

Parliament of the Commonwealth of Australia

SENATE ECONOMICS LEGISLATION COMMITTEE

**REPORT ON THE PROVISIONS OF THE TAXATION LAWS
AMENDMENT BILL (No. 4) 2002**

June 2002

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CHAPTER ONE

INQUIRY INTO THE TAXATION LAWS AMENDMENT BILL (NO. 4) 2002

Background

1.1 The Taxation Laws Amendment Bill (No. 4) 2002 (the Bill) was presented to the House of Representatives on 30 May 2002 by Mr Peter Slipper MP, Parliamentary Secretary to the Minister for Finance and Administration. The Bill was passed on 19 June 2002 and introduced in the Senate on the same day.

Purpose of the Bill

1.2 The Bill will amend the *Income Tax Assessment Act 1936* (ITAA 1936) and the *Income Tax Assessment Act 1997* (ITAA 1997). The major provisions in the Bill propose:

- to amend the thin capitalisation regime to ensure that the regime operates as intended, for example it will exclude assets that are used principally for private or domestic purposes;
- to introduce a new capital gains roll-over which will facilitate a trust converting into a company by disposing of all its assets to the company thereby providing greater commercial flexibility for those businesses to increase efficiency and to take advantage of their future potential;
- to provide certain tax exemptions from Australian tax for people who are considered to be temporary residents of Australia for taxation purposes ; and
- to introduce certain ‘statutory caps’ that will be the effective life used to calculate the deduction for depreciating specific assets.

Reference of the Bill

1.3 On 19 June 2002, the Senate referred the Bill to this Committee for report by 26 June 2002.¹

Submissions

1.4 The Committee contacted a number of government agencies, organisations and individuals interested in the provisions covered by this proposed legislation, alerting them to the inquiry and inviting them to make a submission. In all the Committee received eight submissions, which are listed in Appendix 1. One submission was confidential and the seven remaining submissions were made public documents.

1 This took the form of an amendment passed by the Senate to the fourth report of 2002 of the Selection of Bills Committee. The amendment added the following words to the report ‘and, in respect of...the Taxation Laws Amendment Bill (No. 4) 2002, the provisions of the bill be referred to the Economics Legislation Committee for report on 26 June 2002’. Senate *Hansard*, 19 June 2002, p. 2094.

Hearing and evidence

1.5 The Committee held one public hearing on this inquiry in Parliament House, Canberra, on Monday, 24 June. Witnesses who presented evidence before the Committee are listed in Appendix 2.

Acknowledgment

1.6 The Committee is grateful to, and wishes to thank the organisations and individuals who assisted with its inquiry.

CHAPTER TWO

EFFECTIVE LIFE OF DEPRECIATING ASSETS

Overview of the bill

2.1 This proposed legislation covers four broad areas—thin capitalisation, trust to company roll-over; foreign income exemption for temporary residents; and capped lives for certain depreciating assets.

2.2 During debate on the Bill in the House of Representatives, there was bipartisan support for the provisions dealing with thin capitalisation and trust to company roll-over. Indeed the changes to be introduced covering these particular provisions were recognised as sensible.²

2.3 While concerns were raised during the debate in the House about the proposed foreign income exemption for temporary residents, this did not emerge as an issue during the hearing. Thus, for the purposes of this report, the Committee will only examine the proposed legislation dealing with capped lives for depreciating assets.

Review of the effective life provisions

What the proposed amendments do

2.4 The proposed amendments are contained in Schedule 4 of the Bill – Effective life of depreciating assets.

2.5 Under the ITAA 1997, a taxpayer may claim a deduction for a depreciating asset. The deduction takes into account the decline in value of the asset with reference to the asset's effective life.

2.6 A taxpayer may self-assess the effective life or otherwise use a 'safeharbour' effective life determined by the Commissioner of Taxation (ATO). In making a determination, the Commissioner cannot take into account national economic implications or the impact on affected industries.

2.7 The ATO is progressively revising the safeharbour effective life schedule and is expected to determine significant increases in safeharbour lives for assets used in gas transmission and distribution, oil and gas production, and for aeroplanes and helicopters. It is expected that the revised determinations will take effect on 1 July 2002.³

2.8 Under the proposed amendments, a taxpayer still has the option of self-assessing or using a safeharbour effective life.

2 Mr Mark Latham, House of Representatives *Hansard*, 18 June 2002, p. 3131.

3 *Explanatory Memorandum*, Taxation Laws Amendment Bill (No. 4) 2002, p. 7.

