

# ***PS LA 2011/23 - Credit interest***

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# Practice Statement Law Administration

**PS LA 2011/23**

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**FOI status: may be released**

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**SUBJECT:** Credit interest

**PURPOSE:** This practice statement discusses the credit interest regime administered by the Commissioner and details when interest is payable.

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## BACKGROUND

1. This practice statement deals with the circumstances in which the Commissioner will be liable to pay an amount of interest to an entity. Such interest is payable under the *Taxation (Interest on Overpayments and Early Payments) Act 1983* (T(IOEP)A).
2. Circumstances where interest is payable by the Commissioner include:
  - early payments of certain tax liabilities (interest on early payment)
  - particular overpayments of taxes (interest on overpayments)
  - delayed refunds of activity statement amount credits that have been allocated to a running balance account (RBA) (delayed refund interest)
  - certain amounts of tax on no-TFN contributions income of superannuation providers, and
  - where the Australian Taxation Office (ATO) is required to make a superannuation co-contribution payment for a taxpayer but fails to pay on time or underpays (co-contribution interest).
3. The entitlement to interest on early payments, overpayments, delayed refund interest and certain amounts of no-TFN contributions tax is set out under the T(IOEP)A.
4. Interest is also payable under other Acts, for example, the *Superannuation (Government Co-Contribution for Low Income Earners) Act 2003*.

### Treatment of interest payable under the T(IOEP)A

5. Interest payable by the Commissioner under the T(IOEP)A is:
  - assessable income when it is received (applied, credited or refunded)<sup>1</sup>
  - payable at the base interest rate (within the meaning of section 8AAD of the *Taxation Administration Act 1953* (TAA))
  - calculated as simple interest, not compound interest<sup>2</sup>
  - calculated to the nearest cent (0.5 cent increased to nearest cent) and amounts less than 50 cents are not payable.<sup>3</sup>
6. Generally, if an amount of interest is to be paid to an entity that has an overseas address according to ATO records, or if the Commissioner is authorised to pay the interest at a place outside of Australia, 10% of the interest is withheld under section 12-245 of schedule 1 to the TAA.

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<sup>1</sup> Section 15-35 of the *Income Tax Assessment Act 1997* (ITAA 1997).

<sup>2</sup> Refer to the decision in *Consolidated Fertilizers Ltd v. DCT* 92 ATC 4260; (1992) 23 ATR 305.

<sup>3</sup> Part IIIB of the T(IOEP)A.

7. Interest payable under the T(IOEP)A is also a 'credit' for the purposes of Part IIB of the TAA. Accordingly, the Commissioner is required under Division 3 of Part IIB to the TAA to apply an amount of interest payable to a taxpayer against any amount due to the Commonwealth directly arising under a taxation law, including any such amount not yet payable.

### **Treatment of co-contributions interest**

8. The entitlement to interest on payments of superannuation co-contribution amounts is set out in section 12 of the *Superannuation (Government Co-Contributions for Low Income Earners) Act 2003*.
9. The interest that is payable forms part of the actual Government co-contribution and therefore is treated for all purposes in the same manner (for example, for taxation purposes). The Government co-contribution is not assessable income in the hands of the superannuation entity or the individual (sections 295-170 and 307-135 of the *Income Tax Assessment Act 1997* (ITAA 1997)).

## **STATEMENT**

### **Interest on early payments**

10. Paragraph 8A(1)(a) of the T(IOEP)A provides that interest on early payments is payable only where a taxpayer makes a payment that is received by the ATO more than 14 days before the due date for payment of certain liabilities.<sup>4</sup>
11. Interest on early payments is payable in relation to:
- income tax (including the Medicare levy and Medicare levy surcharge)
  - shortfall interest charge under Division 280 of schedule 1 to the TAA
  - higher education contribution (HEC) assessment debt
  - compulsory repayment amount
  - student financial supplementary scheme (FS) assessment debt
  - interest under section 102AAM of the *Income Tax Assessment Act 1936* (ITAA 1936)
  - late lodgment penalty under section 163A of the ITAA 1936
  - general interest charge for late lodgment under sections 163B of the ITAA 1936, and
  - general interest charge applied in relation to debit amended assessments under section 170AA of the ITAA 1936.

