PS LA 2011/23 - Credit interest

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Law Administration Practice Statement

PS LA 2011/23

This Practice Statement is an internal ATO document and an instruction to ATO staff.

Taxpayers can rely on this Practice Statement to provide them with certainty from the credit interest regime in the following way. If a statement turns out to be incorrect and taxpayers underpay their tax as a result, they will not have to pay a penalty, nor will they have to pay interest on the underpayment provided they reasonably relied on this Practice Statement in good faith. However, even if they do not have to pay a penalty or interest, taxpayers will have to pay the correct amount of tax provided the time limits under the law allow it.

SUBJECT: **Credit interest**

PURPOSE: **This Practice Statement discusses the credit interest regime administered by us and details when interest is payable.**

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BACKGROUND

1. This Practice Statement deals with the circumstances where you are entitled to be paid an amount of interest by us. In the majority of cases, such interest is payable under the *Taxation (Interest on Overpayments and Early Payments) Act 1983* (T(IOEP)A).

2. Circumstances where interest is payable by us include:

   - early payments of certain tax liabilities (interest on early payment (IEP))
   - particular overpayments of taxes (interest on overpayments (IOP))
   - delayed refunds of activity statement amount credits that have been allocated to a running balance account (RBA) (delayed refund interest (DRI))
   - certain amounts of tax on no-tax file number (no-TFN) contributions income of superannuation providers.

3. The entitlement to IEP, overpayments, DRI and certain amounts of no-TFN contributions tax is set out in the T(IOEP)A.

4. Interest payable by us under the T(IOEP)A is:

   - assessable income when it is received (applied, credited or refunded)
   - payable at the base interest rate (within the meaning of section 8AAD of the *Taxation Administration Act 1953* (TAA))
   - calculated as simple interest, not compound interest[1]
   - calculated to the nearest cent (0.5 cent rounded up to nearest cent) and amounts less than 50c are not payable.[2]

[1] Refer to the decision in *Consolidated Fertilizers Ltd v Deputy Commissioner of Taxation* [1992] FCA 312.
[2] Part IIIB of the T(IOEP)A.

5. Apart from interest that is payable under the T(IOEP)A, interest is also payable under the following Acts[3]:

   - Parts 2 and 5 of the *Superannuation (Government Co-contribution for Low Income Earners) Act 2003* (Co-contributions Act)
   - section 131-70 of Schedule 1 to the TAA, which relates to money received by us in accordance with a release authority, including
     – excess concessional and non-concessional contributions determinations issued on or after 1 July 2018 (whether for financial years commencing before, on or after 1 July 2018)[4]
     – notices of assessments of amounts of Division 293 tax issued on or after 1 July 2018 (whether for financial years commencing before, on or after 1 July 2018), and
     – first home super saver determinations issued on or after 1 July 2018
   - subsections 17(2AB), 17(2AC), 20H(2AA), 24G(3A) and 24G(3B) of the *Superannuation (Unclaimed Money and Lost Members) Act 1999*.[5]

6. All legislative references in this Practice Statement are to the T(IOEP)A, unless otherwise indicated.

DEFINITIONS

7. The following terms are used in this Practice Statement:

Table 1: Terms and definitions

Term	Definition or meaning
BAS	is a Business activity statement.
BAS amounts	are any debts or credits that arise directly under the BAS provisions.
Credit	is an amount that we must pay to the taxpayer under a taxation law, whether or not described as a credit.
Decision to which this Act applies	is defined in subsection 3(1). Decisions that fall within this definition include a decision[6]: • by us on an objection • of the Administrative Review Tribunal (ART) on an objection • of the court in relation to an objection, or a decision of the ART in relation to an objection

[3] Interest was previously also payable under section 292-425 of the *Income Tax Assessment Act 1997* (ITAA 1997), which relates to refunded excess concessional contributions for the financial years commencing 1 July 2011 and 1 July 2012 (repealed by the *Tax Laws Amendment (Fairer Taxation of Excess Concessional Contributions) Act 2013*) and sections 44 and 48 of the *First Home Savers Accounts Act 2008* (repealed by the *Tax and Superannuation Laws Amendment (2015 Measures No.1) Act 2015*).

