Clean Energy (Tax Laws Amendments) Act 2011

No. 159, 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/)

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Clean Energy (Tax Laws Amendments) Act 2011

No. 159, 2011

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

[*Assented to 4 December 2011*]

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *Clean Energy (Tax Laws Amendments) 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.

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.	4 December 2011
2. Schedule 1, Part 1	The later of: (a) the start of 1 July 2012; and (b) the commencement of section 3 of the *Clean Energy Act 2011*. However, the provision(s) do not commence at all if the event mentioned in paragraph (b) does not occur.	1 July 2012
3. Schedule 1, Part 2	The later of: (a) the start of 1 July 2015; and (b) the commencement of section 3 of the *Clean Energy Act 2011*. However, the provision(s) do not commence at all if the event mentioned in paragraph (b) does not occur.	1 July 2015
4. Schedule 2	The latest of: (a) the start of 1 July 2012; and (b) the commencement of section 3 of the *Clean Energy Act 2011*; and (c) the commencement of Part 1 of Schedule 1 to the *Clean Energy (Income Tax Rates Amendments) Act 2011*. However, the provision(s) do not commence at all unless both of the events mentioned in paragraphs (b) and (c) occur.	1 July 2012

Commencement information		
Column 1	**Column 2**	**Column 3**
Provision(s)	**Commencement**	**Date/Details**
5. Schedule 3	The later of: (a) the start of 1 July 2012; and (b) the commencement of section 3 of the *Clean Energy Act 2011*. However, the provision(s) do not commence at all if the event mentioned in paragraph (b) does not occur.	1 July 2012

Note: This table relates only to the provisions of this Act as originally enacted.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—Low-income tax offset

Part 1—Amendments applying from the 2012-13 year of income

Income Tax Assessment Act 1936

1 Subsection 159N(1)

Omit "$67,500", substitute "$66,667".

2 Subsection 159N(2)

Repeal the subsection, substitute:

(2) The amount of the rebate is $445, reduced by 1.5 cents for every $1 of the amount (if any) by which the taxpayer's taxable income of the year of income exceeds $37,000.

3 Application provision

The amendments made by this Part apply to the 2012-13 year of income and later years of income.

Part 2—Amendments applying from the 2015-16 year of income

Income Tax Assessment Act 1936

4 Subsection 159N(1)

Omit "$66,667", substitute "$67,000".

5 Subsection 159N(2)

Repeal the subsection, substitute:

(2) The amount of the rebate is $300, reduced by 1 cent for every $1 of the amount (if any) by which the taxpayer's taxable income of the year of income exceeds $37,000.

6 Application provision

The amendments made by this Part apply to the 2015-16 year of income and later years of income.

Schedule 2—Medicare levy and Medicare levy surcharge

A New Tax System (Medicare Levy Surcharge—Fringe Benefits) Act 1999

1 Paragraphs 15(1)(c) and 16(2)(c)

Omit "$18,839", substitute "20,542".

Medicare Levy Act 1986

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

Omit "$36,100", substitute "$37,975".

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

Omit "$22,163", substitute "$24,167".

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

Omit "$30,685", substitute "$32,279".

5 Subsection 3(1) (paragraph (c) of the definition of *threshold amount*)

Omit "$18,839", substitute "$20,542".

6 Subsection 8(7)

Omit "$44,500", substitute "$46,000".

7 Paragraph 8D(3)(c)

Omit "$18,839", substitute "$20,542".

8 Subparagraph 8D(4)(a)(ii)

Omit "$18,839", substitute "$20,542".

9 Paragraph 8G(2)(c)

Omit "$18,839", substitute "$20,542".

10 Subparagraph 8G(3)(a)(ii)

Omit "$18,839", substitute "$20,542".

11 Application provision

The amendments made by this Schedule apply to the 2012-13 year of income and later years of income.

Schedule 3—Tax rebate for low income aged persons and pensioners

Income Tax Assessment Act 1936

1 Subsection 6(1)

Insert:

> ***rebatable benefit*** has the meaning given by subsection 160AAA(1).

