

Dear Dr Grant

We attach a copy of our submission outlining our views on the above Bills as they will potentially impact **all** directors in Australia.

For reference the attachments are listed below:

1. Submission 2011 to the Senate Standing Committee on Economics, SG, 64 on Senate inquiry into the Tax Laws Amendment and the Pay as You Go Withholding Non-compliance Tax Bill 2011 – 8 November 2011
2. Submission 2011 Tax Laws Amendment (2011 Measures No. 8) Bill HSCE – 26 October 2011
3. Business Checklist for Commonwealth Regulatory Proposals - 2007

Regards  
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Dear Dr Grant

**Senate inquiry into the Tax Laws Amendment (2011 Measures No. 8) Bill 2011  
and the Pay As You Go Withholding Non-compliance Tax Bill 2011**

The Australian Institute of Company Directors is the second largest member-based director association worldwide, with over 30,000 individual members from a wide range of corporations: publicly-listed companies, private companies, not-for-profit organisations, charities, and government and semi-government bodies. As the principal professional body representing a diverse membership of directors, we offer world class education services and provide a broad-based director perspective to current director issues in the policy debate.

We thank you for the invitation to submit our views on the above Bills as they will potentially impact **all** directors in Australia. As you will no doubt be aware we have already made a formal submission and attended the public hearings on the above Bills when they were being considered by the House of Representatives Standing Committee on Economics.

The Australian Institute of Company Directors is satisfied with the House of Representatives Standing Committee on Economics' recommendations in their report relating to proposals to extend the director penalty regime to make directors personally liable for their company's unpaid superannuation guarantee amounts. In particular, we strongly support that report's three recommendations which relate to the phoenixing and company director provisions being:

**Recommendation 1**

The Government investigate whether it is possible to amend the Bills to better target phoenix activity.

**Recommendation 2**

The Government explore whether to expand and strengthen the defences for company directors available in the Bills.

**Recommendation 3**

The House of Representatives pass the Tax Laws Amendment (2011 Measures No. 8) Bill 2011 after deleting its Schedule 3 and associated provisions. The Pay As You Go Non-compliance Tax Bill 2011 should remain pending the Government's investigations detailed in recommendations 1 and 2.

For completeness please find attached our formal submission referred to above and a link to the relevant section of Hansard at <http://www.aph.gov.au/hansard/reps/commttee/r403.pdf> - (Company Directors' representatives at page 36 as listed in the table of contents).

Finally we would strongly suggest that the extremely short period for consultation provided in this matter, whilst driven by Parliamentary schedules beyond your control, is totally inappropriate. In this regard we would refer you to the attached Business Checklist for Commonwealth Regulatory Proposals at point 4.4... "Was the time period for consultation for significant proposals sufficient (eg. as guidance, at least 30 days but longer for very lengthy or complex proposals)?"

We would be happy to elaborate on any of the above or the attached.

Yours sincerely

Rob Elliott  
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& General Counsel