[4] For excess contribution determinations issued between 1 July 2013 and 30 June 2018, section 96-10 of Schedule 1 to the TAA (now repealed) applies.

[5] The provisions are not discussed further in this Practice Statement.

[6] In relation to assessments for the 1993–94 and later income years in respect to decisions made after 1 July 1994.

Term	Definition or meaning
	• by us to amend an income tax assessment reducing the tax liability, including where the taxpayer has requested the amendment • by us to amend an assessment reducing the liability to amounts that were treated under Subdivision 154-D of the *Higher Education Support Act 2003* (HESA) as if they were income tax (this includes where the taxpayer has requested the amendment) • by us to amend an assessment reducing the liability to amounts that were treated under section 12ZN of the *Student Assistance Act 1973* as if they were income tax (this includes where the taxpayer has requested the amendment) • by us to amend a fringe benefits tax assessment reducing the liability to tax (but not where a request has been made by or on behalf of the employer) • about foreign revenue claims made under Subdivision 263-A of Schedule 1 to the TAA • by us to give a notice under subsection 282-18(4) of the *Private Health Insurance Act 2007* • by us under section 18-130 of Schedule 1 to the TAA to reduce pay as you go (PAYG) withholding non-compliance tax in certain circumstances • by us to amend a petroleum rent resource tax (PRRT) assessment reducing the liability to tax (but not where a request has been made by or on behalf of the taxpayer).[7]
Full self-assessment taxpayer	is defined in subsection 6(1) of the *Income Tax Assessment Act 1936* (ITAA 1936). It includes companies and trustees of superannuation funds, approved deposit funds and pooled superannuation trusts.
Income tax crediting amount	is defined in subsection 3(1). It includes any: • credit amount except – a foreign income tax offset credit arising under Division 770 of the *Income Tax Assessment Act 1997* (ITAA 1997)

[7] Mineral resource rent tax (MRRT) was repealed on 30 September 2014 by the *Minerals Resource Rent Tax Repeal and Other Measures Act 2014*. The effect of this is that only petroleum rent resource amounts attract interest from 30 September 2014. However, interest may be payable on MRRT amounts prior to 30 September 2014.

Term	Definition or meaning
	– a credit arising under section 131-65 of Schedule 1 to the TAA (in relation to a release authority) – a credit arising under the *International Tax Agreements Act 1953* • tax offset arising under former section 160AQK of the ITAA 1936 (offsetting franking deficit tax against company tax), or • tax offset subject to the refundable tax offset rules in Division 67 of the ITAA 1997.
Notification required for the refund	has the meaning given by section 8AAZLG of the TAA. This is a notification that affects or may affect the amount of the refund. It is required to be given under any of the BAS or PRRT provisions as defined in section 995-1 of the ITAA 1997.
Ordinary taxpayer	means a taxpayer who is not a full self-assessment taxpayer. It includes individuals and trustees of some trust estates.
RBA	means a running balance account established under section 8AAZC of the TAA to keep account of the primary tax debts, payments and credits allocated to that RBA.
RBA interest day	for an RBA, surplus means the 14th day after the latest of the following days: • the day on which the surplus arises (if section 12AA applies) • the day on which the relevant request is made (if sections 12AB or AC apply) • the day on which the taxpayer has given a notification to us that is required for the refund under 8AAZLG[8] (or 8AAZLGB as the case requires) of the TAA and that is accurate so far as it relates to the refund, or • if subsection 8AAZLH(3)[9] of the TAA does not apply, the day on which the taxpayer nominated a financial institution account.
RBA surplus	is defined in section 8AAZA of the TAA and means a balance on an RBA in favour of the taxpayer, where the primary tax debts allocated to the RBA are less than the payments and credits allocated to that RBA.

[8] See the explanation of the term 'Notification required for the refund' in paragraph 7 of this Practice Statement.
[9] This subsection gives us the discretion to direct that certain refunds be paid in a different way.

