



Tax Laws Amendment (Income Tax Rates) Act 2012

No. 60, 2012

**An Act to amend the *Income Tax Rates Act 1986*,
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)..... | 2 |
| | Schedule 1—Non-resident personal tax rates | 3 |
| | Part 1—Amendments applying from the 2012-13 year of income | 3 |
| | <i>Income Tax Rates Act 1986</i> | 3 |
| | Part 2—Amendments applying from the 2015-16 year of income | 5 |
| | <i>Income Tax Rates Act 1986</i> | 5 |



Tax Laws Amendment (Income Tax Rates) Act 2012

No. 60, 2012

**An Act to amend the *Income Tax Rates Act 1986*,
and for related purposes**

[Assented to 21 June 2012]

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *Tax Laws Amendment (Income Tax Rates) Act 2012*.

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. | 21 June 2012 |
| 2. Schedule 1, Part 1 | The day this Act receives the Royal Assent. | 21 June 2012 |
| 3. Schedule 1, Part 2 | The later of: (a) immediately after the commencement of the provision(s) covered by table item 2; and (b) 1 July 2015. | 1 July 2015 |

Note: This table relates only to the provisions of this Act as originally enacted.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Each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.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—Non-resident personal tax rates

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

Income Tax Rates Act 1986

1 Subsection 3(1)

Insert:

second resident personal tax rate means the rate mentioned in item 2 of the table in clause 1 of Part I of Schedule 7.

2 Subparagraph 15(2)(a)(i)

Repeal the subparagraph, substitute:

- (i) the amount ascertained by applying the second resident personal tax rate to that eligible taxable income; or

2A Paragraph 15(2)(b)

Omit “\$732”, substitute “\$663”.

3 Subparagraph 15(2)(b)(i)

Repeal the subparagraph, substitute:

- (i) the amount ascertained by applying the second resident personal tax rate to \$416, and then adding 66% of the amount by which that eligible taxable income exceeds \$416; or

4 Subparagraph 15(4)(c)(i)

Repeal the subparagraph, substitute:

- (i) the amount ascertained by applying the second resident personal tax rate to the amount of the eligible part of that share; or

4A Paragraph 15(4)(d)

Omit “\$732”, substitute “\$663”.

5 Subparagraph 15(4)(d)(i)

Schedule 1 Non-resident personal tax rates
Part 1 Amendments applying from the 2012-13 year of income

Repeal the subparagraph, substitute:

- (i) the amount ascertained by applying the second resident personal tax rate to \$416, and then adding 66% of the amount by which the eligible part of that share exceeds \$416; or

5A Paragraph 15(6)(b)

Omit “\$732”, substitute “\$663”.

6 Clause 1 of Part II of Schedule 7 (table)

Repeal the table, substitute:

| Tax rates for non-resident taxpayers | | |
|---|--|---------------------------------------|
| Item | For the part of the ordinary taxable income of the taxpayer that: | The rate is: |
| 1 | does not exceed \$80,000 | The second resident personal tax rate |
| 2 | exceeds \$80,000 but does not exceed \$180,000 | 37% |
| 3 | exceeds \$180,000 | 45% |

7 Clause 1A of Part II of Schedule 7 (note)

Repeal the note, substitute:

- Note 1: This clause will be repealed on 1 July 2016. See Part 2 of Schedule 2 to the *Tax Laws Amendment (2011 Measures No. 7) Act 2011*.
- Note 2: In the 2011-12 year of income, the rate applicable under item 1 of the table was 29%.

8 Application provision

The amendments made by this Part apply to the 2012-2013 year of income and later years of income.

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

Income Tax Rates Act 1986

9 Paragraphs 15(2)(b), (4)(d) and (6)(b)

Omit “\$663”, substitute “\$653”.

10 Application provision

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

*[Minister’s second reading speech made in—
House of Representatives on 24 May 2012
Senate on 18 June 2012]*