 ***designated carbon unit day*** has the same meaning as in Part 3 of
20 Schedule 1 to the *Clean Energy Legislation (Carbon Tax Repeal)*
21 *Act 2014*.

22 **1543 Transitional—carbon units issued before the designated**
23 **carbon unit day**

24 Despite the amendments of this Act made by Schedule 1 to the
25 *Clean Energy Legislation (Carbon Tax Repeal) Act 2014*, this Act
26 continues to apply, in relation to carbon units issued before the
27 designated carbon unit day, as if those amendments had not been
28 made.

1 **1544 Transitional—variation of conditions on Australian financial**
2 **services licences**

3 *Scope*

- 4 (1) This section applies if, as at the end of the designated carbon unit
5 day, an Australian financial services licence is subject to a
6 condition that authorises the financial services licensee to provide
7 financial services in relation to financial products that are carbon
8 units.

9 *Variation*

- 10 (2) After that day, subsections 914A(3), (4) and (5) do not apply in
11 relation to a variation of the condition, if the only effect of the
12 variation is to remove the authorisation to provide financial
13 services in relation to financial products that are carbon units.

14 **1545 Transitional—immediate cancellation of Australian financial**
15 **services licences**

16 Section 915B applies, on and after the designated carbon unit day,
17 as if the following subsection was added at the end of the section:

18 *Licence relating to carbon units*

- 19 (5) ASIC may cancel an Australian financial services licence held by a
20 person, by giving written notice to the person, if the licence only
21 authorises the person to provide financial services that relate to
22 financial products that are carbon units.

23 **1546 Transitional—statements of reasons for cancellation of**
24 **Australian financial services licences**

25 Section 915G does not apply to a cancellation under
26 subsection 915B(5) (as inserted by section 1545).

27 ***Fuel Tax Act 2006***

28 **108 Section 2-1**

29 Omit:

1 This Act provides a single system of fuel tax credits. Fuel tax
2 credits are paid to reduce the incidence of fuel tax levied on taxable
3 fuels, ensuring that, generally, fuel tax is effectively only applied
4 to:

- 5 (a) fuel used in private vehicles and for certain other private
6 purposes; and
7 (b) fuel used on-road in light vehicles for business purposes.

8 For fuel that is not *covered by the Opt-in Scheme, the fuel tax
9 credit entitlement is (with some exceptions) reduced by an amount
10 equivalent to what the carbon price on the fuel emissions would be
11 (if those emissions were subject to a carbon price). For fuel that is
12 covered by that Scheme, the entitlement is not so reduced.

13 Fuel tax credits are also provided for fuel for use in aircraft if the
14 fuel is covered by the Opt-in Scheme. The amount of the credit is
15 limited to the carbon component rate that was factored into the rate
16 of fuel tax.

17 Fuel tax credits are also provided for gaseous fuel that is subject to
18 the carbon pricing mechanism if the fuel is for use in agriculture,
19 fishing operations or forestry. The amount of the credit is the
20 amount of the carbon charge that is embedded in the price of the
21 fuel.

22 substitute:

23 This Act provides a single system of fuel tax credits. Fuel tax
24 credits are paid to reduce or remove the incidence of fuel tax levied
25 on taxable fuels, ensuring that, generally, fuel tax is effectively
26 only applied to:

- 27 (a) fuel used in private vehicles and for certain other private
28 purposes; and
29 (b) fuel used on-road in light vehicles for business purposes.

30 **109 Subsection 40-5(2)**

31 After “reduce”, insert “or remove”.

32 **110 Subsections 40-5(3) and (4)**

33 Repeal the subsections.

1 **111 Section 41-1**

2 Omit:

3 However, fuel tax credits are denied under Subdivision 41-B if:

- 4 (a) another person is already entitled to a fuel tax
5 credit in respect of the fuel; or
- 6 (b) the fuel is for use on-road in light vehicles; or
- 7 (c) the fuel is for use in vehicles that do not meet
8 certain environmental criteria; or
- 9 (d) the fuel is for use in aircraft, and is not covered by
10 the Opt-in Scheme.

11 substitute:

12 However, fuel tax credits are denied under Subdivision 41-B if:

- 13 (a) another person is already entitled to a fuel tax
14 credit in respect of the fuel; or
- 15 (b) the fuel is for use on-road in light vehicles; or
- 16 (c) the fuel is for use in vehicles that do not meet
17 certain environmental criteria; or
- 18 (d) the fuel is for use in aircraft.

19 **112 Paragraph 41-5(3)(b)**

20 Omit “vehicle, vessel or aircraft”, substitute “vehicle (or vessel)”.

21 **113 Subsection 41-15(1)**

22 Omit “this Division, Division 42 or Division 42A” (wherever
23 occurring), substitute “this Division or Division 42”.

24 **114 Subparagraph 41-25(2)(a)(ii)**

25 Omit “*agricultural property”, substitute “agricultural property”.

1 **115 Section 41-30 (heading)**

2 Repeal the heading, substitute:

3 **41-30 No fuel tax credit for fuel to be used in an aircraft**

4 **116 Subsection 41-30(1)**

5 Omit “(1)”.

6 **117 Subsection 41-30(2)**

7 Repeal the subsection.

8 **118 Section 41-35**

9 Repeal the section.

10 **119 Division 42A**

11 Repeal the Division.

12 **120 Section 43-1**

13 Omit:

14 The amount of your credit for taxable fuel is the amount of fuel tax
15 that was payable on the fuel:

- 16 (a) reduced to take account of certain grants and
17 subsidies that were payable in respect of the fuel
18 (as the grants or subsidies reduced the amount of
19 fuel tax that effectively applied to the fuel); and
- 20 (b) for fuel that is not covered by the Opt-in Scheme—
21 reduced (with some exceptions) to take account of
22 what the carbon price on the fuel emissions would
23 be (if those emissions were subject to a carbon
24 price).

25 For fuel for use in aircraft that is covered by the Opt-in Scheme,
26 the amount of the credit is reduced so that it is limited to the carbon
27 component rate that was factored into the rate of fuel tax.

1 For gaseous fuel that is subject to the carbon pricing mechanism,
2 the amount of the credit is the amount of the carbon charge that is
3 embedded in the price of the fuel.

4 substitute:

5 The amount of your credit for taxable fuel is the amount of fuel tax
6 that was payable on the fuel, reduced to take account of certain
7 grants and subsidies that were payable in respect of the fuel (as the
8 grants or subsidies reduced the amount of fuel tax that effectively
9 applied to the fuel).

10 **121 Subsection 43-5(1)**

11 Repeal the subsection, substitute:

- 12 (1) The *amount of your tax fuel credit for taxable fuel is the amount
13 of *effective fuel tax that is payable on the fuel.

14 Note: The amount of the credit may be reduced under section 43-10.

15 **122 Subsections 43-5(4) and (5)**

16 Repeal the subsections.

17 **123 Section 43-8**

18 Repeal the section.

19 **124 Section 43-10 (heading)**

20 Repeal the heading, substitute:

21 **43-10 Reducing the amount of your fuel tax credit**

22 **125 Subsection 43-10(1A)**

23 Repeal the subsection.

24 **126 Section 43-11**

25 Repeal the section.

26 **127 Subdivision 43-B**

27 Repeal the Subdivision.

- 1 **128 Section 110-5 (definition of *agricultural activity*)**
2 Repeal the definition.
- 3 **129 Section 110-5 (definition of *agricultural construction***
4 ***activity*)**
5 Repeal the definition.
- 6 **130 Section 110-5 (definition of *agricultural property*)**
7 Repeal the definition.
- 8 **131 Section 110-5 (definition of *agricultural soil/water***
9 ***activity*)**
10 Repeal the definition.
- 11 **132 Section 110-5 (definition of *agricultural waste activity*)**
12 Repeal the definition.
- 13 **133 Section 110-5 (definition of *agriculture*)**
14 Repeal the definition.
- 15 **134 Section 110-5 (definition of *approved catchment area*)**
16 Repeal the definition.
- 17 **135 Section 110-5 (definition of *carbon reduction*)**
18 Repeal the definition.
- 19 **136 Section 110-5 (definition of *CNG*)**
20 Repeal the definition.
- 21 **137 Section 110-5 (definition of *core agricultural activity*)**
22 Repeal the definition.
- 23 **138 Section 110-5 (definition of *covered by the Opt-in***
24 ***Scheme*)**
25 Repeal the definition.
- 26 **139 Section 110-5 (definition of *earthworks*)**
27 Repeal the definition.
-

- 1 **140 Section 110-5 (definition of *fish*)**
2 Repeal the definition.
- 3 **141 Section 110-5 (definition of *fishing operations*)**
4 Repeal the definition.
- 5 **142 Section 110-5 (definition of *forestry*)**
6 Repeal the definition.
- 7 **143 Section 110-5 (definition of *half-year*)**
8 Repeal the definition.
- 9 **144 Section 110-5 (definition of *horticulture*)**
10 Repeal the definition.
- 11 **145 Section 110-5 (definition of *livestock*)**
12 Repeal the definition.
- 13 **146 Section 110-5 (definition of *livestock activity*)**
14 Repeal the definition.
- 15 **147 Section 110-5 (definition of *LNG*)**
16 Repeal the definition.
- 17 **148 Section 110-5 (definition of *pearling operations*)**
18 Repeal the definition.
- 19 **149 Section 110-5 (definition of *port*)**
20 Repeal the definition.
- 21 **150 Section 110-5 (definition of *processing of fish*)**
22 Repeal the definition.
- 23 **151 Section 110-5 (definition of *public authority*)**
24 Repeal the definition.
- 25 **152 Section 110-5 (definition of *renewable diesel*)**
26 Repeal the definition.
-

1 **153 Section 110-5 (definition of *sundry agricultural activity*)**

2 Repeal the definition.

3 **154 Section 110-5 (definition of *taxable fuel*)**

4 Repeal the definition, substitute:

5 *taxable fuel* means fuel in respect of which duty is payable under:

6 (a) the *Excise Act 1901* and the *Excise Tariff Act 1921*; or

7 (b) the *Customs Act 1901* and the *Customs Tariff Act 1995*;

8 but does not include fuel covered by:

9 (c) item 15, 20 or 21 of the Schedule to the *Excise Tariff Act*
10 *1921*; or

11 (d) any imported goods that would be classified to item 15 of the
12 Schedule to the *Excise Tariff Act 1921*, if the goods had been
13 manufactured in Australia.

14 Note: Item 15 of the Schedule to the *Excise Tariff Act 1921* deals with
15 certain petroleum based oils and greases. Item 20 of that Schedule
16 deals with certain stabilised crude petroleum oils. Item 21 of that
17 Schedule deals with certain condensate.

18 ***Fuel Tax (Consequential and Transitional Provisions) Act***
19 ***2006***

20 **155 Subitem 12(2A) of Schedule 3**

21 Repeal the subitem.

22 ***Income Tax Assessment Act 1997***

23 **156 Section 12-5 (table item headed “clean energy”)**

24 Repeal the item.

25 **157 Section 26-18**

26 Repeal the section.

27 **158 Section 104-5 (table item relating to CGT event K1,**
28 **column headed “Event number and description”)**

29 Omit “*carbon unit, an *international emissions unit”, substitute
30 “*Kyoto unit”.

1 **159 Subparagraphs 104-205(1)(a)(i) and (ii)**

2 Repeal the subparagraphs.

3 **160 Subparagraph 104-205(1)(a)(iii)**

4 Omit “an *international emissions unit”, substitute “a *Kyoto unit”.

5 **161 Subparagraph 104-205(1)(a)(iv)**

6 Omit “an *international emissions unit”, substitute “a Kyoto unit”.

7 **162 Section 112-97 (table item 18A, column headed “In this**
8 **situation”)**

9 Omit “an *international emissions unit”, substitute “a *Kyoto unit”.

10 **163 Subsection 118-15(2)**

11 Repeal the subsection.

12 **164 Paragraph 420-10(a)**

13 Repeal the paragraph.

14 **165 Paragraph 420-10(c)**

15 Repeal the paragraph.

16 **166 Subsection 420-15(1) (note)**

17 Repeal the note.

18 **167 Subsection 420-15(3)**

19 Repeal the subsection.

20 **168 Subsection 420-20(3)**

21 Repeal the subsection (not including the note), substitute:

22 (3) This section does not apply to the issue of an *Australian carbon
23 credit unit under the *Carbon Credits (Carbon Farming Initiative)*
24 *Act 2011*.

25 **169 Subparagraphs 420-21(1)(a)(i) and (ii)**

26 Repeal the subparagraphs.

1 **170 Subparagraph 420-21(1)(a)(iii)**

2 Omit “an *international emissions unit”, substitute “a *Kyoto unit”.

3 **171 Subparagraph 420-21(1)(a)(iv)**

4 Omit “an international emissions unit”, substitute “a Kyoto unit”.

5 **172 Subsection 420-21(1) (example)**

6 Omit “of international emissions unit”, substitute “of Kyoto unit”.

7 **173 Subparagraphs 420-21(2)(a)(i) and (ii)**

8 Repeal the subparagraphs.

9 **174 Subparagraph 420-21(2)(a)(iii)**

10 Omit “an *international emissions unit”, substitute “a *Kyoto unit”.

11 **175 Subparagraph 420-21(2)(a)(iv)**

12 Omit “an international emissions unit”, substitute “a Kyoto unit”.

13 **176 Subparagraph 420-35(b)(i)**

14 Repeal the subparagraph.

15 **177 Subparagraph 420-35(b)(ii)**

16 Omit “an *international emissions unit”, substitute “a *Kyoto unit”.

17 **178 Section 420-35 (example)**

18 Omit “of international emissions unit”, substitute “of Kyoto unit”.

19 **179 Section 420-43**

20 Repeal the section.

21 **180 Subsection 420-51(1)**

22 Omit “(1)”.

23 **181 Subsection 420-51(2)**

24 Repeal the subsection.

25 **182 Subparagraph 420-52(a)(i)**

26 Repeal the subparagraph.

1 **183 Paragraph 420-52(b)**

2 Repeal the paragraph.

3 **184 Subsection 420-55(6)**

4 Repeal the subsection.

5 **185 Subsection 420-57(9)**

6 Repeal the subsection.

7 **186 Section 420-58**

8 Repeal the section.

9 **187 Subsections 420-60(1) and (2)**

10 Repeal the subsections.

11 **188 Subsection 420-60(4)**

12 Omit all the words from and including “If a *registered” to and
13 including “*cost* of the unit”, substitute “The *cost* of a *registered
14 emissions unit (other than an *Australian carbon credit unit)”.