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<sup>4</sup> in relation a liability pertaining to the 1993-94 and later income years where the payment occurs after 1 July 1994.

## Interest on overpayments

12. Generally, the following parts of the T(IOEP)A deal with interest on overpayments:

| <b>T(IOEP)A</b>                  | <b>Type of overpayment</b>  |
|----------------------------------|---|
| Part IIB                         | Overpayments resulting from income tax assessments.   |
| Parts IIC, IID, IIE, IIF and IIG | Overpayments relating to certain amended assessments of surcharge or an advanced instalment and interest on certain offsets relating to no-TFN contributions income of superannuation funds and retirement savings account (RSA) providers. |
| Part III                         | Overpayments resulting from decisions to which the T(IOEP)A applies (for example objections, Tribunal appeals, court decisions, certain amendments).  |
| Part IIIA                        | Overpayments resulting from certain remissions, refunds and credits of particular taxes (including income tax, general interest charge and shortfall interest charge).  |

## Delayed refund interest

13. Delayed refund interest is payable in relation to an RBA established to account for business activity statement (BAS) amounts if a refund that the Commissioner is required to give is not paid by the RBA interest day.<sup>5</sup> However, delayed refund interest will not be paid where specified information has not been provided (for example, a notification under any of the BAS provisions or a further/fuller goods and services tax (GST) return that the entity is required to give to the Commissioner).
14. The delayed refund interest is payable for the period from the end of the RBA interest day until the end of the day on which the refund takes place.

## EXPLANATION

### Interest on early payments

15. Early payment interest is limited to the early payment of the amount due and only for the relevant period provided for in the T(IOEP)A.
16. If the person is not a full self-assessment taxpayer<sup>6</sup> the calculation of interest begins from the later of the following:
- (a) the day on which the payment is made, and/or
  - (b) the day on which the notice notifying the tax, debt, interest or instalment concerned is issued.

<sup>5</sup> in relation to RBA established from 1 July 2000.

<sup>6</sup> full-self assessment taxpayer is defined in subsection 6(1) of the ITAA 1936. It includes companies, the trustee of a superannuation funds, the trustee of an approved deposit funds and the trustee of a pooled superannuation trusts.

If the person is a full self-assessment taxpayer – from the beginning of the day on which the payment is made until the earlier of the due date for payment or, in circumstances where the early payment is refunded before the due date, when the refund takes place.

17. Claims for interest on early payments should be made by the taxpayer or their agent either by a written request to the ATO or alternatively calculated and claimed via their next income tax return.
18. Interest on early payments can only be paid after the due date for payment of the tax paid early has lapsed and only after that tax amount has been established. If the payment is to any extent refunded before the due date, interest is not payable on the payment to that extent in respect to the period after the day on which the refund takes place.
19. The ATO will provide written details to a taxpayer of the amount of early payment interest when the interest is paid. If the interest has been offset against any outstanding taxation debts, the taxpayer will also be advised in writing as to the nature and date of the offset.

## **Interest on overpayments**

### ***Part IIB – interest on overpayments resulting from income tax assessments***

20. Interest on overpayments may be payable as a result of the application of certain credits, known as 'income tax crediting amounts',<sup>7</sup> to a taxpayer's account at the time of processing an original return or at some later time. Interest under this Part only applies in relation to income tax related liabilities.<sup>8</sup>

#### *Ordinary taxpayers*

21. For ordinary taxpayers,<sup>9</sup> an entitlement to interest will arise under subsection 8E(1) of the T(IOEP)A where, on original assessment:
  - the income tax crediting amounts exceed the sum of their income tax and related liabilities, listed under subparagraphs 8E(1)(d)(i) to (v) of the T(IOEP)A, for the year of income, and
  - the notice of assessment is issued more than 30 days after the day on which the taxpayer lodged the relevant income tax return.

The interest is calculated on the amount of the excess.