2.9 However, where a safeharbour effective life is chosen, it will be overridden by a ‘capped life’ where the capped life applies to the depreciating asset and is shorter than the safeharbour effective life.⁴

2.10 The proposed amendments set out the capped life of depreciating assets in two tables as follows:

- Table headed ‘Capped life of certain depreciating assets’.
 - This applies to aeroplanes and helicopters according to the use to which these assets are put.⁵ Aeroplanes and helicopters used predominantly for agricultural spraying or agricultural dusting will have a capped life of eight years and, for other activities, 10 years.
- Table headed ‘Capped life of certain depreciating assets used in specified industries’.
 - This applies to assets of a particular kind used in certain specified industries. These industries and the proposed capped lives are as follows:
 - 20 years gas supply (transmission and distribution assets), oil and gas extraction (offshore platforms);
 - 15 years oil and gas extraction (oil and gas production assets other than an electricity generation asset or an offshore platform) and petroleum refining (asset other than an electricity generation asset, used to manufacture condensate, crude oil, domestic gas, liquid natural gas or liquid petroleum gas but not if the manufacture occurs in an oil refinery).⁶

2.11 The effect of the proposed amendments will generally be that, where a capped life applies, the taxpayer will be able to claim a greater deduction in any one income year than under the current arrangements. However, in some cases, the proposed amendments will generally preserve the status quo by imposing a capped life equivalent or close to current levels which will override anticipated revised safeharbour lives determined by the ATO.

2.12 Below is a comparison of effective lives based on Table 4.2 of the Explanatory Memorandum.⁷

4 Proposed subsection 40-102(2) of the ITAA 1997.

5 Proposed subsection 40-102(4) of the ITAA 1997.

6 Proposed subsection 40-102(5) of the ITAA 1997.

7 P. 78. Only the asset classes which have been the subject of debate are included in this table.

Table A

Asset class	Current effective life or range (years)	ATO's proposed new effective life or range (years)	Statutory cap on effective life (years)
Aeroplanes – general use	8	20	10
Gas transmission and distribution assets	20	5-50	20
Oil and gas production assets except electricity generation assets and offshore platforms	10-20	5-30	15
Offshore oil or gas platforms	20	5-30	20
Assets (except electricity generation assets) used to manufacture condensate, crude oil, domestic gas, LNG or LPG, otherwise than at an oil refinery	13.3	10-30	15

2.13 The proposed amendments will apply to a depreciating asset if the start time for the assets occurs on or after 1 July 2002. Certain proposed consequential amendments will ensure that a taxpayer who acquires a depreciating asset from an associate, may not access a capped life inappropriate to the use of the asset in the acquirer's hands.

Purpose

2.14 The policy objective of the proposed amendments are stated in the Explanatory Memorandum:

The establishment of statutory effective life caps aims to address the broader national interest where large increases in 'safeharbour' effective lives resulting from the review of the existing effective life determination would have a significant effect on investment in industries with national economic significance.⁸

2.15 The Minister for Revenue and Assistant Treasurer, Senator the Hon Helen Coonan, announced that the legislation was to ensure that depreciation for the affected assets 'remain appropriate following reviews of the effective lives of these assets by the Commissioner of Taxation'. The Minister then said that:

The industries affected, and the Government, have been aware for some time that significant increases in the effective lives of these assets was in prospect, based solely on tax integrity criteria.

8 *Explanatory Memorandum, Taxation Laws Amendment Bill (No. 4) 2002, p. 76.*

The Government has taken these considerations and other broader national interest concerns into account in deciding on the appropriate effective life.⁹

Costs/benefits

2.16 The Explanatory Memorandum discusses the financial impact of the proposed legislation as follows:

The effect of this measure is to limit the revenue gain arising from the expected revised Commissioner's Determinations to around \$150 million for the period 2002-2003 to 2005-2006 and \$675 million over the 10 year period 2002-2003 to 2011-2012. If these statutory 'caps' were not introduced, taxpayers could be expected to pay an extra \$465 million over those 4 years and \$2.5 billion over those 10 years as a result of the revised determinations. This is because the statutory 'caps' provide significantly shorter effective lives than the anticipated revised Commissioner's Determinations. The proposed statutory effective life 'caps' will, therefore, provide subsidies to affected industries of \$315 million for the period 2002-2003 to 2005-2006 and \$1.9 billion for the period 2002-2003 to 2011-2012.¹⁰

