

# Chapter 1

## Introduction

### Background

1.1 The Tax Laws Amendment (2007 Measures No. 2) Bill 2007 was introduced into the Senate on 29 March 2007. On the same day, the Selection of Bills Committee referred the provisions of the Bill to the Standing Committee on Economics for inquiry and report by 30 April 2007.<sup>1</sup>

1.2 The Bill is an omnibus bill that implements a number of changes to Australia's taxation system in the areas of: depreciation treatment of mining rights; taxation of boating activities; certain expenditure on research and development (R&D) activities; donation of listed shares to deductible gift recipients (DGRs); deductions for contributions relating to fund-raising events; and venture capital regime.

### Conduct of the inquiry

1.3 The committee advertised the inquiry in the *Australian* newspaper on 4 April and 18 April 2007 and invited written submissions by 13 April 2007. Details of the inquiry were placed on the committee's website. The committee also wrote to a number of organisations and stakeholder groups inviting written submissions.

1.4 The committee received 6 submissions. These are listed in Appendix 1. A public hearing was held in Melbourne on 23 April 2007. Witnesses who presented evidence at this hearing are listed in Appendix 2.

1.5 The Committee thanks those who participated in this inquiry.

### Structure of the report

1.6 Chapter 2 of the report outlines the bill's seven Schedules. Chapter 3 presents the evidence made in submissions and at the public hearing. The committee received one submission on the issue of depreciation of mining rights (Schedule 1), one submission on taxation of boating activities (Schedule 2), and two submissions on both R&D premium incremental concession (Schedule 3) and changes in the definition of 'exempted entity' (Schedule 7).

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1 Selection of Bills Committee, *Report No. 2 of 2007*, dated 8 February 2007.