15 **189 Subsection 420-65(3)**

16 Repeal the subsection.

17 **190 Subsection 420-70(3)**

18 Repeal the subsection.

19 **191 Subsection 995-1(1) (definition of *carbon unit*)**

20 Repeal the definition.

21 **192 Subsection 995-1(1) (definition of *free carbon unit*)**

22 Repeal the definition.

23 **193 Subsection 995-1(1) (definition of *international emissions***
24 ***unit*)**

25 Repeal the definition.

1 **194 Subsection 995-1(1) (definition of *prescribed***
2 ***international unit*)**

3 Repeal the definition.

4 **195 Subsection 995-1(1) (definition of *vintage year*)**

5 Repeal the definition.

6 ***National Greenhouse and Energy Reporting Act 2007***

7 **196 Section 3 (heading)**

8 Repeal the heading, substitute:

9 **3 Object**

10 **197 Subsection 3(1)**

11 Omit “(1) The first object”, substitute “The object”.

12 **198 Subsection 3(2)**

13 Repeal the subsection.

14 **199 Subsection 4(1)**

15 Omit “(1) This Act (except to the extent to which it underpins the *Clean*
16 *Energy Act 2011*)”, substitute “This Act”.

17 **200 Subsection 4(2)**

18 Repeal the subsection.

19 **201 Subsection 5(1)**

20 Omit “(1)”.

21 **202 Before subparagraph 5(1)(a)(ii)**

22 Insert:

23 (i) greenhouse gas emissions; or

24 **203 Subsection 5(2)**

25 Repeal the subsection.

1 **204 Section 7 (definition of *carbon dioxide equivalence*)**

2 Repeal the definition, substitute:

3 *carbon dioxide equivalence*, of an amount of greenhouse gas,
4 means the amount of the gas multiplied by a value specified in the
5 regulations in relation to that kind of greenhouse gas.

6 **205 Section 7**

7 Insert:

8 *designated financial year* means:

- 9 (a) the financial year beginning on 1 July 2012; or
10 (b) a later financial year.

11 **206 Section 7 (definition of *designated fuel*)**

12 Repeal the definition.

13 **207 Section 7 (definition of *eligible financial year*)**

14 Repeal the definition.

15 **208 Section 7 (definition of *emissions number*)**

16 Repeal the definition.

17 **209 Section 7 (definition of *financial control liability transfer*
18 *certificate*)**

19 Repeal the definition.

20 **210 Section 7 (definition of *fixed charge year*)**

21 Repeal the definition.

22 **211 Section 7 (definition of *foreign country*)**

23 Repeal the definition, substitute:

24 *foreign country* includes a region where:

- 25 (a) the region is a colony, territory or protectorate of a foreign
26 country; or
27 (b) the region is part of a foreign country; or
28 (c) the region is under the protection of a foreign country; or

- 1 (d) a foreign country exercises jurisdiction or control over the
2 region; or
3 (e) a foreign country is responsible for the region's international
4 relations.

5 **212 Section 7**

6 Insert:

7 *foreign corporation* means a corporation that:

- 8 (a) is incorporated outside Australia; or
9 (b) is an authority of a foreign country.

10 **213 Section 7 (definition of *foreign person*)**

11 Repeal the definition.

12 **214 Section 7**

13 Insert:

14 *group entity* means a corporation that is a member of a controlling
15 corporation's group.

16 **215 Section 7 (definition of *interim emissions number*)**

17 Repeal the definition.

18 **216 Section 7 (definition of *liable entity*)**

19 Repeal the definition.

20 **217 Section 7 (definition of *liquefied natural gas*)**

21 Repeal the definition.

22 **218 Section 7 (definition of *liquefied petroleum gas*)**

23 Repeal the definition.

24 **218A Section 7 (definition of *local governing body*)**

25 Repeal the definition.

26 **219 Section 7 (definition of *natural gas supplier*)**

27 Repeal the definition.

- 1 **220 Section 7 (definition of *non-group entity*)**
2 Repeal the definition.
- 3 **221 Section 7 (definition of *operational control*)**
4 Omit “11A, 11B or 11C”, substitute “11A or 11B”.
- 5 **222 Section 7 (definition of *Opt-in Scheme*)**
6 Repeal the definition.
- 7 **223 Section 7 (definition of *OTN*)**
8 Repeal the definition.
- 9 **224 Section 7 (definition of *person*)**
10 Repeal the definition.
- 11 **225 Section 7 (definition of *potential greenhouse gas***
12 ***emissions*)**
13 Repeal the definition.
- 14 **226 Section 7 (definition of *provisional emissions number*)**
15 Repeal the definition.
- 16 **227 Section 7 (definition of *supply*)**
17 Repeal the definition.
- 18 **228 Section 7 (definition of *taxable fuel*)**
19 Repeal the definition.
- 20 **229 Section 7 (definition of *trust*)**
21 Repeal the definition.
- 22 **230 Section 7 (definition of *trustee*)**
23 Repeal the definition.
- 24 **231 Section 7 (definition of *trust estate*)**
25 Repeal the definition.
-

1 **232 Section 7 (definition of unit shortfall charge)**

2 Repeal the definition.

3 **233 Subsection 7A(1)**

4 Omit “and the *Clean Energy Act 2011*”.

5 **234 Sections 7B and 7C**

6 Repeal the sections.

7 **235 Subsection 8(1)**

8 Omit “and the *Clean Energy Act 2011*”.

9 **236 Subsection 9(1)**

10 Omit “and the *Clean Energy Act 2011*”.

11 **237 Paragraph 9(1)(b)**

12 Omit “or 54A”.

13 **238 Section 10 (heading)**

14 Repeal the heading, substitute:

15 **10 Emissions, energy production, energy consumption etc.**

16 **239 Subsection 10(1)**

17 Omit “or the *Clean Energy Act 2011*”.

18 **240 Subsection 10(3)**

19 Omit “and the *Clean Energy Act 2011*”.

20 **241 Subsections 10(4) to (9)**

21 Repeal the subsections.

22 **242 Subsection 11(1)**

23 Omit “and the *Clean Energy Act 2011*”.

24 **243 Subsection 11(1)**

25 Omit “person” (wherever occurring), substitute “group entity”.

1 **244 Paragraph 11(1)(b)**

2 Omit “or 55A”.

3 **245 Subsection 11(3)**

4 Omit “and the *Clean Energy Act 2011*”.

5 **246 Subsection 11(3)**

6 Omit “person”, substitute “group entity”.

7 **247 Subsection 11(4)**

8 Omit “11A, 11B and 11C”, substitute “11A and 11B”.

9 **248 Section 11A (heading)**

10 Repeal the heading, substitute:

11 **11A Operational control—group entity with greatest authority**

12 **249 Subsection 11A(1)**

13 Omit “an eligible financial year”, substitute “a designated financial
14 year”.

15 **250 Paragraph 11A(1)(a)**

16 Omit “persons”, substitute “group entities”.

17 **251 Paragraph 11A(1)(b)**

18 Omit “person”, substitute “group entity”.

19 **252 Paragraph 11A(1)(c)**

20 Omit “or 55A”.

21 **253 Subsection 11A(2)**

22 Omit “person”, substitute “group entity”.

23 **254 Subsection 11A(2)**

24 Omit “and the *Clean Energy Act 2011*”.

25 **255 Section 11B (heading)**

26 Repeal the heading, substitute:

1 **11B Operational control—nominated group entity**

2 **256 Paragraph 11B(1)(a)**

3 Omit “more persons”, substitute “more group entities”.

4 **257 Paragraph 11B(1)(a)**

5 Omit “*relevant persons*”, substitute “*relevant group entities*”.

6 **258 Paragraph 11B(1)(b)**

7 Omit “person”, substitute “group entity”.

8 **259 Paragraph 11B(1)(c)**

9 Omit “or 55A”.

10 **260 Paragraph 11B(1)(d)**

11 Omit “an eligible financial year”, substitute “a designated financial
12 year”.

13 **261 Subsection 11B(2)**

14 Omit “persons”, substitute “group entities”.

15 **262 Subsection 11B(2)**

16 Omit “person”, substitute “group entity”.

17 **263 Paragraph 11B(4)(a)**

18 Omit “persons is a foreign person”, substitute “group entities is a
19 foreign corporation”.

20 **264 Paragraph 11B(4)(b)**

21 Omit “persons is not a foreign person”, substitute “group entities is not
22 a foreign corporation”.

23 **265 Subsection 11B(4)**

24 Omit “foreign person cannot”, substitute “foreign corporation cannot”.

25 **266 Paragraph 11B(5)(b)**

26 Omit “persons”, substitute “group entities”.

1 **267 Subsection 11B(7)**

2 Repeal the subsection.

3 **268 Subsection 11B(8)**

4 Omit “eligible financial year” (wherever occurring), substitute
5 “designated financial year”.

6 **269 Subsection 11B(10)**

7 Omit “person” (wherever occurring), substitute “group entity”.

8 **270 Paragraph 11B(15)(b)**

9 Omit “and”.

10 **271 Paragraph 11B(15)(c)**

11 Repeal the paragraph.

12 **272 Subsection 11B(15)**

13 Omit “person”, substitute “group entity”.

14 **273 Subsection 11B(16)**

15 Repeal the subsection.

16 **274 Paragraph 11B(17)(b)**

17 Omit “and”.

18 **275 Paragraph 11B(17)(c)**

19 Repeal the paragraph.

20 **276 Subsection 11B(17)**

21 Omit “persons”, substitute “group entities”.

22 **277 Subsections 11B(18) and (19)**

23 Repeal the subsections.

24 **278 Subsection 11B(21)**

25 Repeal the subsection, substitute:

1 *Exceptions*

2 (21) A group entity is not required to comply with subsection (20) if the
3 question of who has operational control of the facility is not
4 relevant (whether directly or indirectly) to a requirement under this
5 Act.

6 **279 Subsection 11B(22)**

7 Omit “person”, substitute “group entity”.

8 **280 Subsection 11B(22)**

9 Omit “or 55A”.

10 **281 Section 11C**

11 Repeal the section.

12 **282 Paragraph 11D(1)(c)**

13 Repeal the paragraph.

14 **283 Paragraphs 11D(1)(e) and (f)**

15 Repeal the paragraphs, substitute:

- 16 (e) at any time during the preceding 5 years, the person has
17 breached a civil penalty provision of this Act; or
18 (f) if the person is a body corporate—at any time during the
19 preceding 5 years, an executive officer of the body corporate
20 has breached a civil penalty provision of this Act; or

21 **284 Paragraphs 11D(1)(i) and (j)**

22 Repeal the paragraphs, substitute:

- 23 (i) the person has been convicted of an offence against this Act;
24 or
25 (j) if the person is a body corporate—an executive officer of the
26 body corporate has been convicted of an offence against this
27 Act.

28 **285 Subdivision A of Division 1 of Part 2 (heading)**

29 Repeal the heading.

1 **286 Subsections 13(2) and (3)**

2 Omit “member of a controlling corporation’s group”, substitute “group
3 entity”.

4 **287 Subsection 13(4)**

5 Repeal the subsection.

6 **288 Subdivision B of Division 1 of Part 2**

7 Repeal the Subdivision.

8 **289 Division 4 of Part 2**

9 Repeal the Division.

10 **290 Paragraph 18B(3)(b)**

11 Repeal the paragraph.

12 **291 Subsection 19(1) (note 4)**

13 Repeal the note.

14 **292 Subsection 19(4)**

15 Repeal the subsection.

16 **293 Paragraphs 22(1)(a) and (b)**

17 Omit “(other than Part 3A or 3D)”.

18 **294 Paragraphs 22(2)(a) and (b)**

19 Omit “(other than Part 3A or 3D)”.

20 **295 Parts 3A and 3D**

21 Repeal the Parts.

22 **296 Paragraph 22X(1)(a)**

23 Repeal the paragraph, substitute:

24 (a) a facility is under the operational control of a member (the
25 *responsible member*) of a controlling corporation’s group
26 during the whole or a part of a financial year; and

1 **297 Subsection 24(1AA)**

2 Repeal the subsection.

3 **298 Subsection 24(1AD)**

4 Omit “22E or”.

5 **299 Paragraph 24(1AE)(a)**

6 Omit “22E(2)(b) or”.

7 **300 Subsection 24(1H)**

8 Omit “22E or”.

9 **301 Subsection 24(1J)**

10 Omit “or financial control liability transfer certificate”.

11 **302 Subsection 24(8)**

12 Omit “22E or”.

13 **303 Subsection 25(1)**

14 Omit “22G, a person required to provide information under section 20,
15 or a person required to provide a report under section 22A, 22AA, 22E
16 or 22X”, substitute “22G or 22X, or a person required to provide
17 information under section 20,”.

18 **304 Subsection 30(2A)**

19 Omit “11C, 15A, 15AA, 22A, 22AA, 22E, 22X, 74AA”, substitute
20 “22X”.

21 **305 Section 54A**

22 Repeal the section.

23 **306 Section 55A**

24 Repeal the section.

25 **307 Paragraphs 56(aab), (aa), (ga) and (gb)**

26 Repeal the paragraphs.

1 **308 Paragraph 56(j)**

2 Omit “75A;”, substitute “75A.”

3 **309 Paragraphs 56(k) and (l)**

4 Repeal the paragraphs.

5 **310 Section 74AA**

6 Repeal the section.

7 **311 Subsection 74B(1)**

8 Repeal the subsection, substitute:

9 (1) For the purposes of this section, a person is a *relevant person* if:

10 (a) the person is the responsible member mentioned in
11 subsection 22X(1); and

12 (b) the person is not a registered corporation; and

13 (c) the Regulator has reasonable grounds to suspect that the
14 person has contravened, is contravening, or is proposing to
15 contravene, this Act or the regulations.

16 **312 Subsection 74C(1)**

17 Repeal the subsection, substitute:

18 (1) For the purposes of this section, a person is a *relevant person* if the
19 person:

20 (a) is the responsible member mentioned in subsection 22X(1);
21 and

22 (b) is not a registered corporation.

