



Inquiry into the Tax Laws Amendment (2008 Measures No.1) Bill 2008

Federal Parliament's Electoral Matters Committee has commenced an inquiry into Schedule 1 of the Tax Laws Amendment (2008 Measures No.1) Bill 2008, relating to the tax deductibility of political donations.

On 13 February 2008 the *Tax Laws Amendment (2008 Measures No.1) Bill 2008* was introduced in the House of Representatives. The Bill amends the *Income Tax Assessment Act 1997* and the *Income Tax Assessment Act 1936* to remove tax deductibility for contributions and gifts to political parties, members and candidates.

These amendments would deny individual taxpayers a tax deduction in respect of political party membership fees paid after 1 July 2008, and would also deny a tax deduction on or after 1 July 2008, to both individual and corporate taxpayers in respect of contributions or gifts made to:

- Political parties
- Members of parliament (both State, Territory and Federal)
- Members of a local governing body (such as a local council), and
- Candidates (both party nominated and independent) for political office

The abolition of political gifts/contributions tax deductibility would save the federal government an estimated \$31.4 million between 2009–2010 and 2011–2012.

A copy of the full terms of reference for the inquiry is available at the Committee's webpage at <http://www.aph.gov.au/em>.

Members of the public and interested groups are invited to make submissions in writing to the Committee. The closing date for submissions is Friday, 18 April 2008.

For media comment: Please contact the Committee Chair, Daryl Melham MP on (02) 9774 2111 (Electorate Office).

Further information: contact the Inquiry Secretary (02) 6277 2374 or jscem@aph.gov.au.