



# **Tax Laws Amendment (Temporary Flood and Cyclone Reconstruction Levy) Act 2011**

**No. 16, 2011**

**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/>)



---

## Contents

1	Short title .....	1
2	Commencement .....	2
3	Schedule(s) .....	3
<b>Schedule 1—Main amendments</b>		4
	<i>Income Tax Assessment Act 1997</i>	4
	<i>Income Tax (Transitional Provisions) Act 1997</i>	4
<b>Schedule 2—Sunsetting</b>		6
	<i>Income Tax Assessment Act 1997</i>	6
	<i>Income Tax (Transitional Provisions) Act 1997</i>	6





# **Tax Laws Amendment (Temporary Flood and Cyclone Reconstruction Levy) Act 2011**

**No. 16, 2011**

---

---

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

*[Assented to 12 April 2011]*

The Parliament of Australia enacts:

**1 Short title**

This Act may be cited as the *Tax Laws Amendment (Temporary  
Flood and Cyclone Reconstruction Levy) Act 2011*.

---

## 2 Commencement

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

<b>Commencement information</b>		
<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Provision(s)</b>	<b>Commencement</b>	<b>Date/Details</b>
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	12 April 2011
2. Schedule 1	The later of: (a) the day this Act receives the Royal Assent; and (b) the day the <i>Income Tax Rates Amendment (Temporary Flood and Cyclone Reconstruction Levy) Act 2011</i> receives the Royal Assent.  However, the provision(s) do not commence at all if the event mentioned in paragraph (b) does not occur.	12 April 2011
3. Schedule 2	The later of: (a) 1 July 2016; and (b) the day the <i>Income Tax Rates Amendment (Temporary Flood and Cyclone Reconstruction Levy) Act 2011</i> receives the Royal Assent.  However, the provision(s) do not commence at all if the event mentioned in paragraph (b) does not occur.	1 July 2016
Note:	This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.	

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

### **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—Main amendments

### *Income Tax Assessment Act 1997*

#### **1 Subsection 4-10(3) (note)**

Omit “Note”, substitute “Note 1”.

#### **2 At the end of subsection 4-10(3)**

Add:

Note 2: In addition to the income tax worked out under this section, you may also have to pay additional income tax (known as temporary flood and cyclone reconstruction levy) for the 2011-12 financial year. See section 4-10 of the *Income Tax (Transitional Provisions) Act 1997*.

### *Income Tax (Transitional Provisions) Act 1997*

#### **3 At the end of Division 4**

Add:

#### **4-10 Temporary flood and cyclone reconstruction levy**

##### *Temporary flood and cyclone reconstruction levy*

- (1) You must pay extra income tax (*temporary flood and cyclone reconstruction levy*) for the 2011-12 financial year if:
  - (a) you are an individual; and
  - (b) your taxable income for the 2011-12 income year exceeds \$50,000.

Note: This section will also affect the income tax payable by some trustees who are taxed as if certain trust income were income of individuals. See sections 98 and 99 of the *Income Tax Assessment Act 1936*.

- (2) Subsection (1) does not apply if you are a member of a class of individuals specified in a legislative instrument made by the Minister for the purposes of this subsection.
- (3) The Minister may only specify a class of individuals for the purposes of subsection (2) if the Minister is satisfied that the class



was affected by a natural disaster that happened in Australia between:

- (a) 1 July 2010; and
- (b) 30 June 2012.

*Amount of temporary flood and cyclone reconstruction levy*

- (4) Your temporary flood and cyclone reconstruction levy is worked out by reference to your taxable income for the 2011-12 income year, using the rate or rates that apply to you.

Note: See section 12B of the *Income Tax Rates Act 1986*.

*Interaction with other provisions*

- (5) For the purpose of working out your income tax for the 2011-12 financial year, subsection 4-10(3) of the *Income Tax Assessment Act 1997* has effect as if it stated that your income tax for the financial year is the total of:

- (a) the amount worked out using the method statement in that subsection; and
- (b) the amount of any extra tax you must pay as mentioned in subsection (1) of this section.

- (6) To avoid doubt, temporary flood and cyclone reconstruction levy is not included in your basic income tax liability worked out in accordance with step 2 of the method statement in subsection 4-10(3) of the *Income Tax Assessment Act 1997*.

Note: You cannot apply any tax offsets against temporary flood and cyclone reconstruction levy under Part 2-20 of the *Income Tax Assessment Act 1997*, because temporary flood and cyclone reconstruction levy is not included in your basic income tax liability.

- (7) Disregard this section for the purposes of section 770-75 of the *Income Tax Assessment Act 1997* (Foreign income tax offset limit).

## Schedule 2—Sunsetting

### *Income Tax Assessment Act 1997*

#### **1 Subsection 4-10(3) (note 1)**

Omit “Note 1”, substitute “Note”.

#### **2 Subsection 4-10(3) (note 2)**

Repeal the note.

### *Income Tax (Transitional Provisions) Act 1997*

#### **3 Section 4-10**

Repeal the section.

---

*[Minister’s second reading speech made in—  
House of Representatives on 10 February 2011  
Senate on 28 February 2011]*