



# **Taxation Laws Amendment (Personal Income Tax Reduction) Act 2003**

**No. 45, 2003**

**An Act to amend taxation laws to reduce personal  
income tax, to increase the rebate for certain  
low-income taxpayers, and for related purposes**

Note: An electronic version of this Act is available in SCALEplus  
(<http://scaleplus.law.gov.au/html/comact/browse/TOCN.htm>)



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# Taxation Laws Amendment (Personal Income Tax Reduction) Act 2003

No. 45, 2003

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**An Act to amend taxation laws to reduce personal income tax, to increase the rebate for certain low-income taxpayers, and for related purposes**

[Assented to 24 June 2003]

The Parliament of Australia enacts:

## **1 Short title**

This Act may be cited as the *Taxation Laws Amendment (Personal Income Tax Reduction) Act 2003*.

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## **2 Commencement**

This Act commences on the day on which it receives the Royal Assent.

## **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Each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

## **4 Application**

The amendments made by Schedule 1 apply to assessments for the 2003-2004 income year and later income years.

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## Schedule 1—Amendments

### *Income Tax Assessment Act 1936*

#### **1 Subsection 159N(1)**

Omit “\$24,450”, substitute “\$27,475”.

#### **2 Subsection 159N(2)**

Omit “\$150”, substitute “\$235”.

#### **3 Subsection 159N(2)**

Omit “\$20,700”, substitute “\$21,600”.

### *Income Tax Rates Act 1986*

#### **4 Clause 1 of Part I of Schedule 7 (table)**

Repeal the table, substitute:

<b>Tax rates for resident taxpayers</b>		
<b>Item</b>	<b>For the part of the ordinary taxable income of the taxpayer that:</b>	<b>The rate is:</b>
1	exceeds \$6,000 but does not exceed \$21,600	17%
2	exceeds \$21,600 but does not exceed \$52,000	30%
3	exceeds \$52,000 but does not exceed \$62,500	42%
4	exceeds \$62,500	47%

#### **5 Clause 1 of Part II of Schedule 7 (table)**

Repeal the table, substitute:

<b>Tax rates for non-resident taxpayers</b>		
<b>Item</b>	<b>For the part of the ordinary taxable income of the taxpayer that:</b>	<b>The rate is:</b>
1	does not exceed \$21,600	29%
2	exceeds \$21,600 but does not exceed \$52,000	30%

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**Tax rates for non-resident taxpayers**

<b>Item</b>	<b>For the part of the ordinary taxable income of the taxpayer that:</b>	<b>The rate is:</b>
3	exceeds \$52,000 but does not exceed \$62,500	42%
4	exceeds \$62,500	47%

**6 Subparagraph 2(b)(ii) of Division 2 of Part I of Schedule 8**

Omit "\$20,000" (wherever occurring), substitute "\$21,600".

**7 Paragraph 2(b) of Part I of Schedule 10**

Omit "\$20,000" (wherever occurring), substitute "\$21,600".

***Medicare Levy Act 1986***

**8 Subsection 3(1) (paragraph (a) of the definition of *phase-in limit*)**

Omit "\$21,621", substitute "\$22,162".

**9 Subsection 3(1) (paragraph (a) of the definition of *threshold amount*)**

Omit "\$20,000", substitute "\$20,500".

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[Minister's second reading speech made in—  
House of Representatives on 29 May 2003  
Senate on 16 June 2003]

\_(73/03)