22. The liabilities under subparagraphs 8E(1)(d)(i) to (v) of the T(IOEP)A include:
  - income tax payable for the year of income (after allowing any rebate, except a tax offset that is subject to the refundable tax offset rules, or deduction under subsection 100(2) of the ITAA 1936 and before allowing any crediting, applying or other payment) plus Medicare levy and any Medicare levy surcharge assessed on the taxable income (after adjustments);
  - a higher education contribution scheme (HEC) assessment debt or a compulsory repayment amount arising under the *Higher Education Support Act 2003*, notified on the assessment;

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<sup>7</sup> Income tax crediting amounts is defined in subsection 3(1) of the T(IOEP)A. It includes pay as you go (PAYG credits) and refundable tax offsets.

<sup>8</sup> in relation to assessments for the 1993-1994 and later income years where the crediting takes place on or after 1 July 1994.

<sup>9</sup> Taxpayers who are not full self-assessment taxpayers and are not taxed as companies or superannuation funds.

- a student financial supplement (FS) assessment debt arising under the *Social Security Act 1991* notified in the notice of assessment, and
- interest for the year of income payable under section 102AAM of the ITAA 1936 (distributions from certain non-resident trust estates).

23. Interest may also be payable to ordinary taxpayers under subsection 8E(2) of the T(IOEP)A, where an income tax crediting amount is not applied until after the income tax notice of assessment is issued (this is called a 'post-notice crediting'). Where there is a post-notice crediting, the income tax crediting amounts must exceed the sum of the amounts listed in subparagraphs 8E(2)(d)(i) to (v) for there to be an entitlement to interest. The amounts that are listed in 8E(2)(d)(i) to (v) are:

- income tax payable for the year of income as reduced by any rebate, deduction under subsection 100(2) of the ITAA 1936, crediting, applying or other payment made before the post-notice crediting;
- a HEC assessment debt or a compulsory repayment amount arising under the *Higher Education Support Act 2003*, notified on the assessment, that is payable immediately before the post-notice crediting
- an FS assessment debt arising under the *Social Security Act 1991*, notified on the assessment that is payable immediately before the post-notice crediting, and
- interest for the year of income payable under section 102AAM of the ITAA 1936 (distributions from certain non-resident trust estates) immediately before the post-notice crediting.

The interest is calculated on the amount of the excess.

24. The periods for which interest is payable to ordinary taxpayers on the amount of the excess is as follows:

| <b>Time of credit</b>  | <b>Start date for interest calculation</b>   | <b>End date for interest calculation</b>                   |
|--|--|--|
| On original assessment (notice crediting)<br>Subsection 8F(1) of the T(IOEP)A                    | Beginning of the 30th day after the day on which the taxpayer furnishes the return | End of the day on which the notice of assessment is issued |
| After original assessment has issued (post-notice crediting)<br>Subsection 8F(2) of the T(IOEP)A | Beginning of the day on which the assessment is issued                             | End of the day on which the post-notice crediting occurs   |

25. Where the taxpayer has made a payment in anticipation of an income tax or related liability after the notice of assessment has issued and before a post-notice crediting, interest is payable on the amount of the excess income tax crediting amounts that are attributable to the payment from the beginning of the day the payment was made until the end of the day on which the post-notice crediting occurs. Interest on the remainder of the excess credits that are attributable to the post-notice crediting is calculated as described in the table above.

26. Interest is not payable on a payment if it attracts interest under Part III of the T(IOEP)A or it has already been taken into account in a previous application of Part IIB.

*Full self-assessment taxpayers*

27. In relation to full self-assessment taxpayers,<sup>10</sup> subsection 8G(1) of the T(IOEP)A provides that interest will be payable where:
- the taxpayer lodges an income tax return,
  - the income tax crediting amounts exceed the sum of income tax payable (after allowing any rebate, except a tax offset that is subject to the refundable tax offset rules, or deduction under subsection 100(2) of the ITAA 1936 and before allowing any crediting, applying or other payment) and interest payable under section 102AAM of the ITAA 1936 for the year of income, and
  - the 'first crediting' takes place after a specified date.