23 ***Ozone Protection and Synthetic Greenhouse Gas***
24 ***Management Act 1989***

25 **313 Paragraphs 65C(1)(aa), (ab) and (ac)**

26 Omit “equal to the prescribed rate component of an amount of levy”.

27 **314 Subsections 65C(4), (5) and (6)**

28 Repeal the subsections.

1 **315 Sections 69AA to 69AD**

2 Repeal the sections.

3 ***Petroleum Resource Rent Tax Assessment Act 1987***

4 **316 Subparagraph 28(1)(b)(iii)**

5 Omit “expenditure;”, substitute “expenditure.”.

6 **317 Paragraph 28(1)(c)**

7 Repeal the paragraph.

8 **318 Paragraph 44(1)(ia)**

9 Repeal the paragraph.

10 ***Taxation Administration Act 1953***

11 **319 Subsection 355-65(7) in Schedule 1 (table item 3)**

12 Repeal the item.

1 **Part 3—Application and transitional provisions**

2 **Division 1—Preliminary**

3 **320 Objects**

- 4 (1) The main objects of this Part are:
- 5 (a) to provide for the winding-up of the carbon tax scheme; and
- 6 (b) to ensure that carbon tax liabilities relating to:
- 7 (i) the financial year beginning on 1 July 2012; or
- 8 (ii) the financial year beginning on 1 July 2013;
- 9 can be administered, collected and recovered after the start of
- 10 1 July 2014; and
- 11 (c) to ensure that liable entities can take steps, after the start of
- 12 1 July 2014, to avoid being liable to pay unit shortfall charge
- 13 in relation to the financial year beginning on 1 July 2013; and
- 14 (d) to ensure that, after the start of 1 July 2014, the Regulator can
- 15 issue carbon units that are required for the financial year
- 16 beginning on 1 July 2013; and
- 17 (e) to continue, after the start of 1 July 2014, the carbon tax
- 18 related rights and obligations of liable entities, so far as those
- 19 rights and obligations relate to:
- 20 (i) the financial year beginning on 1 July 2012; or
- 21 (ii) the financial year beginning on 1 July 2013.
- 22 (2) The other objects of this Part are:
- 23 (a) to ensure the validity of any carbon units issued as the result
- 24 of an auction conducted before 1 July 2014; and
- 25 (b) to cancel any carbon units that are not required for the
- 26 financial year beginning on 1 July 2013; and
- 27 (c) to ensure that, while carbon units remain in existence, the
- 28 units remain subject to other Commonwealth laws.

29 **321 Definitions**

30 In this Part:

31 *designated carbon unit day* has the meaning given by item 322.

32 *Registry* has the same meaning as in the *Australian National Registry of*
33 *Emissions Units Act 2011*.

1 **Registry account** has the same meaning as in the *Australian National*
2 *Registry of Emissions Units Act 2011*.

3 **Regulator** means the Clean Energy Regulator.

4 **322 Designated carbon unit day**

5 (1) For the purposes of this Part, **designated carbon unit day** means:

6 (a) 9 February 2015; or

7 (b) if a later day is specified in an instrument under
8 subitem (2)—that later day.

9 (2) The Regulator may, by legislative instrument, specify a day for the
10 purposes of paragraph (1)(b).

11 (3) The Regulator must not make an instrument under subitem (2) unless
12 the Regulator has made a determination under subsection 142(3) of the
13 *Clean Energy Act 2011* that relates to 2 February 2015.

14 Note: Subsection 142(3) of the *Clean Energy Act 2011* enables the Regulator to extend the
15 2 February 2015 surrender deadline. See also item 345A (deadlines of 1 February and
16 15 June).

Division 2—Provisions relating to the Clean Energy Act 2011 and associated charge Acts

323 Winding-up of the carbon tax scheme—recovery of liabilities attributable to pre-1 July 2014 emissions etc.

- (1) Despite the repeal of the *Clean Energy Act 2011* by this Schedule, that Act continues in force, subject to:
- (a) this Part; and
 - (b) the modifications set out in the following table;
- as if that repeal had not happened.

Modifications of the *Clean Energy Act 2011*

| Item | Provision | Modification |
|-------------|--|---|
| 1 | section 4 | Omit the section. |
| 2 | section 5 (definitions of <i>average carbon unit auction price</i> , <i>benchmark average auction charge</i> , <i>carbon pollution cap</i> , <i>carbon pollution cap number</i> , <i>designated limit</i> , and <i>designated limit percentage</i>) | Omit the definitions. |
| 3 | section 5 (definition of <i>eligible financial year</i>) | Omit the definition, substitute: <i>eligible financial year</i> means: (a) the financial year beginning on 1 July 2012; or (b) the financial year beginning on 1 July 2013. |
| 4 | section 5 (definition of <i>fixed charge year</i>) | Omit the definition, substitute: <i>fixed charge year</i> means: (a) the financial year beginning on 1 July 2012; or (b) the financial year beginning on 1 July 2013. |
| 5 | section 5 (definitions of <i>flexible charge year</i> and <i>per-tonne carbon price</i>) | Omit the definitions. |

Schedule 1 Repeal of the carbon tax
Part 3 Application and transitional provisions

| Modifications of the <i>Clean Energy Act 2011</i> | | |
|--|--|---|
| Item | Provision | Modification |
| | <i>equivalent)</i> | |
| 6 | section 5 (definition of <i>unit shortfall</i>) | Omit “128, 129 or 133”, substitute “128 or 129”. |
| 7 | section 5 (definition of <i>vintage year</i>) | Omit “eligible”. |
| 8 | Part 2 | Omit the Part. |
| 9 | subsections 26(2), 27(2) and 28(2) | Omit all the words after “is taken to be”, substitute “zero”. |
| 10 | Subdivision A of Division 4 of Part 3 | The Regulator must not issue an OTN under the Subdivision on or after 1 July 2014. |
| 11 | sections 42 and 43 | Omit the sections. |
| 12 | section 43A | The section ceases to have effect at the end of 30 June 2015. |
| 13 | subsection 45(3) | The subsection ceases to have effect at the end of 30 June 2015. |
| 14 | subsections 45(4) to (13) | The subsections cease to have effect at the start of 1 September 2014. |
| 15 | subsection 46(1) | The subsection has effect, on and after 1 September 2014, as if the words “(as it stood at a particular time before the start of 1 September 2014)” were inserted after “OTN Register”. |
| 16 | section 47 | The section ceases to have effect at the start of 1 August 2014. |
| 17 | section 64B | Omit the section. |
| 18 | paragraph 64F(1)(b) | Omit the paragraph. |
| 19 | subsection 66(4) | The subsection ceases to have effect at the start of 1 August 2014. |
| 20 | section 70 | The Regulator must not make a declaration under the section on or after 1 July 2014. |
| 21 | section 71A | Omit the section. |
| 22 | section 72 | The Regulator must not give a notice under the section on or after 1 July 2014. |
| 24 | section 83 | The Regulator must not issue a certificate under the section on or after 1 July 2014. |

| Modifications of the <i>Clean Energy Act 2011</i> | | |
|--|---|--|
| Item | Provision | Modification |
| 25 | section 87 | The Regulator must not issue a certificate under the section on or after 1 July 2014. |
| 26 | sections 89 and 90 | Omit the sections. |
| 27 | section 93 | Omit the section. |
| 28 | subsection 96(2) | Omit “eligible”. |
| 29 | section 97 (note) | Omit the note. |
| 30 | subsection 100(1) (table items 5, 6, 7, 8 and 9) | Omit the table items. |
| 31 | subsection 100(2) | Omit the subsection. |
| 32 | subsection 100(3) (heading) | Omit “1, 3 and 5”, substitute “1 and 3”. |
| 33 | subsection 100(3) | Omit “1, 3 or 5”, substitute “1 or 3”. |
| 34 | subsection 100(4) (heading) | Omit “2, 4, 6, 7, 8 and 9”, substitute “2 and 4”. |
| 35 | subsection 100(4) | Omit “2, 4, 6, 7, 8 or 9”, substitute “2 or 4”. |
| 36 | subsections 100(9), (14) and (15) | Omit the subsections. |
| 37 | sections 101 and 102 | Omit the sections. |
| 38 | sections 108 and 109 | Omit the sections. |
| 39 | section 114 | Omit the section. |
| 40 | Division 1 of Part 6 | Omit the Division. |
| 41 | subsection 122(1) | Omit “during an eligible financial year”. |
| 42 | subsections 122(3), (4), (5), (9) and (11) | Omit the subsections. |
| 43 | sections 123 and 123A | Omit the sections. |
| 44 | paragraph 128(7)(d) | Before “this Division”, insert “if the eligible financial year began on 1 July 2012—”. |
| 45 | Subdivision B of Division 3 of Part 6 | Omit the Subdivision. |
| 46 | subsection 134(3) | Omit the subsection. |
| 47 | subsection 134A(3) (paragraph (b) of the definition of <i>applicable amount for the financial</i> | Omit the paragraph. |

Schedule 1 Repeal of the carbon tax
Part 3 Application and transitional provisions

| Modifications of the <i>Clean Energy Act 2011</i> | | |
|--|---|---|
| Item | Provision | Modification |
| | <i>year)</i> | |
| 48 | paragraphs 142(3)(c), (e) and (f) | Omit the paragraphs. |
| 48A | section 144 | Omit the section. |
| 49 | paragraph 145(5)(b) | Omit the paragraph. |
| 50 | paragraph 145(5)(c) | Omit the paragraph, substitute: (c) the principle that changes should not have a negative effect on recipients of assistance under the Jobs and Competitiveness Program; |
| 51 | Division 5 of Part 7 | Omit the Division. |
| 52 | section 160 | Omit the section. |
| 53 | paragraphs 161(2)(b) and (c) | Omit the paragraphs. |
| 54 | subsection 161(3) | Omit the subsection. |
| 55 | subsection 161(4) | Omit “or (3)”. |
| 56 | subsection 161(5) | Omit “a later”, substitute “an”. |
| 57 | subsections 161(6), (7), (8) and (9) | Omit “or (3)”. |
| 58 | Part 9 | The Part ceases to have effect at the end of 30 June 2015. |
| 59 | Division 3 of Part 9 | Omit the Division. |
| 60 | sections 196 and 196A | Omit the sections. |
| 61 | subsections 197(3) to (6) | Omit the subsections. |
| 62 | section 199 | After “each quarter”, insert “that ends on or before 31 March 2015”. |
| 63 | section 200 | Omit the section. |
| 64 | subsection 212(2) (subparagraph (d)(ii) of the definition of <i>prescribed amount for the financial year in which the compliance deadline occurs</i>) | Omit the subparagraph. |
| 65 | subsection 212(3) | Omit the subparagraph. |

Modifications of the *Clean Energy Act 2011*

| Item | Provision | Modification |
|------|--|------------------------|
| | (subparagraph (d)(ii) of the definition of <i>prescribed amount for the financial year in which the compliance deadline occurs</i>) | |
| 66 | Part 12 | Omit the Part. |
| 67 | paragraphs 262(1)(ma), (r), (u) and (v) and 263(2)(g), (i) and (j) | Omit the paragraphs. |
| 68 | section 281 (table items 3, 4, 5, 7, 8, 11, 12, 13 and 16) | Omit the table items. |
| 69 | Part 22 | Omit the Part. |
| 70 | subparagraph 295(d)(iii) | Omit the subparagraph. |
| 71 | subparagraph 295(e)(ii) | Omit the subparagraph. |
| 72 | subparagraph 295(i)(iii) | Omit the subparagraph. |
| 73 | sections 303A and 303B | Omit the sections. |

1 *Carbon units with a vintage year beginning on or after 1 July*
2 *2014*

- 3 (2) The modification made by item 3 of the table in subitem (1) does not
4 apply in relation to the issue of a carbon unit with a vintage year
5 beginning on or after 1 July 2014, if the carbon unit was issued as a
6 result of an auction conducted before 1 July 2014.

7 *Review of decisions*

- 8 (3) The modification of section 281 of the *Clean Energy Act 2011* made by
9 the table in subitem (1) does not apply to a decision made before 1 July
10 2014.

11 *Civil penalty orders*

- 12 (4) The modification of section 262 of the *Clean Energy Act 2011* made by
13 the table in subitem (1) does not apply to a contravention that occurred
14 before 1 July 2014.

1 **324 Application—repeal of Charge Acts**

2 *Charge for issue of carbon units for a fixed charge*

3 (1) The repeal by this Schedule of the following Acts, so far as they relate
4 to the issue of carbon units in accordance with section 100 of the *Clean*
5 *Energy Act 2011*:

- 6 (a) the *Clean Energy (Charges—Customs) Act 2011*;
7 (b) the *Clean Energy (Charges—Excise) Act 2011*;
8 (c) the *Clean Energy (Unit Issue Charge—Fixed Charge) Act*
9 *2011*;

10 does not apply to the issue of carbon units with a vintage year beginning
11 on 1 July 2012 or 1 July 2013.

12 *Charge for issue of carbon units as a result of an auction*

13 (2) The repeal by this Schedule of the following Acts, so far as they relate
14 to the issue of carbon units as a result of an auction:

- 15 (a) the *Clean Energy (Charges—Customs) Act 2011*;
16 (b) the *Clean Energy (Charges—Excise) Act 2011*;
17 (c) the *Clean Energy (Unit Issue Charge—Auctions) Act 2011*;

18 does not apply to the issue of carbon units if the carbon units were
19 issued as a result of an auction conducted before 1 July 2014.

20 *Charge on unit shortfall*

21 (3) The repeal by this Schedule of the following Acts, so far as they relate
22 to a unit shortfall for a financial year:

- 23 (a) the *Clean Energy (Charges—Customs) Act 2011*;
24 (b) the *Clean Energy (Charges—Excise) Act 2011*;
25 (c) the *Clean Energy (Unit Shortfall Charge—General) Act*
26 *2011*;

27 does not apply to:

- 28 (d) a unit shortfall for the financial year beginning on 1 July
29 2012; or
30 (e) a unit shortfall for the financial year beginning on 1 July
31 2013.

1 **325 Issue of carbon units**

2 The Regulator must not issue any carbon units after the start of the
3 designated carbon unit day.

4 **327 Cancellation of carbon units—designated carbon unit**
5 **day**

6 *Scope*

7 (1) This item applies if there was an entry for a carbon unit in a person's
8 Registry account at the start of the designated carbon unit day.

9 *Cancellation of unit*

10 (2) The Regulator must cancel the unit.

11 (3) The Regulator must remove the entry for the unit from the person's
12 Registry account.

13 (4) The Registry must set out a record of each cancellation under
14 subitem (2).

15 **328 Surrender of eligible Australian carbon credit units**

16 (1) If:

17 (a) subsection 128(7) of the *Clean Energy Act 2011* applies to a
18 person because the person surrendered, in relation to the
19 financial year beginning on 1 July 2013, eligible Australian
20 carbon credit units; and

21 (b) under paragraph (c) of that subsection, Division 3 of Part 6 of
22 that Act has effect as if the person had not surrendered,
23 during the period mentioned in paragraph (a) of that
24 subsection, a particular number of eligible Australian carbon
25 credit units; and

26 (c) the person has a Registry account;

27 then:

28 (d) the Regulator must, by written notice given to the person,
29 determine that specified eligible Australian carbon credit
30 units that were surrendered by the person:

31 (i) during that period; and

32 (ii) in relation to the financial year beginning on 1 July
33 2013;

- 1 are *restored units* for the purposes of this item; and
2 (e) a restored unit is taken never to have been surrendered or
3 cancelled; and
4 (f) the Regulator must make an entry for a restored unit in a
5 Registry account kept by the person.
- 6 (2) The number of units specified in the determination must equal the
7 number mentioned in paragraph (1)(b).
- 8 (3) Subitem (1) does not affect the validity of the removal of the entry of a
9 restored unit from a Registry account in accordance with
10 paragraph 122(12)(b) of the *Clean Energy Act 2011*.
- 11 (4) A determination under paragraph (1)(d) is not a legislative instrument.