2.17 Compliance and administrative costs are predicted to remain the same or otherwise be negligible.¹¹

2.18 The electricity industry is not included in the affected industries. It is thought that it might experience more competitive pressure from the affected industries as a result of the proposed amendments.¹²

2.19 Anticipated cost reductions are expected to benefit consumers of the goods and services supplied by these industries.¹³ If the changes have a net positive impact on investment, flow-on effects through employment, national production and trade flows are expected.¹⁴

Debate on the amendments

2.20 During debate on the Bill, the ALP stated that, in principle, it did not oppose a statutory override of the Commissioner's determinations of effective life. It noted that the financial impact statement in the Explanatory Memorandum estimated the cost to the revenue as \$315 million for the period from 2002-2003 to 2005-2006 and \$1.9 billion for the 10 years from 2002-2003 to 2011-2012.¹⁵ It contended that, given the magnitude of the cost to the revenue, it was not possible for the Parliament to make a proper assessment of the proposed legislation without the following information:

9 Press Release No. C44/02, the Minister for Revenue and Assistant Treasurer, 14 May 2002, p. 1.

10 *Explanatory Memorandum*, Taxation Laws Amendment Bill (No. 4) 2002, p. 8.

11 *Explanatory Memorandum*, Taxation Laws Amendment Bill (No. 4) 2002, p. 80.

12 *Explanatory Memorandum*, Taxation Laws Amendment Bill (No. 4) 2002, p. 79.

13 *Explanatory Memorandum*, Taxation Laws Amendment Bill (No. 4) 2002, p. 79.

14 *Explanatory Memorandum*, Taxation Laws Amendment Bill (No. 4) 2002, p. 81-82.

15 *Explanatory Memorandum*, Taxation Laws Amendment Bill (No. 4) 2002, p. 8.

- a breakdown of the cost for each of the specific caps proposed;
- the cost of alternative caps considered; and
- the source of the figures for the ATO's proposed new effective life or range in Table 4.2 on page 78 of the Explanatory Memorandum.¹⁶ (See Table A on page 5 of this report.)

2.21 The Government's response to the ALP's objections was that the proposed legislation would provide, among other things, a timely fillip to the development of Australia's energy resource industries. It also stated that high investment would be maintained and long-term competitiveness encouraged in relation to the affected industries. The Government's response to the ALP's requirement for cost breakdowns was that these could not be made public as to do so would identify the taxpayers affected by the caps. It stated further that the commercial interests of those identified taxpayers could be jeopardised by such a revelation.¹⁷

Submissions

2.22 Submissions have been received from representatives in the gas and petroleum industry, Qantas and Virgin Blue. These are strongly in favour of the proposed amendments as relevant to their particular industries and are discussed more fully below.

Australian Petroleum Production and Exploration Association

2.23 The Australian Petroleum Production and Exploration Association (APPEA) is a national body representing companies engaged in oil and gas exploration. For a number of reasons to be discussed more fully in this report, the APPEA supports the effective life provisions proposed in Schedule 4 of the Bill.¹⁸

2.24 The APPEA refers to independent studies which predict a rapid decline of Australia's self-sufficiency in petroleum liquids so that, by 2010, Australia will be importing about 60 per cent of its liquid petroleum requirements. It contends that investment in oil and gas production is fundamentally different from investment in other enterprises. It supports the proposed amendments and their recognition that different industries require different tax treatments. This movement towards differential treatment, it says, will help to address the bias in the current tax laws which favour non-capital intensive industries and create distortions in the ranking of investments between alternative industries.

2.25 The APPEA is concerned that the Australian Taxation Office may extend effective lives in the oil and gas industry considerably. It has prepared calculations which indicate that a loss of accelerated depreciation, even when accompanied by lower company tax, is more damaging to profitability than higher company tax coupled with an increase in accelerated depreciation.

16 Mark Latham, House of Representatives, *Hansard*, 18 June 2002, pp. 3187 and 3249, Craig Emerson, House of Representatives, *Hansard*, 19 June 2002, pp. 3252-3253, Joel Fitzgibbon, House of Representatives, *Hansard*, 19 June 2002, pp.3254-3256.

17 Peter Slipper, House of Representatives, *Hansard*, 19 June 2002, p. 3257.

18 Submission dated 21 June 2002.

2.26 The APPEA argues that, because oil and gas production is typically ‘front-end loaded’ (that is, production depletes rather than increases over time), there is a compelling argument for shortened effective lives that recognise this.

2.27 The APPEA believes that losses to government revenue attributable to the proposed amendments will be recouped by payments in later years and will encourage investment in projects that might otherwise not be economically viable under the ATO’s proposed effective lives. In addition, the APPEA notes that the ATO’s proposed effective lives were not factored into the Business Tax Reform process.