Term	Definition or meaning
Relevant tax	is defined in section 3C. It includes: • income tax (as defined in subsection 6(1) of the ITAA 1936[10]) • amounts payable to us under Subdivision 16-A of Schedule 1 to the TAA (PAYG withholding amounts) • the general interest charge (GIC) payable on unpaid – PAYG withholding amounts, under section 16-80 of Schedule 1 to the TAA – amounts of indirect tax liabilities, under Subdivision 105-D of Schedule 1 to the TAA – amounts of the late lodgment penalty, under former section 163AA of the ITAA 1936 (in relation to 1999–00 and earlier years) • the shortfall interest charge (SIC) payable under Division 280 of Schedule 1 to the TAA • interest under section 102AAM of the ITAA 1936 (interest paid by the taxpayer on distributions from certain non-resident trust estates) • diverted profits tax • PAYG withholding non-compliance tax (tax payable by directors of non-compliant companies in accordance with section 18-125 of Schedule 1 to the TAA) • amounts that are treated under Subdivision 154-D of the HESA as if they were income tax • amounts that are treated under Division 6 of Part 3A of the *VET Student Loans Act 2016* as if they were income tax • amounts that are treated under Part 2AA.5 of the *Social Security Act 1991* as if they were income tax • amounts that are treated under Part 3.3 of the *Australian Apprenticeship Support Loans Act 2014* as if they were income tax • amounts that are treated under section 12ZN and Division 6 of Part 2 of the *Student Assistance Act 1973* as if they were income tax • amounts paid under section 282-18 of the *Private Health Insurance Act 2007*

[10] See the definitions for 'tax', 'income tax' and 'withholding tax' in subsection 6(1) of the ITAA 1936 and subsection 995-1(1) of the ITAA 1997.

Term	Definition or meaning
	• trust recoupment tax, applied penalty tax or penalty tax, as defined in subsection 3(1) of the *Trust Recoupment Tax Assessment Act 1985* • an amount payable to us under Subdivision 263-A of Schedule 1 to the TAA (about foreign revenue claims) • goods and services tax (GST) • wine equalisation tax (WET) • luxury car tax (LCT • fringe benefits tax (FBT) • PRRT.[11] Relevant tax does not include the following amounts: • the GIC payable on unpaid amounts of income tax and SIC, under section 5-15 of the ITAA 1997 (or former subsection 204(3) of the ITAA 1936) • PAYG instalments, or • penalties under Part 4-25 of Schedule 1 to the TAA (for example, shortfall penalties and penalties for failing to lodge on time in relation to 2000–01 and later years).

STATEMENT

Basic concepts

8. The rationale for the credit interest regime is to allow taxpayers to benefit from the period in which funds were held by the ATO and unavailable for their use.

9. Part IIA provides that IEP is payable only where the taxpayer makes a payment (or part payment) that is received by us more than 14 days before the due date for payment of certain liabilities.[12]

10. Parts IIB, IIC, IIE to IIG, III and IIIA provide when IOP is generally payable and this includes when an overpayment has arisen from:

- an income tax assessment
- certain amended assessments of surcharge or an advanced instalment and interest on certain offsets relating to no-TFN contributions income of superannuation funds and retirement savings account providers
- decisions to which the T(IOEP)A applies
- certain remissions, refunds and credits[13] of particular taxes that occurred as a result of a request by the taxpayer.

[11] See footnote 7 of this Practice Statement.
[12] In relation to a liability pertaining to 1993–94 and later years where the payment occurs after 1 July 1994.
[13] 'Credits' were removed from part IIIA effective 1 April 2019 following the repeal of inoperative provisions of sections 163A and B of the ITAA 1936 in the *Treasury Laws Amendment (2018 Measures No. 4) Act 2019*.

11. Part IIIAA provides that DRI is generally payable in relation to an RBA established to account for BAS amounts if a refund that we are required to give is not paid by the RBA interest day.[14]

12. Further detail of the circumstances when an amount of interest is payable by us under the T(IOEP)A and other Acts is provided in the following paragraphs of this Practice Statement.