12 **329 Opt-in Scheme**

- 13 (1) A reference in the Opt-in Scheme to a financial year does not include a
14 reference to a financial year beginning on or after 1 July 2014.
- 15 (2) Regulations 3.48 and 3.50 of the *Clean Energy Regulations 2011* cease
16 to have effect at the end of 30 June 2014.

1 **Division 3—Provisions relating to other Acts**

2 **330 Transitional—A New Tax System (Goods and Services**
3 **Tax) Act 1999**

4 Despite the amendments of the *A New Tax System (Goods and Services*
5 *Tax) Act 1999* made by this Schedule, that Act continues to apply, in
6 relation to carbon units issued before the designated carbon unit day, as
7 if those amendments had not been made.

8 **331 Transitional—Anti-Money Laundering and**
9 **Counter-Terrorism Financing Act 2006**

10 Despite the amendments of the *Anti-Money Laundering and*
11 *Counter-Terrorism Financing Act 2006* made by this Schedule, that Act
12 continues to apply, in relation to carbon units issued before the
13 designated carbon unit day, as if those amendments had not been made.

14 **332 Transitional—Australian National Registry of Emissions**
15 **Units Act 2011**

16 Despite the amendments of the *Australian National Registry of*
17 *Emissions Units Act 2011* made by this Schedule, that Act continues to
18 apply, in relation to carbon units issued before the designated carbon
19 unit day, as if those amendments had not been made.

20 **333 Transitional—Clean Energy Regulator Act 2011**

21 (1) Despite the amendment of the definition of *climate change law* in
22 section 4 of the *Clean Energy Regulator Act 2011* made by this
23 Schedule, that definition continues to apply, in relation to
24 paragraph 12(a) and subsection 43(3) and section 44 of that Act, as if
25 that amendment had not been made.

26 (2) Each of the following:

- 27 (a) this Act;
28 (b) a legislative instrument under this Act;
29 (c) the *True-up Shortfall Levy (General) (Carbon Tax Repeal)*
30 *Act 2014*;
31 (d) the *True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Act*
32 *2014*;

1 is taken to be a climate change law for the purposes of paragraph 12(a)
2 and subsection 43(3) and section 44 of the *Clean Energy Regulator Act*
3 *2011*.

4 **334 Application—amendments of the *Fuel Tax Act 2006***

5 The amendments of the *Fuel Tax Act 2006* made by this Schedule apply
6 to taxable fuel acquired, manufactured or imported on or after 1 July
7 2014.

8 **335 Application—amendment of the *Fuel Tax (Consequential*
9 *and Transitional Provisions) Act 2006***

10 The amendment of the *Fuel Tax (Consequential and Transitional*
11 *Provisions) Act 2006* made by this Act applies to taxable fuel acquired,
12 manufactured or imported on or after 1 July 2014.

13 **336 Application—amendments of the *Income Tax*
14 *Assessment Act 1997***

15 (1) The repeal of section 26-18 of the *Income Tax Assessment Act 1997* by
16 this Schedule does not apply to unit shortfall charge imposed on:

- 17 (a) a unit shortfall for the financial year beginning on 1 July
18 2012; or
19 (b) a unit shortfall for the financial year beginning on 1 July
20 2013.

21 (2) Despite the amendments of the *Income Tax Assessment Act 1997* made
22 by this Schedule (other than the amendment of section 12-5 or the
23 repeal of section 26-18), that Act continues to apply, in relation to
24 carbon units issued before the designated carbon unit day, as if those
25 amendments had not been made.

26 **337 Transitional—*National Greenhouse and Energy*
27 *Reporting Act 2007***

28 *General*

29 (1) Despite the amendments of the *National Greenhouse and Energy*
30 *Reporting Act 2007* made by this Schedule, that Act continues to apply,
31 in relation to the following matters:

- 32 (a) determining the meaning of the following expressions, when
33 used in the *Clean Energy Act 2011*:

- 1 (i) carbon dioxide equivalence;
2 (ii) facility;
3 (iii) greenhouse gas;
4 (iv) group;
5 (v) member, when used in relation to a group;
6 (vi) non-group entity;
7 (vii) operational control;
8 (viii) potential greenhouse gas emissions;
9 (ix) provisional emissions number;
10 (x) scope 1 emission of greenhouse gas;
11 (b) the matters mentioned in subsections 10(3) to (9) of the
12 *National Greenhouse and Energy Reporting Act 2007*, so far
13 as those matters are relevant to the *Clean Energy Act 2011*;
14 (c) reports under section 22A, 22AA or 22E of the *National*
15 *Greenhouse and Energy Reporting Act 2007*;
16 (d) records under section 22B, 22C or 22F of the *National*
17 *Greenhouse and Energy Reporting Act 2007*;
18 (e) applications under section 15A or 15AA of the *National*
19 *Greenhouse and Energy Reporting Act 2007*;
20 (f) the registration of persons under section 18A of the *National*
21 *Greenhouse and Energy Reporting Act 2007*;
22 (g) the publication of information under section 24 of the
23 *National Greenhouse and Energy Reporting Act 2007*, so far
24 as the information relates to:
25 (i) the financial year beginning on 1 July 2012; or
26 (ii) the financial year beginning on 1 July 2013;
27 (h) audits under section 74AA of the *National Greenhouse and*
28 *Energy Reporting Act 2007*;
29 (i) audits under section 74B or 74C of the *National Greenhouse*
30 *and Energy Reporting Act 2007*, so far as the audits relate to
31 a person's compliance with obligations under that Act (or
32 regulations under that Act) in relation to:
33 (i) the financial year beginning on 1 July 2012; or
34 (ii) the financial year beginning on 1 July 2013;
35 as if:
36 (j) the *National Greenhouse and Energy Reporting Act 2007*
37 were modified as set out in the following table; and
38 (k) those amendments had not been made; and
-

Schedule 1 Repeal of the carbon tax
Part 3 Application and transitional provisions

1 (l) subitem (6) had not been enacted.
2

Modifications of the *National Greenhouse and Energy Reporting Act 2007*

| Item | Provision | Modification |
|-------------|---|--|
| 1 | section 7 (definition of <i>eligible financial year</i>) | Omit the definition, substitute: <i>eligible financial year</i> means: (a) the financial year beginning on 1 July 2012; or (b) the financial year beginning on 1 July 2013. |
| 2 | section 7 (definition of <i>fixed charge year</i>) | Omit the definition, substitute: <i>fixed charge year</i> means: (a) the financial year beginning on 1 July 2012; or (b) the financial year beginning on 1 July 2013. |

3

4 **Thresholds**

- 5 (2) The amendments of the *National Greenhouse and Energy Reporting Act*
6 *2007* made by this Schedule, so far as they are relevant to determining
7 whether a controlling corporation's group meets a threshold under
8 section 13 of that Act for a financial year, apply in relation to a
9 threshold for:
10 (a) the financial year beginning on 1 July 2014; or
11 (b) a later financial year.

12 **Reports**

- 13 (3) The amendments of the *National Greenhouse and Energy Reporting Act*
14 *2007* made by this Schedule, so far as they relate to reports under
15 section 19 of that Act, apply in relation to reports for:
16 (a) the financial year beginning on 1 July 2014; or
17 (b) a later financial year.
- 18 (4) The amendments of the *National Greenhouse and Energy Reporting Act*
19 *2007* made by this Schedule, so far as they relate to reports under
20 section 22G or 22X of that Act, apply in relation to reports for:
21 (a) the financial year beginning on 1 July 2014; or
-

1 (b) a later financial year.

2 ***Unsatisfactory compliance record***

- 3 (5) Despite the amendments of section 11D of the *National Greenhouse*
4 *and Energy Reporting Act 2007* made by this Schedule, that Act
5 continues to apply, in relation to:
6 (a) unpaid unit shortfall charge; and
7 (b) a breach of a civil penalty provision of:
8 (ii) the *Clean Energy Act 2011*; or
9 (iii) a determination under section 113 of the *Clean Energy*
10 *Act 2011*; and
11 (c) a conviction of an offence against the *Clean Energy Act*
12 *2011*;

13 as if those amendments had not been made.

14 ***Regulations—carbon dioxide equivalence***

- 15 (6) If, immediately before the commencement of this item, regulations were
16 in force for the purposes of paragraph (a) of the definition of ***carbon***
17 ***dioxide equivalence*** in section 7 of the *National Greenhouse and*
18 *Energy Reporting Act 2007*, the regulations have effect, after that
19 commencement, as if they had been made for the purposes of the
20 definition of ***carbon dioxide equivalence*** in section 7 of that Act as
21 amended by this Schedule.

22 ***Deregistration—section 18A registrations***

- 23 (7) If:
24 (a) a person was registered under the *National Greenhouse and*
25 *Energy Reporting Act 2007* because of the operation of
26 section 18A of that Act; and
27 (b) the person is registered under that Act as at the start of 1 July
28 2014;
29 the Regulator must remove the person's name from the Register.

1 **338 Transitional—Ozone Protection and Synthetic**
2 **Greenhouse Gas Management Act 1989**

3 *Amounts to be credited to the Ozone Protection and SGG*
4 *Account*

- 5 (1) Despite the amendments of section 65C of the *Ozone Protection and*
6 *Synthetic Greenhouse Gas Management Act 1989* made by this
7 Schedule, that section continues to apply, in relation to levy for a
8 quarter ending before 1 July 2014, as if those amendments had not been
9 made.

10 *Remission or refund of levy for a quarter ending before 1 July*
11 *2014*

- 12 (2) Despite the repeal of sections 69AA to 69AD of the *Ozone Protection*
13 *and Synthetic Greenhouse Gas Management Act 1989* by this Schedule,
14 those sections continue to apply, in relation to levy for a quarter ending
15 before 1 July 2014, as if:
16 (a) that Act provided that an application under section 69AA,
17 69AB or 69AC of that Act must be made before 1 January
18 2016; and
19 (b) that repeal had not happened.

20 **339 Transitional—Petroleum Resource Rent Tax Assessment**
21 **Act 1987**

- 22 (1) Despite the amendments of section 28 of the *Petroleum Resource Rent*
23 *Tax Assessment Act 1987* made by this Schedule, that Act continues to
24 apply, in relation to carbon units issued before the designated carbon
25 unit day, as if those amendments had not been made.
- 26 (2) The repeal of paragraph 44(1)(ia) of the *Petroleum Resource Rent Tax*
27 *Assessment Act 1987* by this Schedule does not apply to unit shortfall
28 charge imposed on:
29 (a) a unit shortfall for the financial year beginning on 1 July
30 2012; or
31 (b) a unit shortfall for the financial year beginning on 1 July
32 2013.

1 **340 Transitional—*Taxation Administration Act 1953***

2 Despite the amendment of the *Taxation Administration Act 1953* made
3 by this Schedule, that Act continues to apply, in relation to records or
4 disclosures made for the purpose of:

- 5 (a) the verification from the Regulator of information provided
6 to the Commissioner under or for the purposes of the *Fuel*
7 *Tax Act 2006* so far as that Act applies to taxable fuel
8 acquired, manufactured or imported before 1 July 2014; or
9 (b) administering the *Clean Energy Act 2011* or the associated
10 provisions (within the meaning of that Act);

11 as if that amendment had not been made.

1 **Division 4—Miscellaneous**

2 **342 Transitional rules**

3 The Minister may, by legislative instrument, make rules in relation to
4 transitional matters arising out of the amendments and repeals made by
5 this Schedule.

1 **Division 5—Transitional provisions commencing on**
2 **Royal Assent**

3 **343 Auctions of carbon units**

- 4 (1) The Regulator must not conduct an auction of carbon units after the
5 earlier of the following days:
6 (a) the day this item commences;
7 (b) 30 June 2014.
- 8 (2) Any determination under subsection 113(1) of the *Clean Energy Act*
9 *2011* ceases to have effect at the end of the day (the **relevant day**) that is
10 the earlier of the following days:
11 (a) the day this item commences;
12 (b) 30 June 2014;
13 except to the extent to which the determination relates to auctions
14 conducted on or before the relevant day.

15 **343A Carbon units issued as a result of an auction**
16 **conducted by the Regulator**

- 17 (1) If:
18 (a) a carbon unit was issued as a result of an auction conducted
19 by the Regulator; and
20 (b) there is an entry for the unit in a person's Registry account as
21 at 3.00 pm (by legal time in the Australian Capital Territory)
22 on the fifth business day after the day this item commences;
23 the Regulator must:
24 (c) cancel the unit; and
25 (d) remove the entry for the unit from the person's Registry
26 account; and
27 (e) on behalf of the Commonwealth, pay to the person an amount
28 equal to the charge paid for the issue of the unit.
- 29 (2) The Registry must set out a record of each cancellation under
30 paragraph (1)(c).
- 31 (3) The Consolidated Revenue Fund is appropriated for the purposes of
32 making payments under this item.

- 1 (4) In this item:
2 **business day** means a day that is not:
3 (a) a Saturday; or
4 (b) a Sunday; or
5 (c) a public holiday in the Australian Capital Territory.

6 **344 Carbon pollution cap regulations**

- 7 If this item commences on a day (the **commencement day**) before
8 31 May 2014, the *Clean Energy Act 2011* has effect during the period:
9 (a) beginning at the start of the commencement day; and
10 (b) ending at the end of 30 June 2014;
11 as if section 16 of that Act had not been enacted.

12 **345 Fixed charge regulations**

- 13 If this item commences on a day (the **commencement day**) before
14 31 May 2014, the *Clean Energy Act 2011* has effect during the period:
15 (a) beginning at the start of the commencement day; and
16 (b) ending at the end of 30 June 2014;
17 as if subsections 100(14) and (15) of that Act had not been enacted.

18 **345A Deadlines of 1 February and 15 June**

- 19 The *Clean Energy Act 2011* has, and is taken always to have had, effect
20 as if the following definitions were inserted in section 5 of that Act:

- 21 **15 June** means:
22 (a) if the 15 June concerned is a business day—that 15 June; or
23 (b) if the 15 June concerned is not a business day—the first
24 business day after that 15 June.

- 25 **1 February** means:
26 (a) if the 1 February concerned is a business day—that
27 1 February; or
28 (b) if the 1 February concerned is not a business day—the first
29 business day after that 1 February.