2.28 The APPEA believes the proposed amendments will assist the oil and gas production industry by addressing current anomalies in the tax system and, in so doing, will create positive economic outcomes for Australia.

Australian Pipeline Industry Association

2.29 The Australian Pipeline Industry Association (APIA) is the national body representing Australia’s gas transmission pipeline sector including all major companies involved in the long-distance haulage of natural gas to major industrial customers and city gate stations. The APIA supports the proposed amendments for gas and oil industries in Schedule 4.¹⁹

2.30 The APIA says that the shorter effective life in the proposed amendments are more in tune with commercial realities of the oil and gas industries. It contends that the development of an essential gas transmission infrastructure would be disproportionately affected if the ATO’s 50-year effective life were adopted because of the length of time projects take to generate returns and the long physical lives of pipeline assets. In this regard, it states that adoption of the ATO’s proposed effective life would result in a 20 per cent increase in pipeline haulage tariffs when compared with pre-September 1999 arrangements.

2.31 The APIA says that \$9 billion in development proposals has been flagged for the gas transmission sector although a more realistic figure, taking into account competing proposals, would be approximately \$4-5 billion.

2.32 In contemplating the alternatives if the proposed amendments are not adopted, the APIA says that:

[a] taxation system which does not make allowance for the characteristics of long life assets will signal investors to choose other investment alternatives and this would not be in the national interest...²⁰

2.33 At the hearing, the APIA commented that:

this [i.e. the proposed legislation] should not be presented as a benefit to the industry rather than its customers. It also assists our ability to build new pipelines in an area where considerable new pipeline development is required. The point about customer benefit is that, whether it is in negotiations with foundation customers who are large and informed or indeed with regulated assets, there will be a tendency to factor in that benefit as a pass-through to customers. [The APIA has]

19 Submission dated 21 June 2002.

20 APIA’s submission, p. 3.

real problems in the way this appears to be presented as a benefit to the industry. It is a benefit to customers who are going to benefit from availability of natural gas.²¹

Australian Gas Association

2.34 The Australian Gas Association (AGA) is the national representative body for Australia's downstream natural gas industry. Its principal membership comprises natural gas distribution companies, gas retail companies, gas appliance and equipment suppliers, and gas pipeline companies as well as a range of associate and individual members.²²

2.35 The AGA urges the Committee to support the passage of the proposed Bill.

2.36 The AGA argues 'that the depreciation regime is one of the major factors that determine whether or not long lived capital-intensive energy infrastructure assets are built'.²³ From estimates provided in the submission, development proposals will involve expenditure over the next five years of approximately \$4-5 billion for gas transmission projects and \$1-2 billion for gas distribution projects.

2.37 It states that accelerated depreciation for gas market infrastructure introduced by the former Labor Government in February 1992 as part of its One Nation statement, 'has been a critical factor in the past in getting pipelines built (noting the growth in pipeline investment through the mid 1990s as a result)'.²⁴

2.38 The AGA warns of 'severe adverse consequences' if the legislation is not enacted and the ATO's proposed 50-year effective life applies.²⁵ It notes that the September 1999 agreement as part of the Government's Business Tax Reform initiatives involved the abolition of accelerated depreciation as a trade-off for lower corporate tax. It also contends that debate involving longer, 50-year effective lives was not introduced until much later following this agreement. It says that:

[t]o describe therefore the measure as a "concession" to the pipeline sector is incorrect. It is in fact a confirmation of what was always part of the marginal package for business tax reform.²⁶

2.39 In the context of discussion about the September 1999 tax agreement and negotiations regarding the depreciation trade-off, a Committee member suggested at the hearing that the special major projects provision had been viewed as an avenue for special consideration by

21 Dr A Beasley, *Proof Committee Hansard*, 24 June 2002.

22 The AGA states that neither its submission nor the AGA seek to represent the interest of upstream natural gas producers.

23 Submission dated June 2002, p. 1.

24 Submission dated June 2002, p. 2.

25 Submission dated June 2002, p. 1.

26 Submission dated June 2002, p. 2.

the Minerals Council.²⁷ The AGA's response was that many of the projects flagged for the pipeline and distribution sector would be unlikely to qualify as special major projects.²⁸

2.40 The AGA refers to advice received from its members that the breakeven point between lower company tax and depreciation arrangements is a 15-year cap. It contends therefore that even the proposed 20-year cap represents a compromise by the industry. It says that, if the proposed amendments are not passed, new pipeline developments in emerging markets in Western Australia, the Northern Territory, South Australia, Queensland and Tasmania will be disadvantaged. It states that, because of the economic, environmental and regional benefits flowing from investment in the downstream natural gas industry, an effective life not exceeding 20 years for transmission and distribution assets has the strong support of the States.