2 Section 160AAAA (heading)

Repeal the heading, substitute:

160AAAA Tax rebate for low income aged persons and pensioners

3 Subsection 160AAAA(1)

Omit "A taxpayer", substitute "Subject to subsection 160AAA(4), a taxpayer".

4 Subsection 160AAAA(2)

Omit ", on at least one day during the year of income, either".

5 Paragraphs 160AAAA(2)(a) and (b)

Before "the taxpayer", insert "on at least one day during the year of income,".

6 At the end of subsection 160AAAA(2)

Add:

; or (c) the assessable income of the taxpayer of the year of income includes an amount of:

(i) social security pension or education entry payment (within the meaning of the *Social Security Act 1991*); or

(ii) service pension, carer service pension, income support supplement or Defence Force Income Support Allowance (within the meaning of the *Veterans'*

Entitlements Act 1986) or a DFISA-like payment mentioned in Division 4 of Part VIIAB of that Act;

and, on at least one day during the year of income, the taxpayer is not in gaol.

7 Section 160AAAB (heading)

Repeal the heading, substitute:

160AAAB Tax rebate for low income aged persons and pensioners—trustees assessed under section 98

8 Subsection 160AAAB(1)

Omit "A taxpayer who is", substitute "Subject to subsection 160AAA(4A),".

9 Subsection 160AAAB(2)

Omit ", on at least one day during the year of income, either".

10 Paragraphs 160AAAB(2)(a) and (b)

Before "the beneficiary", insert "on at least one day during the year of income,".

11 At the end of subsection 160AAAB(2)

Add:

; or (c) the assessable income of the beneficiary of the year of income includes an amount of:

(i) social security pension or education entry payment (within the meaning of the *Social Security Act 1991*); or

(ii) service pension, carer service pension, income support supplement or Defence Force Income Support Allowance (within the meaning of the *Veterans' Entitlements Act 1986*) or a DFISA-like payment mentioned in Division 4 of Part VIIAB of that Act;

and, on at least one day during the year of income, the beneficiary is not in gaol.

12 Section 160AAA (heading)

Repeal the heading, substitute:

160AAA Rebate in respect of certain benefits etc.

13 Subsection 160AAA(1) (definition of *rebatable pension*)

Repeal the definition.

14 Subsection 160AAA(2)

Repeal the subsection.

15 Subsection 160AAA(4)

Omit "subsections (2) and (3)", substitute "section 160AAAA (Tax rebate for low income aged persons and pensioners) and this section".

16 Subsection 160AAA(4A)

Repeal the subsection, substitute:

(4A) If, apart from this subsection:

(a) the taxpayer would be entitled in his or her assessment in respect of income of a year of income to a rebate of tax under this section; and

(b) the taxpayer is the beneficiary of a trust; and

(c) the trustee of the trust is entitled to a rebate of tax for the year of income under section 160AAAB in respect of the taxpayer;

then:

(d) if the amounts of the rebates are the same, or the amount of the rebate under this section is the lesser amount—the taxpayer is not entitled to the rebate under this section; or

(e) if the amount of the rebate under this section is the greater amount—the trustee is not entitled to the rebate under section 160AAAB.

Income Tax Assessment Act 1997

17 Section 13-1 (table item headed "low income earner")

Omit "aged beneficiary", substitute "aged or pensioner beneficiary".

18 Section 13-1 (table item headed "low income earner")

After "aged person", insert "or pensioner".

19 Section 13-1 (table item headed "social security and other benefit payments")

Omit "**160AAA(2)**", substitute "**160AAAA**".

20 Subsection 63-10(1) (table items 5 and 10, column headed "Tax offset")

After "aged persons", insert "and pensioners".

21 Subsection 63-10(1) (table item 15, column headed "Tax offset")

Omit "pensions", substitute "benefits".

Medicare Levy Act 1986

22 Subsection 3(1) (paragraph (b) of the definition of *phase-in limit*)

Repeal the paragraph.

23 Subsection 3(1) (paragraph (b) of the definition of *threshold amount*)

Repeal the paragraph.

24 Application provision

The amendments made by this Schedule apply to the 2012-13 year of income and later years of income.

[*Minister's second reading speech made in—*
House of Representatives on 13 September 2011
Senate on 12 October 2011]

(179/11)