1 **345B Surplus and estimation error adjustment number**

2 The *Clean Energy Act 2011* has, and is taken always to have had, effect
3 as if the formula in subsection 131(3) of that Act were omitted and the
4 following formula substituted:

5 Total estimation error numbers + Provisional surplus surrender number

6 **345C Definitions**

7 If this Division commences before 1 July 2014, this Division has effect
8 as if item 321 (definitions) had commenced at the same time as this
9 Division commences.

10 **345D Compensation for acquisition of property**

11 (1) If the operation of this Schedule would result in an acquisition of
12 property (within the meaning of paragraph 51(xxxi) of the Constitution)
13 from a person otherwise than on just terms (within the meaning of that
14 paragraph), the Commonwealth is liable to pay a reasonable amount of
15 compensation to the person.

16 (2) If the Commonwealth and the person do not agree on the amount of the
17 compensation, the person may institute proceedings in a court of
18 competent jurisdiction for the recovery from the Commonwealth of
19 such reasonable amount of compensation as the court determines.

1 **Part 4—Jobs and Competitiveness Program**

2 **Division 1—Preliminary**

3 **346 Definitions**

4 (1) In this Part:

5 *levy* means levy imposed by whichever of the following is applicable:

6 (a) the *True-up Shortfall Levy (General) (Carbon Tax Repeal)*
7 *Act 2014*;

8 (b) the *True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Act*
9 *2014*.

10 *over-allocation of free carbon units* has the meaning given by
11 item 354.

12 *rules* means rules made under item 359.

13 *true-up shortfall* has the meaning given by item 355.

14 *under-allocation of free carbon units* has the meaning given by
15 item 352.

16 (2) An expression used in this Part and in the *Clean Energy Act 2011* has
17 the same meaning in this Part as in that Act.

18 **347 Crown to be bound**

19 This Part binds the Crown in right of each of the States, of the
20 Australian Capital Territory, of the Northern Territory and of Norfolk
21 Island. However, it does not bind the Crown in right of the
22 Commonwealth.

23 **348 Extension to external Territories**

24 This Part extends to every external Territory.

25 **349 Extension to exclusive economic zone and continental
26 shelf**

27 This Part extends to Australia's exclusive economic zone and
28 continental shelf.

29 **350 Extension to Joint Petroleum Development Area**

30 This Part extends to the Joint Petroleum Development Area.

1 **Division 2—Reporting requirements**

2 **351 Reporting requirements**

3 *Report*

- 4 (1) The rules may make provision for and in relation to requiring a
5 designated person to give a written report to the Regulator for the
6 purposes of this Part.

7 *Designated person*

- 8 (2) For the purposes of this item, a person is a *designated person* if free
9 carbon units with a vintage year beginning on 1 July 2013 are or were
10 issued to the person in accordance with the Jobs and Competitiveness
11 Program.

12 *Compliance with reporting requirements*

- 13 (3) Subsection 151(1) of the *Clean Energy Act 2011* has effect as if a
14 requirement under rules made for the purposes of subitem (1) were a
15 requirement under the Jobs and Competitiveness Program.

1 **Division 3—Issue of additional free carbon units**

2 **352 Under-allocation of free carbon units**

3 For the purposes of this Part, if:

- 4 (a) free carbon units with a vintage year beginning on 1 July
5 2013 are or were issued to a person in accordance with the
6 Jobs and Competitiveness Program; and
7 (b) the conditions specified in the rules are satisfied;

8 then:

- 9 (c) the person has an *under-allocation of free carbon units*; and
10 (d) the number of units in that under-allocation is equal to the
11 number ascertained in accordance with the rules.

12 **353 Issue of additional free carbon units**

13 (1) If:

- 14 (a) a person has an under-allocation of free carbon units; and
15 (b) the person has a Registry account;

16 the Regulator must:

- 17 (c) issue to the person, under section 94 of the *Clean Energy Act*
18 *2011*, a number of free carbon units equal to the number of
19 units in the under-allocation; and
20 (d) do so within the period ascertained in accordance with the
21 rules.

22 (2) Free carbon units issued in accordance with subitem (1):

- 23 (a) are to have a vintage year beginning on 1 July 2013; and
24 (b) are taken (except for the purposes of this Part) to have been
25 issued in accordance with the Jobs and Competitiveness
26 Program.

1 **Division 4—True-up shortfalls**

2 **354 Over-allocation of free carbon units**

3 For the purposes of this Part, if:

- 4 (a) free carbon units with a vintage year beginning on 1 July
5 2013 are or were issued to a person in accordance with the
6 Jobs and Competitiveness Program; and
7 (b) the conditions specified in the rules are satisfied;

8 then:

- 9 (c) the person has an *over-allocation of free carbon units*; and
10 (d) the number of units in that over-allocation is equal to the
11 number ascertained in accordance with the rules.

12 **355 True-up shortfall**

13 (1) For the purposes of this Part, if:

- 14 (a) a person has an over-allocation of free carbon units; and
15 (b) the number worked out using the formula in subitem (2)
16 exceeds zero;

17 then:

- 18 (c) the person has a *true-up shortfall*; and
19 (d) the number of units in that shortfall is equal to the number
20 worked out using that formula.

21 Note: Levy is imposed on a true-up shortfall by whichever of the following is applicable:

- 22 (a) the *True-up Shortfall Levy (General) (Carbon Tax Repeal) Act*
23 *2014*;
24 (b) the *True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Act*
25 *2014*.

26 (2) The formula is as follows:

27
$$\frac{\text{Number of units in the over-allocation}}{\text{Number of units relinquished}}$$

28 where:

Schedule 1 Repeal of the carbon tax
Part 4 Jobs and Competitiveness Program

1 ***number of units relinquished*** means the number of carbon units with a
2 vintage year beginning on 1 July 2013 that were relinquished by the
3 person (other than as mentioned in paragraph 210(2)(b) or (c) of the
4 *Clean Energy Act 2011*) during the period ascertained in accordance
5 with the rules.

1 **Division 5—Collection of levy**

2 **356 When levy is due and payable**

3 Levy imposed on a true-up shortfall of a person is due and payable at
4 the end of the period ascertained in accordance with the rules.

5 **357 Late payment penalty**

- 6 (1) If an amount of levy payable by a person remains unpaid after the time
7 when it became due for payment, the person is liable to pay, by way of
8 penalty, an amount calculated at the rate of:
9 (a) 20% per annum; or
10 (b) if a lower percentage is specified in the rules—that lower
11 percentage per annum;
12 on the amount unpaid, computed from that time.

13 *Power to remit*

- 14 (2) The Regulator may remit the whole or a part of an amount payable
15 under subitem (1).
16 (3) Applications may be made to the Administrative Appeals Tribunal for
17 review of decisions of the Regulator under subitem (2) to refuse to remit
18 the whole or a part of an amount.

19 **358 Recovery of levy and late payment penalty**

20 *Scope*

- 21 (1) This item applies to the following amounts:
22 (a) an amount of levy;
23 (b) an amount payable under item 357.

24 *Recovery*

- 25 (2) The amount:
26 (a) is a debt due to the Commonwealth; and
27 (b) may be recovered by the Regulator, on behalf of the
28 Commonwealth, by action in a court of competent
29 jurisdiction.

1 **Division 6—Miscellaneous**

2 **358A Associated provisions**

3 A reference in the *Clean Energy Act 2011* (other than section 307) to
4 the associated provisions includes a reference to:

- 5 (a) the provisions of this Part; and
6 (b) the provisions of the rules; and
7 (c) the provisions of the *True-up Shortfall Levy (General)*
8 *(Carbon Tax Repeal) Act 2014*; and
9 (d) the provisions of the *True-up Shortfall Levy (Excise) (Carbon*
10 *Tax Repeal) Act 2014*.

11 **359 Rules**

- 12 (1) The Minister may, by legislative instrument, make rules prescribing
13 matters:
14 (a) required or permitted by this Part to be prescribed by the
15 rules; or
16 (b) necessary or convenient to be prescribed for carrying out or
17 giving effect to this Part.
- 18 (2) Conditions specified in rules made for the purposes of paragraph 352(b)
19 or 354(b) may relate to events or things that occurred, or circumstances
20 that existed, before the rules were registered under the *Legislative*
21 *Instruments Act 2003*.

1 **Schedule 2—Carbon tax price reduction**
2 **obligation**
3

4 *Competition and Consumer Act 2010*

5 **1 After paragraph 2B(1)(a)**

6 Insert:

7 (aa) Part V;

8 **2 After subparagraph 6(2)(b)(i)**

9 Insert:

10 (ia) Part V (other than Division 5);

11 **3 After Part IVB**

12 Insert:

13 **Part V—Carbon tax price reduction obligation**

14 **Division 1—Preliminary**

15 **60 Simplified outline of this Part**

- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- An entity must not engage in price exploitation in relation to the carbon tax repeal.
 - The Commission may monitor prices in relation to the carbon tax repeal and the carbon tax scheme.
 - An entity must not make false or misleading representations about the effect of the carbon tax repeal, or the carbon tax scheme, on the price for the supply of goods or services.
 - An entity that sells electricity or natural gas, or an entity that is a bulk SGG importer and sells synthetic greenhouse gas, will be required to explain and substantiate:

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

- (a) how the carbon tax repeal has affected, or is affecting, the entity's regulated supply input costs; and
 - (b) how reductions in the entity's regulated supply input costs that are directly or indirectly attributable to the carbon tax repeal are reflected in the prices charged by the entity for regulated supplies of electricity, natural gas or synthetic greenhouse gas.
- An entity that sells electricity or natural gas to customers, or an entity that is a bulk SGG importer and sells synthetic greenhouse gas to customers, must:
 - (a) give a carbon tax removal substantiation statement to the Commission; and
 - (b) include in the statement the entity's estimate, on an average annual percentage price basis, or an average annual dollar price basis, of the entity's cost savings that have been, are, or will be, attributable to the carbon tax repeal and that have been, are being, or will be, passed on to customers during the financial year that began on 1 July 2014; and
 - (c) provide information with the statement that substantiates such an estimate; and
 - (d) in a case where the entity sells electricity or natural gas to customers—communicate to customers a statement that identifies, on an average annual percentage price basis, or an average annual dollar price basis, the estimated cost savings to customers that are for the financial year that began on 1 July 2014.
 - Infringement notices may be issued for certain contraventions of this Part.

30 **60AA Objects etc.**

- 31 (1) The main objects of this Part are:
- 32 (a) to deter price exploitation in relation to the carbon tax repeal
- 33 at each point in the supply chain for regulated goods; and

- 1 (b) to ensure that all cost savings attributable to the carbon tax
2 repeal are passed through the supply chain for regulated
3 goods.
- 4 (2) The intention of the Parliament in enacting this Part is to ensure
5 that all cost savings attributable to the carbon tax repeal are passed
6 on to consumers of regulated goods through lower prices.

7 **60A Definitions**

8 In this Part:

9 ***applicable compliance period***, for a carbon tax removal
10 substantiation notice, has the meaning given by
11 subsection 60FC(2).

12 ***bulk SGG importer*** means an entity that:

- 13 (a) holds a controlled substances licence under the *Ozone*
14 *Protection and Synthetic Greenhouse Gas Management Act*
15 *1989* that allows the entity to import synthetic greenhouse
16 gases; and
17 (b) supplies synthetic greenhouse gas to SGG customers.

18 ***carbon charge component*** of levy means so much of the amount
19 of the levy as is calculated by multiplying the number of tonnes of
20 carbon dioxide equivalence by a per unit charge applicable under
21 subsection 100(1) of the *Clean Energy Act 2011* for the issue of a
22 carbon unit.

23 ***carbon tax removal substantiation notice*** has the meaning given
24 by subsection 60FA(3).

25 ***carbon tax removal substantiation statement*** has the meaning
26 given by subsection 60FD(3).

27 ***carbon tax repeal*** means:

- 28 (a) the repeal of the following Acts by the *Clean Energy*
29 *Legislation (Carbon Tax Repeal) Act 2014*:
30 (i) the *Clean Energy Act 2011*;
31 (ii) the *Clean Energy (Charges—Customs) Act 2011*;
32 (iii) the *Clean Energy (Charges—Excise) Act 2011*;
33 (iv) the *Clean Energy (Unit Issue Charge—Auctions) Act*
34 *2011*;

- 1 (v) the *Clean Energy (Unit Issue Charge—Fixed Charge)*
2 *Act 2011*;
- 3 (vi) the *Clean Energy (Unit Shortfall Charge—General) Act*
4 *2011*; and
- 5 (b) the amendments of the following Acts made by the *Clean*
6 *Energy Legislation (Carbon Tax Repeal) Act 2014*:
- 7 (i) the *Fuel Tax Act 2006*;
- 8 (ii) the *Fuel Tax (Consequential and Transitional*
9 *Provisions) Act 2006*; and
- 10 (c) the amendments made by the following Acts:
- 11 (i) the *Customs Tariff Amendment (Carbon Tax Repeal)*
12 *Act 2014*;
- 13 (ii) the *Excise Tariff Amendment (Carbon Tax Repeal) Act*
14 *2014*;
- 15 (iii) the *Ozone Protection and Synthetic Greenhouse Gas*
16 *(Import Levy) Amendment (Carbon Tax Repeal) Act*
17 *2014*;
- 18 (iv) the *Ozone Protection and Synthetic Greenhouse Gas*
19 *(Manufacture Levy) Amendment (Carbon Tax Repeal)*
20 *Act 2014*.

21 ***carbon tax repeal transition period*** means the period:

- 22 (a) beginning at the start of 1 July 2014; and
23 (b) ending at the end of 30 June 2015.

24 ***carbon tax scheme*** means the scheme embodied in the following:

- 25 (a) the *Clean Energy Act 2011*, as in force at the start of
26 1 January 2014;
- 27 (b) the associated provisions (within the meaning of that Act as
28 in force at that time);
- 29 (c) the following provisions of the *Fuel Tax Act 2006*, as in force
30 at the start of 1 January 2014:
- 31 (i) Division 42A;
- 32 (ii) section 43-5, so far as that section relates to a carbon
33 reduction;
- 34 (iii) section 43-8;
- 35 (iv) section 43-11;
- 36 (d) section 3A of the *Ozone Protection and Synthetic*
37 *Greenhouse Gas (Import Levy) Act 1995*, as in force at the

- 1 start of 1 January 2014, so far as that section relates to carbon
2 charge component;
- 3 (e) section 4A of the *Ozone Protection and Synthetic*
4 *Greenhouse Gas (Import Levy) Act 1995*, as in force at the
5 start of 1 January 2014, so far as that section relates to carbon
6 charge component;
- 7 (f) section 3A of the *Ozone Protection and Synthetic*
8 *Greenhouse Gas (Manufacture Levy) Act 1995*, as in force at
9 the start of 1 January 2014, so far as that section relates to
10 carbon charge component;
- 11 (g) sections 6FA, 6FB and 6FC of the *Excise Tariff Act 1921*, as
12 in force at the start of 1 January 2014;
- 13 (h) section 19A of the *Customs Tariff Act 1995*, as in force at the
14 start of 1 January 2014.