Qantas Airways Limited

2.41 Qantas Airways Limited (Qantas) says that it strongly supports the proposed amendments which will provide for a capped life of 10 years for aircraft.

2.42 It opposes the ATO's proposed effective life of 20 years and has produced figures indicating that it would result in a \$1.9 billion increased tax liability over 10 years and add considerably to funding costs.

2.43 Qantas claims that, when the ATO arrived at its proposed effective life figure, it failed to consider the following:

- the significant aircraft repair and maintenance costs which involve replacement of aircraft component parts during the proposed effective life;
- the impact of technological advances on aircraft obsolescence; and
- the higher standards required of aircraft in Australia.

2.44 It also says the ATO failed to take into account international depreciation rates which are more comparable to a 10-year effective life for aircraft.

2.45 Qantas believes that its commercial viability will be adversely affected if the proposed amendments are not adopted. It says this will lead to a general downgrading of its fleet, pressure to increase airfares, a loss of public confidence in the airline as its fleet ages and a reduction in its competitiveness. It says that these factors—besides resulting in a loss of revenue to the Government—will place pressure on Qantas to consider relocating some of its operations offshore.

Virgin Blue

2.46 Virgin Blue states in its submission that it is currently considering the purchase of up to 40 aircraft to enable it to compete on a credible level with Qantas.

2.47 It says that:

27 Senator Cook, *Proof Committee Hansard*, 24 June 2002.

28 Mr Bill Nagle, AGA, *Proof Committee Hansard*, 24 June 2002.

[s]hould the fundamentals of the investment decision be changed then Virgin Blue will be forced to review the size and timing of aircraft deliveries. The timing of this announcement will lock in a massive advantage for Qantas as they have already depreciated a large portion of their existing fleet and placed large orders for 60 Boeing 737-800, and 13 Airbus A330 and 12 A380 aircraft for both Domestic and International expansion.

2.48 Virgin Blue says that the Government should honour its commitment to foster competition. It suggests that the Government ‘may be closing the door’ on Virgin Blue’s expansion plans which will ‘further damage competition in the skies’.²⁹

Conclusion

2.49 The Committee notes that, as foreshadowed by the debate in the House of Representatives on 18 and 19 June 2002, the major issues to emerge at the hearing concerned cost breakdowns of the proposed amendments and their correct characterisation.

2.50 With regard to the latter issue, the Committee believes that the characterisation in the Explanatory Memorandum of the revenue effect as a ‘subsidy’ to the affected industries of approximately \$2.2 billion is misleading.³⁰ It seems to suggest a cost to the revenue of the total \$2.2 billion amount when, in fact, it would be more correct to look at the issue in terms of the interest cost represented by the capped lives.

2.51 The Department of the Treasury has commented on the figures in the Explanatory Memorandum as follows:

[W]e have covered only both the forward estimates period and then a period out to 2012. So we cannot pick up the point you are making about going out beyond that to get to the fact that, over that period of 20 or 30 years—whatever the effective life is – the amount of revenue is the same. I accept that point. But, on the other hand, I am saying that because of that – because timing is important—it does affect things and therefore there is a cost. The longer life is going to have a different economic effect from a shorter life, by definition...If you assume that the ATO is the benchmark, when you deviate from that benchmark, there is revenue that would otherwise have been raised. Whether you want to call that a subsidy or not, I do not know, but it is revenue that otherwise would have been raised.

2.52 The Committee notes the Treasury’s advice but believes revenue cost should be more clearly stated to take into account the estimated revenue cost over the capped life. In this regard, the Committee suggests that a supplementary Explanatory Memorandum be produced to clarify the issues raised at the hearing.

2.53 On the issue of cost breakdowns, the Department of the Treasury supplied the following figures for the ten-year period to 2011-2012:

- \$1.4 billion for aeroplanes and helicopters (largely commercial aircraft);
- \$180-200 million for gas transmission and distribution;

29 Virgin Blue submission dated 24 June 2002.

30 *Explanatory Memorandum*, Taxation Laws Amendment Bill (No. 4) 2002, p. 8.