The interest is calculated on the amount of the excess credit that remains after performing the calculation taking into account the amounts referred to in the 2nd bullet point of this paragraph.

28. A full self-assessment taxpayer will be entitled to interest in relation to the circumstances in paragraph 27 if:
- they lodge an income tax return 30 days or more before the due date for payment of its assessed tax, and the first crediting occurs 30 days or more after the day on which the return was lodged, or
  - they lodge an income tax return less than 30 days before the due date for payment of its assessed tax (including after the due date), and the first crediting occurs after the due date for payment of the assessed tax.
29. Subsection 8G(2) of the T(IOEP)A provides that interest will be payable in relation to full self-assessment taxpayers, where:
- after the 'first crediting' there is a 'later crediting' of an income tax crediting amount against the taxpayer's income tax liabilities for the year, and
  - the sum of the later income tax crediting amounts exceeds the sum of the following amounts:
    - income tax payable for the year of income as reduced by any rebate, deduction under subsection 100(2) of the ITAA 1936, crediting, applying or other payment made before the later crediting,
    - interest for the year of income payable under section 102AAM of the ITAA 1936 immediately before the later crediting.

The interest is calculated on the amount of the excess.

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<sup>10</sup> For example companies (including corporate unit trusts and public trading trusts), superannuation funds, approved deposit funds and pooled superannuation trusts).



30. The period for which interest is applied to a full self-assessment taxpayer on the excess amount under Part IIB of the T(IOEP)A, is the earlier of:
- the 30th day after the day on which the **person** furnishes the return of income for the **year of income**, or
  - the due date for payment of the assessed tax,
- until the end of the day on which the first crediting occurs.
31. Where the taxpayer has made a payment towards an income tax or related liability after the first crediting and before the later crediting, interest is payable on the amount of the excess income tax crediting amounts that are attributable to the payment from the beginning of the day the payment was made until the end of the day on which the post-notice crediting occurs.

**Parts IIC, IID, IIE, IIF and IIG – interest on overpayments resulting from certain amendments**

32. Interest is payable under Parts IIC, IID, IIE and IIF of the T(IOEP)A where an amount of surcharge or an advance instalment is overpaid following certain amendments to assessments under the:
- *Superannuation Contributions Tax (Assessment and Collection) Act 1997*
  - *Termination Payments Tax (Assessment and Collection) Act 1997*
  - *Superannuation Contributions Tax (Members of Constitutionally Protected Superannuation Funds) Assessment and Collection Act 1997.*
33. Interest is payable under these Parts on the overpaid amount starting from the later of:
- the day on which the amount of the surcharge or advance instalment was paid, or
  - the day by which the amount of the surcharge or advance instalment was required to be paid,
- and ends on the day on which the assessment was amended.
34. Interest may also be payable under Part IIG of the T(IOEP)A to a superannuation provider in certain circumstances where an individual quotes a TFN to the provider resulting in a tax offset under Subdivision 295-J of the ITAA 1997.
35. Interest will be payable where:
- an individual has quoted their TFN to their employer before the end of an income year
  - their employer failed to comply with the requirements set out in section 299C of *Superannuation Industry (Supervision) Act 1993* which requires them to inform the superannuation provider, to which they make contributions, of the individual's TFN before the end of the income year
  - due to the employer's failure to comply with section 299C of the *Superannuation Industry (Supervision) Act 1993* contributions made to that superannuation provider formed Part of its no-TFN contributions income

- tax payable on that no-TFN contributions income (the interest-bearing tax) counted towards the no-TFN contributions tax offset of the superannuation provider for the current year, and
  - the tax offset has been applied in an assessment in respect of the superannuation provider for the current year.
36. The interest is payable for a period from the day the interest-bearing tax on the no-TFN contributions income was paid or the day the interest-bearing tax was required to be paid (whichever is the later) until the day on which the assessment of the no-TFN contributions income tax offset is made. The interest is payable on each amount of interest-bearing tax.