15 ***electricity customer*** means an entity that purchases electricity.

16 ***electricity retailer*** means:

- 17 (a) an entity who:
- 18 (i) is a retailer within the meaning of the *National Energy*
19 *Retail Law* as it applies in a State or a Territory; and
- 20 (ii) sells electricity to electricity customers; or
- 21 (b) an entity who is a retailer within the meaning of the
22 *Electricity Industry Act 2000* (Vic.); or
- 23 (c) an entity who is a retail entity within the meaning of the
24 *Electricity Act 1994* (Qld); or
- 25 (d) an entity who:
- 26 (i) holds a retail licence within the meaning of the
27 *Electricity Industry Act 2004* (WA); or
- 28 (ii) holds an integrated regional licence within the meaning
29 of the *Electricity Industry Act 2004* (WA) that
30 authorises the entity to sell electricity; or
- 31 (e) an entity who is an electricity entity within the meaning of
32 the *Electricity Reform Act* (NT) and whose licence under that
33 Act authorises the entity to sell electricity; or
- 34 (f) any other entity who produces electricity in Australia.

35 ***engages in price exploitation in relation to the carbon tax repeal***:
36 see section 60C.

- 1 **entity** means any of the following:
- 2 (a) a corporation (as defined by section 4);
- 3 (b) an individual;
- 4 (c) a body corporate;
- 5 (d) a corporation sole;
- 6 (e) a body politic;
- 7 (f) a partnership;
- 8 (g) any other unincorporated association or body of entities;
- 9 (h) a trust;
- 10 (i) any party or entity which can or does buy or sell electricity,
- 11 natural gas or synthetic greenhouse gas.
- 12 **infringement notice** means an infringement notice issued under
- 13 subsection 60L(1).
- 14 **infringement notice compliance period**: see section 60P.
- 15 **infringement notice provision** means section 60C or 60K.
- 16 **listed corporation** has the meaning given by section 9 of the
- 17 *Corporations Act 2001*.
- 18 **National Energy Retail Law** means the National Energy Retail
- 19 Law set out in the Schedule to the *National Energy Retail Law*
- 20 (*South Australia*) Act 2011 (SA).
- 21 **natural gas** has the same meaning as in the National Gas
- 22 (Commonwealth) Law (as defined by the *Australian Energy*
- 23 *Market Act 2004*).
- 24 **natural gas customer** means an entity that purchases natural gas.
- 25 **natural gas retailer** means:
- 26 (a) an entity who:
- 27 (i) is a retailer within the meaning of the *National Energy*
- 28 *Retail Law* as it applies in a State or a Territory; and
- 29 (ii) sells natural gas to natural gas customers; or
- 30 (b) an entity who is a gas retailer within the meaning of the *Gas*
- 31 *Industry Act 2001* (Vic.); or
- 32 (c) an entity who is a retailer within the meaning of the *Gas*
- 33 *Supply Act 2003* (Qld); or

- 1 (d) an entity who holds a trading licence under the *Energy*
2 *Coordination Act 1994* (WA); or
3 (e) an entity who holds a licence under the *Gas Act 2000* (Tas.)
4 to sell gas by retail.

5 **price**, in relation to a supply, includes:

- 6 (a) a charge of any description for the supply; and
7 (b) any pecuniary or other benefit, whether direct or indirect,
8 received or to be received by a person for or in connection
9 with the supply.

10 **regulated goods**: see section 60B.

11 **regulated supply** means a supply that:

- 12 (a) occurs during the carbon tax repeal transition period; and
13 (b) is of regulated goods.

14 **regulated supply input costs** of an entity means the entity's input
15 costs in relation to the making by the entity of regulated supplies of
16 electricity, natural gas or synthetic greenhouse gas.

17 **Royal Assent day** means the day on which the Act that inserted this
18 Part receives the Royal Assent.

19 **SGG customer** means an entity that purchases synthetic
20 greenhouse gas.

21 **SGG equipment** has the same meaning as in the *Ozone Protection*
22 *and Synthetic Greenhouse Gas Management Act 1989*.

23 **synthetic greenhouse gas** has the same meaning as in the *Ozone*
24 *Protection and Synthetic Greenhouse Gas Management Act 1989*.

25 **60B Regulated goods**

- 26 (1) For the purposes of this Part, **regulated goods** means:
27 (a) natural gas; or
28 (b) electricity; or
29 (c) synthetic greenhouse gas; or
30 (d) SGG equipment; or
31 (e) other goods of a kind specified in a legislative instrument
32 under subsection (2).

- 1 (2) The Minister may, by legislative instrument, specify one or more
2 kinds of goods for the purposes of paragraph (1)(e).

3 **Division 2—Carbon tax price reduction obligation**

4 **60C Price exploitation in relation to the carbon tax repeal**

- 5 (1) An entity must not engage in price exploitation in relation to the
6 carbon tax repeal.
- 7 (2) For the purposes of this Part, an entity *engages in price*
8 *exploitation in relation to the carbon tax repeal* if, and only if:
9 (a) it makes a regulated supply; and
10 (b) the price for the supply does not pass through all of the
11 entity's cost savings relating to the supply that are directly or
12 indirectly attributable to the carbon tax repeal.
- 13 (3) For the purposes of this Part, in determining whether the price for a
14 supply made by an entity does not pass through all of the entity's
15 cost savings relating to the supply that are directly or indirectly
16 attributable to the carbon tax repeal, have regard to the following
17 matters:
18 (a) the entity's cost savings that are directly or indirectly
19 attributable to the carbon tax repeal;
20 (b) how the cost savings mentioned in paragraph (a) can
21 reasonably be attributed to the different supplies that the
22 entity makes;
23 (c) the entity's costs;
24 (d) any other relevant matter that may reasonably influence the
25 price.

26 **60CA Failure to pass on cost savings—250% penalty**

- 27 (1) If:
28 (a) either:
29 (i) an entity contravenes subsection 60C(1) in relation to a
30 particular supply of electricity or natural gas; or
31 (ii) an entity that is a bulk SGG importer contravenes
32 subsection 60C(1) in relation to a particular supply of
33 synthetic greenhouse gas; and

1 (b) the contravention involved a failure to pass through all of the
2 entity's cost savings relating to the supply that are directly or
3 indirectly attributable to the carbon tax repeal;
4 there is payable by the entity to the Commonwealth, and the entity
5 shall pay to the Commonwealth, by way of penalty, an amount
6 equal to 250% of those cost savings that were not passed through.

7 *When penalty becomes due and payable*

8 (2) An amount payable by an entity under subsection (1) is due and
9 payable on 1 July 2015.

10 *Late payment penalty*

11 (3) If an amount payable by an entity under subsection (1) remains
12 unpaid after the time when it became due for payment, there is
13 payable by the entity to the Commonwealth, and the entity shall
14 pay to the Commonwealth, by way of penalty, an amount
15 calculated at the rate of 6% per annum on the amount unpaid,
16 computed from that time.

17 *Recovery of penalties*

18 (4) An amount payable by an entity under subsection (1) or (3):
19 (a) is a debt due to the Commonwealth; and
20 (b) shall be recovered by the Commission, on behalf of the
21 Commonwealth, by action in a court of competent
22 jurisdiction, unless the cost of doing so exceeds the amount.

23 *Report to Parliament*

24 (5) Within 13 months after the Royal Assent day, the Commission
25 must report to Parliament in respect of penalties payable by
26 entities.

27 **60D Notice to entity that is considered to have engaged in price**
28 **exploitation in relation to the carbon tax repeal**

29 (1) The Commission may give an entity a written notice under this
30 section if the Commission considers that the entity has engaged in
31 price exploitation in relation to the carbon tax repeal.

32 (2) The notice must:

- 1 (a) be expressed to be given under this section; and
2 (b) identify:
3 (i) the entity that made the supply; and
4 (ii) the kind of supply made; and
5 (iii) the circumstances in which the supply was made; and
6 (c) state that, in the Commission's opinion, the price for the
7 supply did not pass through all of the entity's cost savings
8 relating to the supply that were directly or indirectly
9 attributable to the carbon tax repeal.
- 10 (3) In any proceedings:
11 (aa) under section 60CA; or
12 (a) under section 76 for a pecuniary penalty order relating to
13 section 60C; or
14 (b) under section 80 for an injunction relating to section 60C; or
15 (c) under section 80A, 82, 86C, 86D or 87 for an order relating
16 to section 60C;
17 the notice is prima facie evidence that the price for the supply did
18 not pass through all of the entity's cost savings relating to the
19 supply that were directly or indirectly attributable to the carbon tax
20 repeal.
- 21 (4) The Commission may vary or revoke the notice on its own
22 initiative or on application made by the entity. The Commission
23 must give the entity written notice of the variation or revocation.
- 24 (5) A notice under this section is not a legislative instrument.

25 **60E Commission may issue notice to aid prevention of price**
26 **exploitation in relation to the carbon tax repeal**

- 27 (1) The Commission may give an entity a written notice under this
28 section if the Commission considers that doing so will aid the
29 prevention of the entity engaging in price exploitation in relation to
30 the carbon tax repeal.
- 31 (2) The notice must:
32 (a) be expressed to be given under this section; and
33 (b) be expressed to relate to any supply that the entity makes that
34 is:
35 (i) of a kind specified in the notice; and
-

-
- 1 (ii) made in circumstances specified in the notice; and
2 (iii) made during the period specified in the notice (which
3 must not be a period ending after the end of the carbon
4 tax repeal transition period); and
5 (c) specify the maximum price that, in the Commission's
6 opinion, may be charged for a supply to which the notice is
7 expressed to relate.
- 8 (3) The Commission may, on its own initiative or on application made
9 by the entity:
10 (a) vary the notice to:
11 (i) change the period specified as required by
12 subparagraph (2)(b)(iii); or
13 (ii) change the price specified in the notice as required by
14 paragraph (2)(c); or
15 (b) revoke the notice.
16 The Commission must give the entity written notice of the
17 variation or revocation.
- 18 (4) The Commission may publish the notice, or particulars of any
19 variation or revocation of the notice, in such manner as the
20 Commission considers appropriate.
- 21 (5) A notice under this section is not a legislative instrument.

22 **60F Acquisition of property**

23 *Scope*

- 24 (1) This section applies to the following provisions of this Act:
25 (a) section 60C;
26 (b) any other provision to the extent to which it relates to
27 section 60C.

28 *Effect of provision*

- 29 (2) The provision has no effect to the extent (if any) to which its
30 operation would result in the acquisition of property (within the
31 meaning of paragraph 51(xxxi) of the Constitution) otherwise than
32 on just terms (within the meaning of that paragraph).

1 **Division 2A—Carbon tax removal substantiation notices**

2 **60FA Carbon tax removal substantiation notices**

3 *Scope*

- 4 (1) This section applies to an entity if the entity:
- 5 (a) is an electricity retailer that sells electricity to electricity
 - 6 customers; or
 - 7 (b) is a natural gas retailer that sells natural gas to natural gas
 - 8 customers; or
 - 9 (c) is a bulk SGG importer that sells synthetic greenhouse gas to
 - 10 SGG customers.

11 *Carbon tax removal substantiation notice*

- 12 (2) The Commission must, within 30 days after the Royal Assent day,
- 13 by written notice given to the entity, require the entity:
- 14 (a) to give to the Commission, within the period specified in the
 - 15 notice, a written statement that explains:
 - 16 (i) how the carbon tax repeal has affected, or is affecting,
 - 17 the entity's regulated supply input costs; and
 - 18 (ii) how reductions in the entity's regulated supply input
 - 19 costs that are directly or indirectly attributable to the
 - 20 carbon tax repeal are reflected in the prices charged by
 - 21 the entity for regulated supplies of electricity, natural
 - 22 gas or synthetic greenhouse gas; and
 - 23 (b) to do either or both of the following:
 - 24 (i) give to the Commission, within the period and in the
 - 25 manner and form specified in the notice, information
 - 26 that substantiates the explanation set out in the
 - 27 statement;
 - 28 (ii) produce to the Commission, within the period and in the
 - 29 manner specified in the notice, documents that
 - 30 substantiate the explanation set out in the statement.
- 31 (3) A notice under subsection (2) is to be known as a ***carbon tax***
- 32 ***removal substantiation notice***.
- 33 (4) A period specified in a carbon tax removal substantiation notice
- 34 must be 21 days after the notice is given.

-
- 1 (5) A carbon tax removal substantiation notice must explain the effect
2 of:
3 (a) section 60FB; and
4 (b) section 60FC; and
5 (c) sections 137.1 and 137.2 of the *Criminal Code*.

6 *Section does not limit section 60H*

- 7 (6) This section does not limit section 60H (which is about the
8 price-related information-gathering powers of the Commission).

9 *Section does not limit section 155*

- 10 (7) This section does not limit section 155 (which is about the general
11 information-gathering powers of the Commission).

12 **60FB Extending periods for complying with carbon tax removal**
13 **substantiation notices**

- 14 (1) An entity that has been given a carbon tax removal substantiation
15 notice may, at any time within 14 days after the notice was given to
16 the entity by the Commission, apply in writing to the Commission
17 for an extension of the period for complying with the notice.
- 18 (2) The Commission may, by written notice given to the entity, extend
19 the period within which the entity must comply with the notice, so
20 long as the extension is for a period of not more than 28 days.

21 **60FC Compliance with carbon tax removal substantiation notices**

- 22 (1) An entity that is given a carbon tax removal substantiation notice
23 must comply with it within the applicable compliance period for
24 the notice.
- 25 (2) The *applicable compliance period* for a carbon tax removal
26 substantiation notice is:
27 (a) the period of 21 days specified in the notice; or
28 (b) if the period for complying with the notice has been extended
29 under section 60FB—the period as so extended;
30 and includes (if an application has been made under section 60FB
31 for an extension of the period for complying with the notice) the

1 period up until the time when the applicant is given notice of the
2 Commission's decision on the application.

- 3 (3) An entity commits an offence if:
4 (a) the entity is subject to a requirement under subsection (1);
5 and
6 (b) the entity is capable of complying with the requirement; and
7 (c) the entity omits to do an act; and
8 (d) the omission breaches the requirement.

9 Penalty: 200 penalty units.

- 10 (4) Subsection (3) is an offence of strict liability.

11 Note: For strict liability, see section 6.1 of the *Criminal Code*.

- 12 (5) If subsection (3) of this section applies to an individual (whether or
13 not because of subsection 6(2)), subsection (3) of this section has
14 effect, in relation to the individual, as if the reference to 200
15 penalty units were a reference to 40 penalty units.