- \$100-200 million for gas production;
- \$10-20 million for oil production; and
- \$150-175 million for liquid nitrogen gas.

2.54 The Committee accepts that Qantas, as the major commercial airline in Australia, will benefit in relative terms if the proposed statutory cap is to override the ATO's anticipated revised effective life for aircraft. However, the proposed legislation is not 'Qantas-specific' and applies equally to any commercial airline in Australia whose assets would be subject to the depreciation regime.

2.55 Furthermore, the proposed cap of 10 years roughly equates to the depreciation lives of competing overseas airlines. At the hearing, the Department of the Treasury cited effective lives for aircraft of three years in Singapore, seven years in the United States, about six years in the United Kingdom and about five to 10 years in New Zealand. These figures are in line with those cited by Qantas in its submission.

2.56 The Committee is satisfied that the proposed caps on effective lives are necessary to ensure that investment continues in the affected industries with concomitant benefits in the economic and, where relevant, environmental spheres.

Recommendation

The Committee reports to the Senate that it has considered the Taxation Laws Amendment Bill (No. 4) 2002 and recommends that the Bill proceed.

SENATOR GEORGE BRANDIS
Chairman

ADDITIONAL COMMENT BY LABOR SENATORS

In examining Schedule 4 of the Bill providing for effective life caps on certain classes of assets, Labor Senators had two particular interests: to see the “national interest” argument for these tax expenditures more clearly defined; and to obtain greater detail the cost to revenue of the effective life caps for the different classes of assets.

National interest arguments

The arguments presented to the Committee that these tax expenditures are in the national interest were as follows.

Gas transmission and distribution. The argument made to the committee for a cap on the effective life of assets for gas transmission and distribution, in particular gas pipelines, rests on the point that these assets are important national infrastructure. That is, gas distribution infrastructure is a public good which can reasonably be partly funded by public (tax) expenditure. Indeed in previous decades Australian governments have invested directly in infrastructure of this kind.

Aeroplanes. The argument that was made to the Committee for a cap on the effective life of aeroplanes was different. The essential arguments made to the committee were that a tax expenditure of this kind would facilitate investment in commercial aircraft and put the sector on a competitive footing with foreign operators with respect to write off arrangements. While industry did not emphasise the infrastructure argument, commercial aeroplanes do form an important part of the national transport infrastructure.

Cost to revenue

Labor Senators welcomed the greater level of detail made available to the Committee on the cost to revenue of effective life caps for particular asset classes. That detail showed that more than 75% of the cost of the measures is contained in the effective life caps for aeroplanes.

There was a suggestion that under these measures all that changes is the timing of the tax expenditure and that as a result there is no net cost to revenue. This does not take into account the real costs and benefits, in both economic and fiscal terms, of deferring or bringing forward tax revenue. For instance, it was precisely such a real benefit that allowed revenue brought forward from reductions in accelerated depreciation to fund the lower corporate income tax rate under the Ralph reforms.

Labor Senators are concerned that the Commonwealth is offering very significant concessions without applying any mutual obligations to the industries which benefit. Such significant Commonwealth tax expenditures should be matched by corporate responsibility: for instance, by commitments to maintaining Australian content, to creating jobs, and to providing training.

Conclusion

The Senate should carefully assess this expenditure proposal against other priorities.

SENATOR JACINTA COLLINS
Deputy Chair

APPENDIX 1

LIST OF SUBMISSIONS

- 1 Confidential
- 2 Australian Petroleum Production & Exploration Association
- 3 Qantas Airways Limited
- 4 Australian Pipeline Industry Association
- 5 Australian Gas Association
- 6 Ernst & Young Australia
- 7 Virgin Blue
- 8 Minerals Council of Australia

APPENDIX 2

PUBLIC HEARING AND WITNESSES

Monday, 24 June 2002, Canberra

Department of Treasury

Mr David John Tune, General Manager, Business Income and Industry Policy Division

Mr Gerard Antioch, Manager

Mr Paul Denis McMahon, Executive Officer

Australian Taxation Office

Ms Helen Jean Duffy, Acting Assistant Commissioner

Ms Margaret Haly, Assistant Commissioner, Tax Design Group

Ms Marita McLaren, Legislation Officer

Mr Peter Nicholas Peters, Senior Advisings Officer

Australian Pipeline Industry Association

Dr Allen Beasley, Executive Director

Australian Gas Association

Mr Bill Nagle, Chief Executive

Qantas

Mr John Charles Kerr, General Manager, Government and Regulatory Affairs

Mr Richard Joseph Richards, General Manager, Taxation