



Tax Laws Amendment (Personal Income Tax Reduction) Act 2007

No. 76, 2007

**An Act to amend the law relating to taxation, and
for related purposes**

Note: An electronic version of this Act is available in ComLaw (<http://www.comlaw.gov.au/>)

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No. 76, 2007

An Act to amend the law relating to taxation, and for related purposes

[Assented to 21 June 2007]

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *Tax Laws Amendment (Personal Income Tax Reduction) Act 2007*.

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Each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 1—Amendments

Part 1—Amendments having effect from the 2007-08 year of income

Income Tax Assessment Act 1936

1 Subsection 159N(1)

Omit “\$40,000”, substitute “\$48,750”.

2 Subsection 159N(2)

Omit “\$600”, substitute “\$750”.

3 Subsection 159N(2)

Omit “\$25,000”, substitute “\$30,000”.

Income Tax Rates Act 1986

4 Clause 1 of Part I of Schedule 7 (table items 1 and 2)

Omit “\$25,000”, substitute “\$30,000”.

5 Clause 1 of Part II of Schedule 7 (table items 1 and 2)

Omit “\$25,000”, substitute “\$30,000”.

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

Omit “\$25,000” (wherever occurring), substitute “\$30,000”.

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

Omit “\$25,000” (wherever occurring), substitute “\$30,000”.

Medicare Levy Act 1986

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

Omit “\$29,255”, substitute “\$30,431”.

Schedule 1 Amendments

Part 1 Amendments having effect from the 2007-08 year of income

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

Omit “\$24,867”, substitute “\$25,867”.

10 Subsection 8(7)

Omit “\$33,500”, substitute “\$37,950”.

11 Application

The amendments made by this Part apply to assessments for the 2007-08 year of income and later years of income.

Part 2—Amendments having effect from the 2008-09 year of income

Income Tax Rates Act 1986

12 Clause 1 of Part I of Schedule 7 (table items 2 and 3)

Omit “\$75,000”, substitute “\$80,000”.

13 Clause 1 of Part I of Schedule 7 (table items 3 and 4)

Omit “\$150,000”, substitute “\$180,000”.

14 Clause 1 of Part II of Schedule 7 (table items 2 and 3)

Omit “\$75,000”, substitute “\$80,000”.

15 Clause 1 of Part II of Schedule 7 (table items 3 and 4)

Omit “\$150,000”, substitute “\$180,000”.

16 Application

The amendments made by this Part apply to assessments for the 2008-09 year of income and later years of income.

*[Minister’s second reading speech made in—
House of Representatives on 10 May 2007
Senate on 12 June 2007]*

(78/07)