***Application of Part III – interest on overpayments resulting from decision to which the T(IOEP)A applies***

37. Interest is payable under Part III of the T(IOEP)A where an amount of ‘relevant tax’ is found to have been overpaid as a result of a ‘decision to which this Act applies’. The taxpayer is entitled to interest only on the overpaid amount.<sup>11</sup> Generally, overpayments that arise from an amended assessment that reduces the taxpayer’s liability to tax following a decision of the Commissioner, Administrative Appeals Tribunal (AAT) or a court decision in relation to an objection under Part IVC of the TAA, will give rise to an entitlement to interest on overpayment.
38. The term ‘relevant tax’ is defined in section 3C of the T(IOEP)A. It includes:
- income tax (and other tax as defined in subsection 6(1) of the ITAA 1936)
  - interest under section 170AA of the ITAA 1936 (in relation to the 1999–2000 and earlier income years)
  - shortfall interest charge under Division 280 of schedule 1 to the TAA<sup>12</sup>
  - goods and services tax, and
  - fringe benefits tax.
39. Relevant tax does not include the following amounts:
- the general interest charge under section 5-15 of the ITAA 1997 (or former subsection 204(3) of the ITAA 1936)
  - PAYG instalments, or
  - penalties under Part 4-25 of schedule 1 to the TAA, for example, shortfall penalties and penalties for failing to lodge on time in relation to the 2000-2001 and later income years.
40. The term ‘decision to which this Act applies’ is defined in subsection 3(1). Decisions that fall within this definition include:<sup>13</sup>
- a decision of the Commissioner on an objection
  - a decision of the Administrative Appeals Tribunal on an objection
  - a decision of the court in relation to an objection, or a decision of the AAT in relation to an objection

<sup>11</sup> Refer to *Charara v. Federal Commissioner of Taxation* [2009] NSWSC 730; (2009) 74 ATR 1.

<sup>12</sup> In relation to the 2004–05 and later income years.

<sup>13</sup> In relation to assessments for the 1993–94 and later income years in respect to decisions made after 1 July 1994.

- a decision of the Commissioner to amend an income tax assessment reducing the tax liability, including where the taxpayer has requested the amendment
  - a decision of the Commissioner to amend an fringe benefits tax assessment reducing the liability to tax (but not where the taxpayer has requested the amendment), and
  - a decision about foreign revenue claims made under Subdivision 263-A of schedule 1 to the TAA.
41. Interest entitlements pursuant to Part III of the T(IOEP)A are payable on the overpaid amount for the period starting from the later of:
- the day on which the notice of assessment, determination or decision in relation to which the 'decision to which this Act applies' was made, and
  - the day on which the amount of relevant tax was paid
- and ending on the day on which the amount of overpaid relevant tax is refunded or applied.

***Application of Part IIIA – interest on overpayments resulting from certain remissions, refunds and credits***

42. Part IIIA of the T(IOEP)A provides for an entitlement to interest where the Commissioner, as a result of a request by a taxpayer:
- remits under section 8AAG of the TAA, certain amounts of general interest charge that have been paid (for example, the general interest charge under former subsection 204(3) incurred in relation to unpaid assessed income tax liabilities)<sup>14</sup>
  - remits, under section 280-160 of schedule 1 to the TAA, the whole or part of an amount that has been paid to the Commissioner in respect of shortfall interest charge payable under Division 280 in that schedule
  - refunds the whole or part of a payment made by a taxpayer on account of assessed income tax and certain related liabilities (for example, a HELP compulsory repayment amount payable under section 154-1 of the *Higher Education Support Act 2003*), and
- the refund, crediting or remission takes place more than 30 days after the day on which the request is made.
43. Where an amount of the general interest charge that has been paid is remitted, an entitlement to interest may arise under either Part IIIA (interest on overpayments) or Part IIIAA of the T(IOEP)A (delayed refund interest) but not both. That is, there is no double entitlement to interest in relation to the remission of an amount of the general interest charge.
44. Interest under Part IIIA of the T(IOEP)A is calculated on the amount remitted, refunded or credited from the beginning of the 30th day after the day on which the request was made and up until the end of the day on which the remission, refund or crediting takes place.