- 16 (6) If subsection (1) of this section applies to an individual (whether or
17 not because of subsection 6(2)), the individual is excused from
18 giving information or producing a document in accordance with a
19 carbon tax removal substantiation notice on the ground that the
20 information or the production of the document might tend to
21 incriminate the individual or expose the individual to a penalty.

22 **Division 2B—Carbon tax removal substantiation** 23 **statements**

24 **60FD Carbon tax removal substantiation statements**

25 *Scope*

- 26 (1) This section applies to an entity if the entity:
27 (a) is an electricity retailer that sells electricity to electricity
28 customers; or
29 (b) is a natural gas retailer that sells natural gas to natural gas
30 customers; or
31 (c) is a bulk SGG importer that sells synthetic greenhouse gas to
32 SGG customers.

Carbon tax removal substantiation statement

- 1
- 2 (2) Within 30 days after the Royal Assent day, the entity must give to
3 the Commission:
- 4 (a) a written statement that sets out:
- 5 (i) if the entity has electricity customers—the entity’s
6 estimate, on an average annual percentage price basis,
7 or an average annual dollar price basis, of the entity’s
8 cost savings that have been, are, or will be, directly or
9 indirectly attributable to the carbon tax repeal and that
10 have been, are being, or will be, passed on to each class
11 of electricity customers during the financial year that
12 began on 1 July 2014; and
- 13 (ii) if the entity has natural gas customers—the entity’s
14 estimate, on an average annual percentage price basis,
15 or an average annual dollar price basis, of the entity’s
16 cost savings that have been, are, or will be, directly or
17 indirectly attributable to the carbon tax repeal and that
18 have been, are being, or will be, passed on to each class
19 of natural gas customers during the financial year that
20 began on 1 July 2014; and
- 21 (iii) if the entity has SGG customers—the entity’s estimate,
22 on an average annual percentage price basis, or an
23 average annual dollar price basis, of the entity’s cost
24 savings that have been, are, or will be, directly or
25 indirectly attributable to the carbon tax repeal and that
26 have been, are being, or will be, passed on to each class
27 of SGG customers during the financial year that began
28 on 1 July 2014; and
- 29 (b) information that substantiates the estimate or estimates set
30 out in the statement.
- 31 Note: Section 137.1 of the *Criminal Code* creates an offence of providing
32 false or misleading information.
- 33 (3) A statement under paragraph (2)(a) is to be known as a ***carbon tax***
34 ***removal substantiation statement***.
- 35 (4) If the entity has given a carbon tax removal substantiation
36 statement to the Commission, the entity must ensure that a copy of
37 the statement is available on the entity’s website, in a way that is
38 readily accessible by the public, until the end of 30 June 2015.

1 *Compliance*

- 2 (5) An entity commits an offence if:
3 (a) the entity is subject to a requirement under subsection (2) or
4 (4); and
5 (b) the entity is capable of complying with the requirement; and
6 (c) the entity omits to do an act; and
7 (d) the omission breaches the requirement.

8 Penalty: 500 penalty units.

- 9 (6) Subsection (5) is an offence of strict liability.

10 Note: For strict liability, see section 6.1 of the *Criminal Code*.

- 11 (7) If subsection (5) of this section applies to an individual (whether or
12 not because of subsection 6(2)), subsection (5) of this section has
13 effect, in relation to the individual, as if the reference to 500
14 penalty units were a reference to 40 penalty units.

- 15 (8) If subsection (2) of this section applies to an individual (whether or
16 not because of subsection 6(2)), the individual is excused from
17 giving an estimate or information under subsection (2) of this
18 section on the ground that the estimate or information might tend
19 to incriminate the individual or expose the individual to a penalty.

20 *Section does not limit section 60H*

- 21 (9) This section does not limit section 60H (which is about the
22 price-related information-gathering powers of the Commission).

23 *Section does not limit section 155*

- 24 (10) This section does not limit section 155 (which is about the general
25 information-gathering powers of the Commission).

26 *Report to Parliament*

- 27 (11) Within 13 months after the Royal Assent day, the Commission
28 must report to Parliament in respect of compliance by all entities.

Division 2C—Statements for customers**60FE Statements for customers***Scope*

- (1) This section applies to an entity if the entity:
- (a) is an electricity retailer that sells electricity to electricity customers; or
 - (b) is a natural gas retailer that sells natural gas to natural gas customers.

Preparation of statement

- (2) Within 30 days after the Royal Assent day, the entity must prepare a statement that:
- (a) if the entity has electricity customers—identifies, on an average annual percentage price basis, or an average annual dollar price basis, the estimated cost savings, to each class of electricity customers, that:
 - (i) have been, are, or will be, directly or indirectly attributable to the carbon tax repeal; and
 - (ii) are for the financial year that began on 1 July 2014; and
 - (b) if the entity has natural gas customers—identifies, on an average annual percentage price basis, or an average annual dollar price basis, the estimated cost savings, to each class of natural gas customers, that:
 - (i) have been, are, or will be, directly or indirectly attributable to the carbon tax repeal; and
 - (ii) are for the financial year that began on 1 July 2014.

Communication of contents of statement to customers

- (3) During the period:
- (a) beginning 30 days after the Royal Assent day; and
 - (b) ending 60 days after the Royal Assent day;
- the entity must ensure that the contents of the statement prepared by it under subsection (2) that relates to a class of electricity customers or natural gas customers is communicated to each customer of that class.

1 Note: Section 137.1 of the *Criminal Code* creates an offence of providing
2 false or misleading information.

3 *Compliance*

- 4 (4) An entity commits an offence if:
5 (a) the entity is subject to a requirement under subsection (2) or
6 (3); and
7 (b) the entity is capable of complying with the requirement; and
8 (c) the entity omits to do an act; and
9 (d) the omission breaches the requirement.

10 Penalty: 400 penalty units.

- 11 (5) Subsection (4) is an offence of strict liability.

12 Note: For strict liability, see section 6.1 of the *Criminal Code*.

- 13 (6) If subsection (4) of this section applies to an individual (whether or
14 not because of subsection 6(2)), subsection (4) of this section has
15 effect, in relation to the individual, as if the reference to 400
16 penalty units were a reference to 40 penalty units.

- 17 (7) If subsection (2) or (3) of this section applies to an individual
18 (whether or not because of subsection 6(2)), the individual is
19 excused from:

- 20 (a) preparing a statement under subsection (2) of this section; or
21 (b) communicating the contents of a statement under
22 subsection (3) of this section;

23 on the ground that the information in the statement might tend to
24 incriminate the individual or expose the individual to a penalty.

25 **Division 3—Price monitoring in relation to the carbon tax
26 repeal etc.**

27 **60G Commission may monitor prices in relation to the carbon tax
28 repeal etc.**

29 *Price monitoring—carbon tax repeal transition period*

- 30 (1) The Commission may monitor prices to assess the general effect of
31 the carbon tax repeal on prices charged by entities for supplies, in
32 the carbon tax repeal transition period, of relevant goods.
-

-
- 1 Note: For *relevant goods*, see subsection (11).
- 2 (2) The Commission may monitor prices to assess the general effect of
3 the carbon tax repeal on prices:
4 (a) advertised; or
5 (b) displayed; or
6 (c) offered;
7 for supplies, in the carbon tax repeal transition period, of relevant
8 goods by entities.
- 9 Note: For *relevant goods*, see subsection (11).
- 10 (3) The Commission may monitor prices to assess the general effect of
11 the carbon tax repeal on prices charged for supplies, in the carbon
12 tax repeal transition period, of goods by an entity for which there is
13 an entry in the Information Database (within the meaning of the
14 *Clean Energy Act 2011*).
- 15 (4) The Commission may monitor prices to assess the general effect of
16 the carbon tax repeal on prices:
17 (a) advertised; or
18 (b) displayed; or
19 (c) offered;
20 for supplies, in the carbon tax repeal transition period, of goods by
21 an entity for which there is an entry in the Information Database
22 (within the meaning of the *Clean Energy Act 2011*).
- 23 *Price monitoring—price exploitation*
- 24 (5) The Commission may monitor prices to assist the Commission’s
25 consideration of whether an entity has engaged, is engaging, or
26 may in the future engage, in price exploitation in relation to the
27 carbon tax repeal.
- 28 *Price monitoring—pre-repeal transition period*
- 29 (6) The Commission may monitor prices to assess the general effect of
30 the carbon tax scheme on prices charged by entities for supplies, in
31 the pre-repeal transition period, of relevant goods.
- 32 Note 1: For *pre-repeal transition period*, see subsection (13).
- 33 Note 2: For *relevant goods*, see subsection (11).
-

- 1 (7) The Commission may monitor prices to assess the general effect of
2 the carbon tax scheme on prices:
3 (a) advertised; or
4 (b) displayed; or
5 (c) offered;
6 for supplies, in the pre-repeal transition period, of relevant goods
7 by entities.

8 Note 1: For *pre-repeal transition period*, see subsection (13).

9 Note 2: For *relevant goods*, see subsection (11).

- 10 (8) The Commission may monitor prices to assess the general effect of
11 the carbon tax scheme on prices charged for supplies, in the
12 pre-repeal transition period, of goods by an entity for which there
13 is an entry in the Information Database (within the meaning of the
14 *Clean Energy Act 2011*).

15 Note: For *pre-repeal transition period*, see subsection (13).

- 16 (9) The Commission may monitor prices to assess the general effect of
17 the carbon tax scheme on prices:
18 (a) advertised; or
19 (b) displayed; or
20 (c) offered;

21 for supplies, in the pre-repeal transition period, of goods by an
22 entity for which there is an entry in the Information Database
23 (within the meaning of the *Clean Energy Act 2011*).

24 Note: For *pre-repeal transition period*, see subsection (13).

25 *Section does not limit Part VIIA*

- 26 (10) This section does not limit Part VIIA (which is about prices
27 surveillance).

28 *Relevant goods*

- 29 (11) For the purposes of this section, the following are *relevant goods*:
30 (a) regulated goods;
31 (b) other goods of a kind specified in a legislative instrument
32 under subsection (12).

-
- 1 (12) The Minister may, by legislative instrument, specify one or more
2 kinds of goods for the purposes of paragraph (11)(b).

3 *Pre-repeal transition period*

- 4 (13) For the purposes of this section, *pre-repeal transition period*
5 means the period:
6 (a) beginning at the commencement of this section; and
7 (b) ending at the end of 30 June 2014.

8 **60H Information-gathering powers**

- 9 (1) A member of the Commission may, by written notice given to a
10 person, require the person:
11 (a) to give the Commission specified information in writing
12 signed by:
13 (i) the person; or
14 (ii) if the person is a body corporate—a competent officer
15 of the body corporate; or
16 (b) to produce to the Commission specified documents;
17 if:
18 (c) the information, or information contained in the documents,
19 relates to prices or the setting of prices; and
20 (d) the member reasonably believes that the information, or
21 information contained in the documents, will or may be
22 useful to the Commission in monitoring prices as mentioned
23 in any of subsections 60G(1) to (9).

24 Note: Sections 137.1 and 137.2 of the *Criminal Code* create offences for
25 providing false or misleading information or documents.

- 26 (2) Information or documents that may be required under
27 subsection (1) may relate to prices, or the setting of prices:
28 (a) before or after the carbon tax repeal; and
29 (b) before or after the start of the carbon tax repeal transition
30 period; and
31 (c) in a situation, or during a period, specified in the notice.
32 (3) Subsection (2) does not limit subsection (1).
33 (4) A person commits an offence if:

- 1 (a) the person is subject to a requirement under subsection (1);
2 and
3 (b) the person is capable of complying with the requirement; and
4 (c) the person omits to do an act; and
5 (d) the omission breaches the requirement.

6 Penalty: 20 penalty units.

- 7 (5) An individual is excused from giving information or producing a
8 document in accordance with a requirement under subsection (1)
9 on the ground that the information or the production of the
10 document might tend to incriminate the individual or expose the
11 individual to a penalty.

12 *Section does not limit section 60FA*

- 13 (5A) This section does not limit section 60FA (which is about carbon
14 tax removal substantiation notices).

15 *Section does not limit section 155*

- 16 (6) This section does not limit section 155 (which is about the general
17 information-gathering powers of the Commission).

18 **60J Reporting**

- 19 (1) The Commission must, within 28 days after the end of each
20 quarter, give the Minister a written report about the operations of
21 the Commission under this Part during the quarter.
- 22 (2) A report under subsection (1) must include particulars of:
23 (a) all notices given under section 60E during the quarter; and
24 (b) all variations or revocations during the quarter of notices
25 given under section 60E.
- 26 (3) Subsection (2) does not limit subsection (1).
- 27 (4) For the purposes of this section, a *quarter* is a period of 3 months:
28 (a) that occurs wholly or partly during the carbon tax repeal
29 transition period; and
30 (b) that starts on any of the following days in a year:
31 (i) 1 January;

-
- 1 (ii) 1 April;
2 (iii) 1 July;
3 (iv) 1 October.
- 4 (5) As soon as practicable after the Minister receives a report under
5 subsection (1), the Minister must make the report public by such
6 means as the Minister considers appropriate.
- 7 (6) If this section commences during a quarter (but not on the first day
8 of a quarter):
- 9 (a) no report is to be made at the end of the quarter; but
10 (b) the report made at the end of the next quarter is also to
11 include the information required by subsections (1) and (2) in
12 relation to the previous quarter.

13 **Division 4—False or misleading representations about the** 14 **effect of the carbon tax repeal etc. on prices**

15 **60K False or misleading representations about the effect of the** 16 **carbon tax repeal etc. on prices**

17 An entity must not, in trade or commerce, in connection with:

- 18 (a) the supply or possible supply of goods or services; or
19 (b) the promotion by any means of the supply or use of goods or
20 services;

21 make a false or misleading representation, during the carbon tax
22 repeal transition period, concerning the effect of:

- 23 (c) the carbon tax repeal or a part of the carbon tax repeal; or
24 (d) the carbon tax scheme or a part of the carbon tax scheme;

25 on the price for the supply of the goods or services.

26 **Division 5—Infringement notices**

27 **60L Issuing an infringement notice**

28 *Issuing an infringement notice*

- 29 (1) If the Commission has reasonable grounds to believe that a person
30 has contravened an infringement notice provision, the Commission
31 may issue an infringement notice to the person.

1 (2) The Commission must not issue more than one infringement notice
2 to the person for the same alleged contravention of the
3 infringement notice provision.

4 (3) The infringement notice does not have any effect if the notice:
5 (a) is issued more than 12 months after the day on which the
6 contravention of the infringement notice provision is alleged
7 to have occurred; or
8 (b) relates to more than one alleged contravention of an
9 infringement notice provision by the person.

