



Committee to review tax and superannuation law changes

The House Economics Committee will inquire into changes to taxation and superannuation laws contained in the Tax and Superannuation Laws Amendment (2013 Measures No. 2) Bill 2013.

Committee chair Julie Owens said the committee will examine the adequacy of the Bills in achieving their policy objectives and where possible identify any unintended consequences.

Schedule 1 defines a 'documentary' for the purpose of accessing film tax offsets, and makes explicit that game shows are not eligible programs for film tax offsets.

Schedule 2 exempts from income tax the ex-gratia payments made to people affected by natural disasters in Australia during 2011-12 and 2012-13.

Schedule 3 enables eligible businesses to continue to pay their GST instalments if they subsequently move into a net refund position. This will enable businesses to continue to make their Business Activity Statements annually.

Schedule 4 updates the list of deductible gift recipients, adding six entities. This will cost \$8.6 million over the forward estimates.

Schedule 5 will provide for procedures to consolidate superannuation accounts where a member of a fund may have multiple accounts. Any consolidation undertaken should be with the member's best interest in mind.

Schedule 6 will make changes to the government superannuation co-contribution for low income earners, including reducing the rate of co-contribution from 100 to 50 per cent, and reducing the higher income threshold from \$30,000 to \$15,000 above the lower income threshold. Savings of \$987 million are expected over the forward estimates.

Schedule 7 will consolidate eight existing dependency tax offsets into a single tax offset that is only available to taxpayers who maintain a dependant who is unable to work due to invalidity or carer obligations. There will be savings of \$66.9 million over the forward estimates.

Schedule 8 makes amendments to clarify and refine the operation of certain aspects of the Taxation and Financial Arrangements (TOFA) regime; lowering compliance costs and providing additional certainty to affected taxpayers. It is anticipated that it will 'protect a significant amount of revenue which would otherwise be at risk'.

Interested people and organisations are invited to make **submissions to the inquiry by Friday, 5 April 2013**. The Bill is available from the committee's website.

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