13. A taxpayer's entitlement to credit interest arises strictly in accordance with the relevant provisions of the T(IOEP)A or other relevant Acts. When an amount of interest is payable under the T(IOEP)A, we have no discretion to alter the amount or basis (or both) of the taxpayer's interest entitlement. While the taxpayer may choose to forgo their entitlement to interest (for example, as part of a settlement agreement), this is their choice and not a decision by us.

EXPLANATION

Interest on early payments

14. IEP is payable in relation to:

- income tax (including the Medicare levy and Medicare levy surcharge)
- SIC under Division 280 of Schedule 1 to the TAA[15]
- a compulsory repayment amount in respect of an accumulated Higher Education Loan Program (HELP) debt[16]
- a compulsory Vocational Education and Training Student Loan (VSL) repayment amount
- a compulsory Student Start-up Loan (SSL) repayment amount
- a compulsory ABSTUDY SSL repayment
- a compulsory Australian Apprenticeship Support Loan (AASL) repayment amount
- a Financial Supplement (FS) assessment debt[17]
- interest under section 102AAM of the ITAA 1936
- late lodgment penalty under former section 163A[18] of the ITAA 1936
- GIC for late lodgment under former section 163B or GIC in relation to debit amended assessments under former section 170AA[19] of the ITAA 1936.

15. Early payment interest is limited to the early payment of the amount due and only for the relevant period provided for in the T(IOEP)A.

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[14] In relation to RBAs established from 1 July 2000.
[15] Law Administration Practice Statement PS LA 2006/8 *Remission of shortfall interest charge and general interest charge for shortfall periods* discusses the relationship between the payment of IEP and remission of SICs for early payment of shortfall amounts.
[16] Accumulated HELP debt is calculated with reference to section 140-25 of the HESA. Section 137-1 of the HESA, includes HECS-HELP, FEE-HELP, OS-HELP, SA-HELP, VET FEE-HELP and pre-July 2019 VSL debts.
[17] This refers to Student Financial Supplement Scheme debt, under subsection 19AB(2) of the *Social Security Act 1991*, or the *Student Assistance Act 1973,* as in force at a time on or after 1 July 1998.
[18] See footnote 14 of this Practice Statement.
[19] Former section 170AA of the ITAA 1936 repealed as inoperative by the *Tax Laws Amendment (Repeal of Inoperative Provisions) Act 2006*.

16. If the taxpayer is not a full self-assessment taxpayer and makes a payment more than 14 days before the payment due date, the calculation of interest commences from the beginning of the later of the following:

    - the day on which the payment is made
    - the day on which the notice notifying the tax, debt, interest or instalment concerned is issued.

17. If the taxpayer is a full self-assessment taxpayer and they make a payment more than 14 days before the payment due date, the calculation of interest commences from the beginning of the day on which the payment is made.

18. For all taxpayers, their interest period will end on the earlier of the due date for payment or, in circumstances where the early payment is refunded before the due date, when the refund takes place.

19. For eligible payments made since 1 July 2021, the calculation and payment of the IEP is automatic.

20. For eligible payments made before 1 July 2021, claims for IEP should be made by the taxpayer or their agent by a written request to us or, alternatively, calculated and claimed via their tax return for the income year in which the interest entitlement arises.

21. IEP can only be paid after the due date for payment of the tax paid early has lapsed and only after that tax amount has been established. If the payment is to any extent refunded before the due date, interest is not payable on the payment to that extent, in respect to the period after the day on which the refund takes place.

22. If the interest has been offset against any outstanding taxation debts, the taxpayer will be advised in writing as to the nature and date of the offset.

23. If there is an overlap between IEP and IOP under Part IIB, IIC, IIE and IIF and IIG, the taxpayer is entitled to receive both the IEP and the relevant IOP payable. However, when there is an overlap between IEP and IOP under Part IIIA, section 8D removes the IEP entitlement.