10 *Matters to be included in an infringement notice*

11 (4) An infringement notice must:
12 (a) be identified by a unique number; and
13 (b) state the day on which it is issued; and
14 (c) state the name and address of the person to whom it is issued;
15 and
16 (d) identify the Commission; and
17 (e) state how the Commission may be contacted; and
18 (f) give details of the alleged contravention by the person,
19 including:
20 (i) the date of the alleged contravention; and
21 (ii) the particular infringement notice provision that was
22 allegedly contravened; and
23 (g) state the maximum pecuniary penalty that the court could
24 order the person to pay under section 76 for the alleged
25 contravention; and
26 (h) specify the penalty that is payable in relation to the alleged
27 contravention; and
28 (i) state that the penalty is payable within the infringement
29 notice compliance period for the notice; and
30 (j) state that the penalty is payable to the Commission on behalf
31 of the Commonwealth; and
32 (k) explain how payment of the penalty is to be made; and
33 (l) explain the effect of sections 60M, 60N, 60P and 60Q.

Amount of penalty

- 1
- 2 (5) The penalty to be specified in an infringement notice that is to be
- 3 issued to a person in relation to an alleged contravention of an
- 4 infringement notice provision must be:
- 5 (a) if the person is a listed corporation—600 penalty units; or
- 6 (b) if the person is a body corporate other than a listed
- 7 corporation—60 penalty units; or
- 8 (c) if the person is not a body corporate—12 penalty units.

60M Effect of compliance with an infringement notice*Scope*

- 9
- 10
- 11 (1) This section applies if:
- 12 (a) an infringement notice for an alleged contravention of an
- 13 infringement notice provision is issued to a person; and
- 14 (b) the person pays the penalty specified in the infringement
- 15 notice within the infringement notice compliance period and
- 16 in accordance with the notice; and
- 17 (c) the infringement notice is not withdrawn under section 60Q.

Effect

- 18
- 19 (2) The person is not, merely because of the payment, regarded as:
- 20 (a) having contravened the infringement notice provision; or
- 21 (b) having been convicted of an offence constituted by the same
- 22 conduct that constituted the alleged contravention of the
- 23 infringement notice provision.
- 24 (3) No proceedings (whether criminal or civil) may be started or
- 25 continued against the person, by or on behalf of the
- 26 Commonwealth, in relation to:
- 27 (a) the alleged contravention of the infringement notice
- 28 provision; or
- 29 (b) an offence constituted by the same conduct that constituted
- 30 the alleged contravention.

60N Effect of failure to comply with an infringement notice

31

32 If:

- 1 (a) an infringement notice for an alleged contravention of an
2 infringement notice provision is issued to a person; and
3 (b) the person fails to pay the penalty specified in the
4 infringement notice within the infringement notice
5 compliance period and in accordance with the notice; and
6 (c) the infringement notice is not withdrawn under section 60Q;
7 the person is liable to proceedings under Part VI in relation to the
8 alleged contravention of the infringement notice provision.

9 **60P Infringement notice compliance period for infringement notice**

- 10 (1) The *infringement notice compliance period* for an infringement
11 notice is the period of 28 days beginning on the day after the day
12 on which the infringement notice is issued by the Commission.
- 13 (2) Subsection (1) has effect subject to subsection (7).
- 14 (3) The Commission may extend, by notice in writing, the
15 infringement notice compliance period for the notice if the
16 Commission is satisfied that it is appropriate to do so.
- 17 (4) Only one extension may be given, and the extension must not be
18 for longer than 28 days.
- 19 (5) Notice of the extension must be given to the person who was
20 issued the infringement notice.
- 21 (6) A failure to comply with subsection (5) does not affect the validity
22 of the extension.
- 23 (7) If the Commission extends the infringement notice compliance
24 period for an infringement notice, a reference in this Division to
25 the infringement notice compliance period for an infringement
26 notice is taken to be a reference to the infringement notice
27 compliance period as so extended.

28 **60Q Withdrawal of an infringement notice**

29 *Representations to the Commission*

- 30 (1) A person to whom an infringement notice has been issued for an
31 alleged contravention of an infringement notice provision may

1 make written representations to the Commission seeking the
2 withdrawal of the infringement notice.

3 (2) Evidence or information that the person, or a representative of the
4 person, gives to the Commission in the course of making
5 representations under subsection (1) is not admissible in evidence
6 against the person or representative in any proceedings (other than
7 proceedings for an offence based on the evidence or information
8 given being false or misleading).

9 *Withdrawal by the Commission*

10 (3) The Commission may, by written notice (the ***withdrawal notice***)
11 given to the person to whom an infringement notice was issued,
12 withdraw the infringement notice if the Commission is satisfied
13 that it is appropriate to do so.

14 (4) Subsection (3) applies whether or not the person has made
15 representations seeking the withdrawal.

16 *Content of withdrawal notices*

17 (5) The withdrawal notice must state:
18 (a) the name and address of the person; and
19 (b) the day on which the infringement notice was issued to the
20 person; and
21 (c) that the infringement notice is withdrawn; and
22 (d) that proceedings under Part VI may be started or continued
23 against the person in relation to:
24 (i) the alleged contravention the infringement notice
25 provision; or
26 (ii) an offence constituted by the same conduct that
27 constituted the alleged contravention.

28 *Time limit for giving withdrawal notices*

29 (6) To be effective, the withdrawal notice must be given to the person
30 within the infringement notice compliance period for the
31 infringement notice.

1 *Refunds*

- 2 (7) If the infringement notice is withdrawn after the person has paid
3 the penalty specified in the infringement notice, the Commission
4 must, on behalf of the Commonwealth, refund to the person an
5 amount equal to the amount paid.

6 Note: For appropriation, see section 28 of the *Financial Management and*
7 *Accountability Act 1997*.

8 **60R Effect of this Division**

9 This Division does not:

- 10 (a) require an infringement notice to be issued to a person for an
11 alleged contravention of an infringement notice provision; or
12 (b) affect the liability of a person to proceedings under Part VI in
13 relation to an alleged contravention of an infringement notice
14 provision if:
15 (i) an infringement notice is not issued to the person for the
16 alleged contravention; or
17 (ii) an infringement notice issued to a person for the alleged
18 contravention is withdrawn under section 60Q; or
19 (c) prevent a court from imposing a higher penalty than the
20 penalty specified in the infringement notice if the person does
21 not comply with the notice.

22 **4 Subsection 75B(1)**

23 After “section”, insert “60C, 60K or”.

24 **5 After subparagraph 76(1)(a)(i)**

25 Insert:

- 26 (ii) section 60C;
27 (ia) section 60K;

28 **6 After paragraph 76(1A)(b)**

29 Insert:

- 30 (ba) for each act or omission to which this section applies that
31 relates to section 60C or 60K—6,471 penalty units; and

7 Before paragraph 76(1B)(a)

Insert:

- (aa) for each act or omission to which this section applies that relates to section 60C or 60K—1,295 penalty units; and

8 Paragraph 77A(3) (at the end of the definition of *civil liability*)

Add “or Part V”.

9 Paragraph 80(1)(a)

Repeal the paragraph, substitute:

- (a) a contravention of any of the following provisions:
- (i) a provision of Part IV;
 - (ii) a provision of Division 2 or 5 of Part IVB;
 - (iii) section 60C;
 - (iv) section 60K; or

10 At the end of subsection 80(1A)

Add “, 60C or 60K”.

11 After section 80

Insert:

80A Price exploitation in relation to the carbon tax repeal—orders limiting prices or requiring refunds of money

- (1) If, on the application of the Commission, the Court is satisfied that a person has engaged in conduct constituting a contravention of section 60C, the Court may make either or both of the following orders:
- (a) an order requiring that person, or a person involved in the contravention, not to make a regulated supply of a kind specified in the order for a price in excess of the price specified in the order while the order remains in force;
 - (b) an order requiring that person, or a person involved in the contravention, to refund money to a person specified in the order.

Note: Section 60C is about price exploitation in relation to the carbon tax repeal.

1 (2) This section does not limit section 80.

2 (3) In this section:

3 *price* has the same meaning as in Part V.

4 *regulated supply* has the same meaning as in Part V.

5 **12 Subsection 82(1)**

6 After “IVB”, insert “, or of section 60C or 60K,”.

7 **13 Section 83**

8 After “IVB”, insert “, or of section 60C or 60K,”.

9 **14 Paragraphs 84(1)(b) and (3)(b)**

10 After “IVB”, insert “or V”.

11 **15 After paragraph 85(a)**

12 Insert:

13 (aa) engaged in conduct in contravention of section 60C or 60K;

14 or

15 **16 Paragraph 86C(2)(a)**

16 Before “a”, insert “except in the case of contravening conduct that
17 relates to section 60C or 60K—”.

18 **17 Paragraph 86C(2)(b)**

19 Before “a probation”, insert “except in the case of contravening conduct
20 that relates to section 60C or 60K—”.

21 **18 Subsection 86C(4) (paragraph (a) of the definition of
22 *contravening conduct*)**

23 After “section”, insert “60C, 60K or”.

24 **19 Subsection 87(1)**

25 After “IVB”, insert “, or of section 60C or 60K,”.

26 **20 Paragraph 87(1A)(a)**

27 After “IVB”, insert “or section 60C or 60K”.

1 **21 Paragraph 87(1A)(b)**

2 Omit “45E) or Division 2 of Part IVB”, substitute “45E), Division 2 of
3 Part IVB or section 60C or 60K”.

4 **22 Paragraph 87(1B)(a)**

5 Omit “45E) or Division 2 of Part IVB”, substitute “45E), Division 2 of
6 Part IVB or section 60C or 60K”.

7 **23 Subsection 87(1C)**

8 Omit “or Division 2 of Part IVB”, substitute “, Division 2 of Part IVB
9 or section 60C or 60K”.

10 **24 Subsection 155AAA(21) (paragraph (a) of the definition of**
11 **core statutory provision)**

12 After “Part IV,”, insert “V,”.

13 **25 Subsection 155AAA(21) (after paragraph (b) of the**
14 **definition of protected information)**

15 Insert:

16 (ba) information that was obtained by the Commission under
17 paragraph 60FD(2)(b) or section 60FA or 60H; or

18 **26 Before subparagraph 163A(1)(a)(ii)**

19 Insert:

20 (i) Part V;

1 **Schedule 3—Repeal of tax offset for**
2 **conservation tillage**
3

4 ***Clean Energy (Consequential Amendments) Act 2011***

5 **1 Subsection 2(1) (table item 6)**

6 Repeal the item.

7 **2 Part 3 of Schedule 2**

8 Repeal the Part.

9 ***Income Tax Assessment Act 1997***

10 **3 Section 67-23 (table item 24)**

11 Repeal the item.

12 **4 Subdivision 385-J**

13 Repeal the Subdivision.

14 **5 Subsection 995-1(1) (definition of *eligible no-till seeder*)**

15 Repeal the definition.

16 **6 Application of amendments**

17 The amendments made by this Schedule apply to assessments for the
18 2014-15 income year and later income years.

19 Note: The provisions of the *Income Tax Assessment Act 1997* repealed by this Schedule will
20 continue to apply to assessments for the 2012-13 and 2013-14 income years.

21 **7 Transitional—timing relating to 2013-14 income year**

22 The following provisions of the *Income Tax Assessment Act 1997*:

23 (a) subparagraph 385-175(1)(e)(ii);

24 (b) subparagraph 385-190(1)(c)(ii);

25 apply for the purposes of assessments for the 2013-14 income year as if
26 those provisions referred to 30 June 2014 rather than 30 June 2015.

1 **Schedule 4—Repeal of the Steel**
2 **Transformation Plan Act 2011**
3

4 ***Steel Transformation Plan Act 2011***

5 **1 The whole of the Act**

6 Repeal the Act.

7 Note: On the repeal of the Act, the Steel Transformation Plan 2012 (which was made under
8 Part 3 of the Act) will also cease to have effect.

9 **2 Effect of repeal**

10 (1) To avoid doubt:

- 11 (a) no assistance is payable under the old Act or the old Plan
12 after the commencement of this Schedule, including in
13 respect of the half-year ending on 30 June 2014; and
14 (b) a return is not required to be (and cannot be) provided under
15 Part 4 of the old Plan in respect of the half-year ending on
16 30 June 2014 (or any later half-year); and
17 (c) the following conditions cease to have effect on the
18 commencement of this Schedule:
19 (i) conditions to which payments of competitiveness
20 assistance advances under the old Act were subject;
21 (ii) conditions to which registrations of corporations under
22 the old Plan as STP participants were subject; and
23 (d) the Department's annual report for the financial year ending
24 on 30 June 2014 (or any later financial year) is not required
25 to comply with section 26 of the old Act.

26 (2) In this item:

27 ***old Act*** means the *Steel Transformation Plan Act 2011*.

28 ***old Plan*** means the Steel Transformation Plan 2012 made under Part 3
29 of the old Act.

1 **Schedule 5—Australian Renewable Energy**
2 **Agency's finances**
3

4 *Australian Renewable Energy Agency Act 2011*

5 **1 Subsection 64(1) (table)**

6 Repeal the table, substitute:
7

| Yearly maximum payments to ARENA | | |
|---|-----------------------|----------------------------------|
| Item | Financial year | Amount for financial year |
| 1 | 2013-2014 | \$581,276,000.00 |
| 2 | 2014-2015 | \$194,340,000.00 |
| 3 | 2015-2016 | \$89,991,000.00 |
| 4 | 2016-2017 | \$56,950,000.00 |
| 5 | 2017-2018 | \$499,893,000.00 |
| 6 | 2018-2019 | \$237,000,000.00 |
| 7 | 2019-2020 | \$468,340,000.00 |
| 8 | 2020-2021 | \$135,000,000.00 |
| 9 | 2021-2022 | \$135,000,000.00 |

8 **2 Subsections 64(3) to (6)**

9 Repeal the subsections.

10 **3 Subsection 65(4) (note)**

11 Omit “subsections 64(2) to (6)”, substitute “subsection 64(2)”.

12 **4 Application**

13 To avoid doubt:

- 14 (a) the amendments made by this Part do not affect how the
15 *Australian Renewable Energy Agency Act 2011* applied,
16 before the commencement of this Part, in relation to the
17 financial year 2012-2013; but
18 (b) for the purposes of that Act as amended by this Part,
19 subsection 64(2) of that Act does not apply so as to carry

1 over to the 2013-2014 financial year any unspent amount
2 from the 2012-2013 financial year.

3 Note: The unspent amount from the 2012-2013 financial year has instead been directly
4 factored into amounts specified in the table substituted by item 1.

5

(167/14)