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<sup>14</sup> A full list is provided under subparagraph 12A(1)(a)(i).

## Delayed refund interest

45. Delayed refund interest can be payable where:
- An RBA surplus arises after the notification of BAS amounts and the Commissioner does not refund the surplus within 14 days after the day the surplus arose (section 12AA of the T(IOEP)A). The RBA surplus arises on the day that an entity gives the Commissioner notification of the amount of their entitlement to a BAS credit, for example, the day of lodgment of the activity statement or the fuel tax return. However, if following lodgment of an activity statement or fuel tax return for a particular tax period an entity notifies the Commissioner of a revised entitlement to a increased BAS credit that is attributable to that tax period, the RBA surplus may arise when the original activity statement or fuel tax return for that tax period was received by the Commissioner. That is, the RBA surplus may arise on a day earlier than when notification of the revised entitlement is given (it is particularly important to note here that interest commences from the end of the RBA interest day).
  - As a result of the remission of penalty, an RBA surplus arises in relation to BAS amounts, and the surplus is not refunded within 14 days after the day that the entity's request for remission was received (section 12AB of the T(IOEP)A).
  - After making a voluntary payment towards an anticipated BAS amount, an entity requests the ATO refund the corresponding RBA surplus. Delayed refund interest is payable if the refund is not issued within 14 days after the day that the entity's request for the refund was received (section 12AC of the T(IOEP)A).
46. Interest is payable on the amount of the RBA surplus which is refunded under section 8AAZLF of the TAA for the period from the end of the RBA interest day until the end of the day on which the refund takes place.
47. The RBA interest day in relation to a refund of an RBA surplus means the 14th day after the latest of the following days:
- (i) either:
    - if section 12AA of the T(IOEP)A applies – the day on which the surplus arises, or
    - if section 12AB or 12AC of the T(IOEP)A applies – the day on which the relevant request is made
  - (ii) if, by the day applicable under subparagraph 47(i), the person has not given the Commissioner a notification that is required for the refund under section 8AAZLG(2) of the TAA and that is accurate so far as it relates to the refund – the day on which that notification is given to the Commissioner;
  - (iii) unless the Commissioner has given a direction under subsection 8AAZLH(3) of the TAA – the day on which the person nominates a financial institution account for the purposes of that section.

48. The Commissioner will not pay delayed refund interest where there is a need to obtain further information or a notification that affects or may affect the amount that is refunded, for example:
- an entity has not given the ATO a notification that the entity is required to give the ATO under any of the BAS provisions (for example, where the entity has outstanding activity statements or where the ATO has requested further or fuller GST returns)
  - an activity statement is lodged and does not disclose an amount against all labels on the statement where an entity has an expected liability for that period
  - an entity makes an error on the activity statement (for example, arithmetic error) and it is necessary to contact the entity to obtain other information to process the activity statement, or
  - an entity has not nominated an account at a financial institution into which the refund should be paid.
49. In the situations outlined above, delayed refund interest will only be payable where the Commissioner does not refund the surplus until after the period ending 14 days after the day when the entity provides the relevant information or notification/return to the ATO.
50. However, the Commissioner will pay delayed refund interest on the basis of the original notification where the ATO seeks merely to clarify or verify entries on an activity statement, and the refund takes place more than 14 days after the day the RBA surplus arises, for example, where an informal request for copies of tax invoices is made before refunding the RBA surplus. Interest may be paid in this circumstance even where a BAS amount is adjusted as a result of this checking on the amount of the eventual refund. For example, where this process results in a reduced amount being refundable, interest would be paid on this reduced amount from the original RBA interest day. In the event that this process results in an increased amount being refundable, interest will be paid on the increased amount if it is refunded more than 14 days after the day the relevant information is received relating to this increased amount. Interest is also payable in this case on the original amount to be refunded from the relevant RBA interest day.