Interest on overpayments

24. Generally, the following parts of the T(IOEP)A deal with IOP:

    Table 2: Types of overpayments

T(IOEP)A	Type of overpayment
Part IIB	Overpayments resulting from income tax assessments.
Parts IIC, IIE, IIF and IIG	Overpayments relating to certain amended assessments of surcharge or an advanced instalment and interest on certain offsets relating to no-TFN contributions income of superannuation funds and retirement savings account providers.
Part III	Overpayments resulting from decisions to which the T(IOEP)A applies (for example, objections, ART appeals, court decisions, certain amendments).
Part IIIA	Overpayments resulting from certain remissions, refunds and credits of particular taxes (including income tax, GIC and SIC).

Part IIB – interest on overpayments resulting from income tax assessments

25. IOP may be payable as a result of the application of certain credits, known as income tax crediting amounts, to the taxpayer's account at the time of processing an original return or at some later time.

26. Interest under Part IIB only applies in relation to income tax.[20]

27. Where interest applies under Part IIB, the provision of the T(IOEP)A that applies will depend on:

- whether the taxpayer is a full self-assessment taxpayer or not, and
- when we credited, applied or refunded the relevant income tax crediting amounts.

28. Interest is not payable under this Part in circumstances where the taxpayer's tax return has been lodged fraudulently by an unauthorised third party.

Ordinary taxpayers – notice crediting

29. For an ordinary taxpayer, an entitlement to interest will arise under subsection 8E(1) where:

- they lodge a tax return for a year of income
- an assessment is made up of the income tax payable by them for the year of income
- the notice of assessment notifies that we have credited, applied or refunded one or more income tax crediting amounts to them (this is called the 'notice crediting') for the year of income
- the sum of their income tax crediting amounts exceeds the sum of their income tax and related liabilities (listed under subparagraphs 8E(1)(d)(i) to (v)) for the year of income, and
- the notice crediting occurs more than 30 days after the day on which they lodged the relevant tax return.

The interest is calculated on the amount of the excess.

30. The liabilities under subparagraphs 8E(1)(d)(i) to (v) include:

- income tax payable for the year of income (after allowing any rebate, except a tax offset that is subject to the refundable tax offset rules, or deduction under subsection 100(2) of the ITAA 1936 and before allowing any crediting, applying or other payment) plus Medicare levy and any Medicare levy surcharge assessed on the taxable income (after adjustments)
- a repayment amount that is notified on the notice of assessment, including
  - a compulsory repayment amount under the HESA
  - a compulsory VSL, SSL, ABSTUDY SSL or AASL repayment amount
- an FS assessment debt
- a liability under section 282-18 of the *Private Health Insurance Act 2007* that is notified in the notice of assessment

[20] In relation to assessments for 1993–94 and later years where the crediting takes place on or after 1 July 1994.

- interest for the year of income payable under section 102AAM of the ITAA 1936 (distributions from certain non-resident trust estates) immediately before the notice crediting.

Ordinary taxpayers – post-notice crediting

31. Interest may also be payable to an ordinary taxpayer under subsection 8E(2) where:

- they lodge an income tax return for a year of income
- an assessment is made of the income tax payable by them for the year of income
- we credited, applied or refunded one or more income tax crediting amounts to them after the income tax notice of assessment is issued (this is called a 'post-notice crediting') for a year of income, and
- the sum of their income tax crediting amounts exceeds the sum of the amounts listed in subparagraphs 8E(2)(d)(i) to (v) for a year of income.

32. The amounts that are listed in subparagraphs 8E(2)(d)(i) to (v) are:

- income tax payable for the year of income as reduced by any rebate, deduction under subsection 100(2) of the ITAA 1936, crediting, applying or other payment made before the post-notice crediting
- a repayment amount that is payable by the taxpayer immediately before the post-notice crediting, including
  - a compulsory repayment amount under the HESA
  - a compulsory VSL, SSL, ABSTUDY SSL or AASL repayment amount
- an FS assessment debt payable by them immediately before the post-notice crediting
- a liability under section 282-18 of the *Private Health Insurance Act 2007*, payable by them immediately before the post-notice crediting, and
- interest for the year of income payable by them under section 102AAM of the ITAA 1936 (distributions from certain non-resident trust estates) immediately before the post-notice crediting.

