Legislative update

3 August 2015

As Federal Parliament was not sitting during July, no new tax legislation was introduced or progressed in the last month. The Spring sittings of Parliament commence on 10 August 2015. However, a number of revenue measures were registered as legislative instruments or regulations in the last month including the following:

**Taxation Administration Act 1953 – Pay as you go withholding - Taxation Administration Act Withholding Schedules 2015**, registered on 25 June 2015, contains the Pay As You Go (PAYG) withholding schedules which apply from 1 July 2015. The new withholding schedules reflect the fact that the personal marginal income tax rates and thresholds applicable for the current financial year remain the same as the last year.

**Taxation Administration Amendment (Disclosure of Information) Regulation 2015**, registered on 30 June 2015, amends the Taxation Administration Regulations 1976 to allow the release by Commonwealth tax officers of protected information to assist in the combat against serious financial crime. Although it is an offence for a taxation officer to record or disclose information obtained under a taxation law that relates to an entity and that could be used to identify that entity, there is an exception that allows taxation officers to make records for or disclosures to officers of a prescribed taskforce where the record or disclosure is for, or in connection with, a purpose of the prescribed taskforce. The amending Regulation extends until 1 July 2017 the existing exception relating to the Project Wicken by taskforce. The Regulation also prescribes the Fraud and Anti-Corruption Centre as a taskforce to which the existing exception applies.

**Taxation Administration Act 1953 – Pay as you go withholding - PAYG Withholding Variation: Allowances – Legislative Instrument**, registered on 30 June 2015, varies the amount of withholding required under the PAYG withholding system for cents per kilometre car expense payments from 1 July 2015. The change in withholding applies because of the proposed change to the cents per kilometre standard rate as announced in the 2015-16 Federal Budget. Specifically, the three cents per kilometre rates based on engine size are to be replaced from 1 July 2015 with one rate set at 66 cents per kilometre, which applies to all motor vehicles. See TaxTalk Monthly Employment Taxes News for details of the release of exposure draft legislation.

**Income Tax Assessment (Methods for Valuing Unlisted Shares) Approval 2015**, registered on 1 July 2015, provides approved valuation methods for companies making an offer of employee share scheme (ESS) interests to eligible persons (generally employees) and which would otherwise qualify for the new ESS start-up concession under sections 83A-33 and 83A-45 of the Income Tax Assessment Act 1997 (ITAA 1997).

The following legislative determinations, which set financial institution supervisory levies for 2015-16, were registered on 6 July 2015:

- **Superannuation Supervisory Levy Imposition Determination 2015**
- **Retirement Savings Account Providers Supervisory Levy Imposition Determination 2015**
• Life Insurance Supervisory Levy Imposition Determination 2015
• General Insurance Supervisory Levy Imposition Determination 2015
• Authorised Deposit-taking Institutions Supervisory Levy Imposition Determination 2015
• Authorised Non-operating Holding Companies Supervisory Levy
• First Home Saver Account Providers Supervisory Levy Imposition Determination 2015.

Let’s talk

For a deeper discussion of how these issues might affect your business, please contact:

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