**Entitlement to interest under Parts 2 and 5 of the *Superannuation (Government Co-Contributions For Low Income Earners) Act 2003***

51. A person will be entitled to a payment of interest by the Commissioner, under the *Superannuation (Government Co-Contributions For Low Income Earners) Act 2003*, (Co-Contributions Act) where the Commissioner:
- does not make a payment of a person's co-contribution entitlement before the relevant payment date,<sup>15</sup> or
  - makes a payment which is less than the person's co-contribution entitlement **and** does not pay this amount by the relevant payment date.<sup>16</sup>
52. Additionally, if by an 'administrative error' the Commissioner has underpaid the amount of co-contribution, the person will be entitled to interest on the underpaid amount.<sup>17</sup>

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<sup>15</sup> Section 12 of the Co-Contributions Act.

<sup>16</sup> Section 21 of the Co-Contributions Act.

53. Interest is payable:
- on the unpaid amount of the Government co-contribution (or payment shortfall) that remains unpaid after the payment date
  - for the period from the payment date for the Government co-contribution until the day on which the Commissioner first pays an amount in satisfaction of that co-contribution.
54. The payment date is the day 60 days after the Commissioner has received all of the information, required by the Co-Contributions Act or requested by the Commissioner under the Act, necessary to make a determination that a Government co-contribution is payable and to determine where the Government co-contribution is to be paid.<sup>18</sup>

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<sup>17</sup> Section 22 of the Co-Contributions Act.

<sup>18</sup> Payment date is defined in regulation 7 of the Superannuation (Government Co-Contributions For Low Income Earners) Regulations 2004 which provides that the payment date.

### Amendment history

| <b>Date of amendment</b> | <b>Part</b>   | <b>Comment</b>  |
|--------------------------|---|---|
| 15 August 2011           | Paragraph 42<br>(including footnote 15)<br><br>References | Example updated to reflect repealed legislation (Part VII of the ITAA 1936) and refer to section 154-1 of the <i>Higher Education Support Act 2003</i> . Footnote 15 omitted.<br><br>Inserted reference to <i>Higher Education Support Act 2003</i> |

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| Legislative references      | <p>ITAA 1936 6(1)<br/> ITAA 1936 204(3)<br/> ITAA 1936 100(2)<br/> ITAA 1936 102AAM<br/> ITAA 1936 163A<br/> ITAA 1936 163B<br/> ITAA 1936 170AA<br/> ITAA 1936 204(3)<br/> ITAA 1997 Subdiv 295-J<br/> ITAA 1997 295-170<br/> ITAA 1997 307-135<br/> TAA 8AAD<br/> TAA 8AAG<br/> TAA 8AAZLF<br/> TAA 8AAZLG<br/> TAA 8AAZLH<br/> TAA Sch 1 12-245<br/> TAA Sch 1 Div 280<br/> TAA Sch 1 280-160<br/> TAA Sch 1 Pt 4-25<br/> Higher Education Support Act 2003 154-1<br/> Superannuation Contributions Tax (Assessment and Collection) Act 1997<br/> Superannuation Contributions Tax (Members of Constitutionally Protected Superannuation Funds) Assessment and Collection Act 1997<br/> Superannuation (Government Co-Contribution for Low Income Earners) Act 2003<br/> Superannuation Industry (Supervision) Act 1993 299C<br/> Taxation (Interest on Overpayments and Early Payments) Act 1983 (T(IOEP)A)<br/> Termination Payments Tax (Assessment and Collection) Act 1997</p> |
| Related public rulings      | <p>TD 92/150<br/> TD 93/50</p>   |
| Related practice statements | <p>PS LA 2006/8<br/> PS LA 2006/15<br/> PS LA 2007/11<br/> PS LA 2008/13</p>   |
| Case references             | <p>Charara v. Federal Commissioner of Taxation [2009] NSWSC 730; (2009) 74 ATR 1<br/> Consolidated Fertilizers Ltd v. DCT 92 ATC 4260; (1992) 23 ATR 305</p>   |
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| Contact email               | <a href="mailto:OperationalPolicyAssuranceandLawWorkManagement@ato.gov.au">OperationalPolicyAssuranceandLawWorkManagement@ato.gov.au</a>   |
| Section                     | Operational Policy, Assurance and Law  |