Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

TREASURY

Australian Taxation Office

(Supplementary Budget Estimates November 2004)

Outcome 2, Output 2.2.1

Topic: Australian Companies—concessional treatment

Supplementary question on notice: Supp 8

Senator **Murray** asked:

Is the Taxation Office concerned by the growing number of listed Australian companies that are taking advantage of the concessional tax treatment pursuant to section 159GZZZQ of the Income Tax Assessment Act 1936? If they are, why?

Answer:

The Australian Taxation Office is aware of the increasing number of off-market share buy-backs occurring. Section 159GZZZQ is part of a specific legislative code enacted to govern the treatment of share buy-backs, including those occurring off-market. Questions about the appropriateness of that code are policy matters for government.