

Chapter 6

Schedule 5—Prime Minister's Prizes

Overview

6.1 Schedule 5 of the bill seeks to amend the *Income Tax Assessment Act 1997* to exempt from income tax the Prime Minister's Prize for Australian History and the Prime Minister's Prize for Science, to the extent that the prizes would otherwise be assessable income.¹

Background and summary

6.2 On 20 June 2007 the Prime Minister announced that the Prime Minister's Prize for Australian History would be made tax exempt.²

6.3 The amendments will apply to assessments for the 2006-07 income year and later income years.³ As a result, from 1 July 2006, the Prime Minister's Prize for Australian History and the Prime Minister's Prize for Science will be exempt from income tax to the extent that the prizes would otherwise be assessable income.⁴

6.4 The amendments will have a negligible financial impact.⁵

Intended benefits of changes

6.5 These amendments will ensure that no tax is payable on the Prime Minister's Prize for Australian History or the Prime Minister's Prize for Science.⁶

6.6 No submissions were received in relation to this schedule.

1 EM, p. 139.

2 EM, p. 139, see also The Hon John Howard MP, Media Release: Australian History Prize, 20 June 2007, p. 1 of 1, http://www.pm.gov.au/media/Release/2007/Media_Release24372.cfm (accessed 24 August 2007).

3 EM, p. 6.

4 EM, p. 139.

5 EM, p. 6.

6 EM, p. 139.

