

# Tax Laws Amendment (Income Tax Rates) Act 2012

No. 60, 2012

An Act to amend the *Income Tax Rates Act 1986*, and for related purposes

Note: An electronic version of this Act is available in ComLaw (http://www.comlaw.gov.au/)

# Contents 1 Short title 1 2 Commencement 2 2 3 Schedule(s) 2 2 Schedule 1—Non-resident personal tax rates 3 3 Part 1—Amendments applying from the 2012-13 year of income 3 3 Income Tax Rates Act 1986 3 3 Part 2—Amendments applying from the 2015-16 year of income 5

5

Income Tax Rates Act 1986



# Tax Laws Amendment (Income Tax Rates) Act 2012

No. 60, 2012

## An Act to amend the *Income Tax Rates Act 1986*, and for related purposes

[Assented to 21 June 2012]

The Parliament of Australia enacts:

#### 1 Short title

This Act may be cited as the *Tax Laws Amendment (Income Tax Rates) Act 2012*.

#### 2 Commencement

(1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information				
Column 1 Column 2		Column 3		
Provision(s)	Commencement	Date/Details		
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	21 June 2012		
2. Schedule 1, Part 1	The day this Act receives the Royal Assent.	21 June 2012		
3. Schedule 1, Part 2	The later of:  (a) immediately after the commencement of the provision(s) covered by table item 2; and  (b) 1 July 2015.	1 July 2015		

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

(2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

#### 3 Schedule(s)

Each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

#### Schedule 1—Non-resident personal tax rates

### Part 1—Amendments applying from the 2012-13 year of income

#### Income Tax Rates Act 1986

#### 1 Subsection 3(1)

Insert:

*second resident personal tax rate* means the rate mentioned in item 2 of the table in clause 1 of Part I of Schedule 7.

#### 2 Subparagraph 15(2)(a)(i)

Repeal the subparagraph, substitute:

(i) the amount ascertained by applying the second resident personal tax rate to that eligible taxable income; or

#### 2A Paragraph 15(2)(b)

Omit "\$732", substitute "\$663".

#### 3 Subparagraph 15(2)(b)(i)

Repeal the subparagraph, substitute:

(i) the amount ascertained by applying the second resident personal tax rate to \$416, and then adding 66% of the amount by which that eligible taxable income exceeds \$416; or

#### 4 Subparagraph 15(4)(c)(i)

Repeal the subparagraph, substitute:

(i) the amount ascertained by applying the second resident personal tax rate to the amount of the eligible part of that share; or

#### **4A Paragraph 15(4)(d)**

Omit "\$732", substitute "\$663".

#### 5 Subparagraph 15(4)(d)(i)

#### Repeal the subparagraph, substitute:

(i) the amount ascertained by applying the second resident personal tax rate to \$416, and then adding 66% of the amount by which the eligible part of that share exceeds \$416; or

#### **5A Paragraph 15(6)(b)**

Omit "\$732", substitute "\$663".

#### 6 Clause 1 of Part II of Schedule 7 (table)

Repeal the table, substitute:

Tax rates for non-resident taxpayers					
Item	For the part of the ordinary taxable income of the taxpayer that:	The rate is:			
1	does not exceed \$80,000	The second resident personal tax rate			
2	exceeds \$80,000 but does not exceed \$180,000	37%			
3	exceeds \$180,000	45%			

#### 7 Clause 1A of Part II of Schedule 7 (note)

Repeal the note, substitute:

Note 1: This clause will be repealed on 1 July 2016. See Part 2 of Schedule 2 to the *Tax Laws Amendment (2011 Measures No. 7) Act 2011.* 

Note 2: In the 2011-12 year of income, the rate applicable under item 1 of the table was 29%.

#### 8 Application provision

The amendments made by this Part apply to the 2012-2013 year of income and later years of income.

## Part 2—Amendments applying from the 2015-16 year of income

#### Income Tax Rates Act 1986

#### 9 Paragraphs 15(2)(b), (4)(d) and (6)(b)

Omit "\$663", substitute "\$653".

#### 10 Application provision

The amendments made by this Part apply to the 2015-16 year of income and later years of income.

[Minister's second reading speech made in— House of Representatives on 24 May 2012 Senate on 18 June 2012]