



Legislative Instrument

Taxation Administration Act 1953 - Nil rate determination and exemption from lodging Minerals Resource Rent Tax (MRRT) Instalment Liability Notices - Instrument (No. 1) 2013

I, Stephanie Martin, Deputy Commissioner of Taxation, make this instrument under the following provisions:

- subsection 115-15(3) of Schedule 1 to the *Taxation Administration Act 1953* (TAA) and
- subsection 115-45(3) of Schedule 1 to the TAA.

Stephanie Martin
Deputy Commissioner of Taxation

Dated: 19 February 2013

1. Name of Instrument

This instrument is the Taxation Administration Act 1953 - Nil rate determination and exemption from lodging Minerals Resource Rent Tax (MRRT) Instalment Liability Notices – Instrument (No. 1) 2013.

2. Commencement

This instrument is taken to have commenced on the day after registration.

3. Application

This instrument applies:

- (a) to determine that a nil instalment rate applies to an entity where it is an explorer, a pre-production taxpayer or a simplified MRRT method taxpayer; and
- (b) to exempt such an entity from lodging an MRRT instalment liability notice

as the Commissioner is of the opinion that these entities are unlikely to be liable to pay MRRT for the 2014 MRRT year.

This instrument applies for the first instalment quarter in the 2014 MRRT year in which the entity is an explorer, a pre-production taxpayer or a simplified MRRT method taxpayer and for later instalment quarters in that MRRT year.

The nil rate determination ceases to apply if the Commissioner gives the entity an instalment rate for MRRT under Subdivision 115-E of Schedule 1 to the TAA.

4. Who is covered by this instrument

This instrument applies to an entity where it is an explorer, a pre-production taxpayer or a simplified MRRT method taxpayer.

5. Definitions

For the purposes of this legislative instrument:

Explorer means an entity that:

- (a) holds one or more pre-mining project interests and does not hold any mining project interests in an instalment quarter in an MRRT year; and
- (b) does not reasonably expect that it will have any mining project interest during the remainder of that MRRT year.

Lodging an MRRT instalment liability notice means notifying the Commissioner in the approved form of the instalment income for the instalment quarter.

Pre-production taxpayer means an entity that:

- (a) holds one or more mining project interests where production (other than incidental production) of a taxable resource has not commenced; and
- (b) does not reasonably expect that it will have any mining project interest during the remainder of that MRRT year where production (other than incidental production) of a taxable resource will occur.

To avoid doubt, a pre-production taxpayer may or may not also hold pre-mining project interests.

Simplified MRRT method taxpayer means an entity that:

- (a) for the 2013 MRRT year, has made a valid choice to use the simplified MRRT method for that MRRT year pursuant to section 200-10 of the *Minerals Resource Rent Tax Act 2012*; and
- (b) has notified the Commissioner of that choice in the approved form.

Other terms used in this legislative instrument have the same meaning as defined in the:

- *Minerals Resource Rent Tax Act 2012*;
- *Income Tax Assessment Act 1997*; or
- *Taxation Administration Act 1953*.

