



PUBLIC HEARING INTO THE TAX LAWS AMENDMENT (2011 MEASURES NO. 9) BILL 2011

The House Economics Committee will hold a public hearing tomorrow into the Bill.

The hearing is expected to scrutinise Treasury over technical aspects of the drafting of two parts of the Bill.

The first is Part 3 of Schedule 3, which allows taxpayers who account on a cash basis for GST to treat an acquisition made under a hire purchase agreement as though they do not account on a cash basis. The practical effect of this is that they should receive up front input tax credit.

The second is Schedule 4, which restores the original policy intent of the GST treatment of new residential premises, following the Full Federal Court decision in *Gloxinia Investments* in May 2010. The provisions will ensure that, where a developer constructs residences in return for an interest in land (freehold or lease), the sale of the residence will be subject to GST.

The Chair of the Committee, Julie Owens, said that the committee will examine the adequacy of the Bills in achieving the policy objective and where possible identify any unintended consequences.

Program for public roundtable, Friday, 16 December 2011 Committee Room 2R1, Parliament House, Canberra

10 am Treasury
The Institute of Chartered Accountants in Australia (by teleconference)

12 pm *Adjournment*

For media comment: Please contact the Committee Chair Julie Owens MP:

Electorate: (02) 9689 1455

Parliament: (02) 6277 4134

Mobile: 0418 772 457

For background information: Please contact the committee secretariat:

Phone: (02) 6277 4564 Email: economics.reps@aph.gov.au Website: www.aph.gov.au/economics