The interest is calculated on the amount of the excess.

Ordinary taxpayers – calculation of interest

33. The periods for which interest is payable by an ordinary taxpayer on the amount of the excess under section 8F is as follows:

Table 3: Timing of interest on overpayment

Time of credit	Start date for interest calculation	End date for interest calculation
On assessment (notice crediting) Subsection 8F(1)	Beginning of the 30th day after the day on which the taxpayer furnished the return	End of the day on which the notice of assessment is issued
After assessment has issued (post-notice crediting) Subsection 8F(2)	Beginning of the day on which the notice of assessment is issued	End of the day on which the post-notice crediting occurs

34. Where the taxpayer made a payment in anticipation of an income tax or related liability after the notice of assessment issued and before a post-notice crediting, interest is payable on the amount of the excess income tax crediting amounts that is attributable to the payment from the beginning of the day the payment was made until the end of the day on which the post-notice crediting occurs. Interest on the remainder of the excess credits that are attributable to the post-notice crediting is calculated as described in Table 3 of this Practice Statement.

35. Where multiple payments have been made after the notice of assessment has issued and before a post-notice crediting, the excess is attributable to a particular payment (to the extent that it would be set off against that payment) by setting off in the reverse order that the payments were made.

36. Interest is not payable on a payment if it attracts interest under Part III or it has already been taken into account in a previous application of Part IIB.

Full self-assessment taxpayers – first crediting

37. In relation to a full self-assessment taxpayer, subsection 8G(1) provides that interest will be payable where:

- they lodged a tax return for a year of income
- after they lodged the return, we credited, applied or refunded one or more income tax crediting amounts to them (this is called a 'first crediting') for the year of income
- we have not previously credited, applied or refunded any income tax crediting amount for the year of income
- the sum of their income tax crediting amounts exceeds the sum of income tax payable (after allowing any rebate, except a tax offset that is subject to the refundable tax offset rules, or deduction under subsection 100(2) of the ITAA 1936 and before allowing any crediting, applying or other payment) and interest payable under section 102AAM of the ITAA 1936 for the year of income, and
- the 'first crediting' takes place after a specified date.

38. For interest to be payable under subsection 8G(1), the date on which the first crediting occurs must be either:

- 30 days or more after the day on which the return was lodged (if they lodged the tax return at least 30 days before the payment due date for the assessed tax) (under paragraph 8G(1)(e)), or
- after the payment due date for the assessed tax (if they lodged the tax return less than 30 days before the payment due date for the assessed tax[21]) (under paragraph 8G(1)(f)).

For clarification, paragraph 8G(1)(f) of the T(IOEP)A only applies where paragraph 8G(1)(e) does not apply.

39. The interest is calculated on the amount of the excess credit that remains after performing the calculation taking into account the amounts referred to in the third bullet point of paragraph 37 of this Practice Statement.

[21] This includes where a taxpayer lodged the return after the payment due date for the assessed tax.

Full self-assessment taxpayers – later crediting

40. Subsection 8G(2) provides that interest will be payable in relation to a full self-assessment taxpayer, where:

- they lodged a tax return for a year of income
- after the first crediting, we credited, applied or refunded one or more income tax crediting amounts to them (this is called a 'later crediting') for the year of income, and
- the sum of their income tax crediting amounts credited, refunded or applied via the later crediting exceeds the sum of the following amounts
  - income tax payable for the year of income as reduced by any rebate, deduction under subsection 100(2) of the ITAA 1936, crediting, applying or other payment made immediately before the later crediting, and
  - interest for the year of income payable under section 102AAM of the ITAA 1936 immediately before the later crediting.

The interest is calculated on the amount of the excess.

Full self-assessment taxpayers – calculation of interest

41. The period for which interest is payable to a full self-assessment taxpayer on the amount of the excess arising from a 'first crediting' (under subsection 8H(1A)) is from the earlier of:

(a) the 30th day after the day on which the person furnishes the return of income for the year of income;

(b) the due date for payment of the assessed tax;

until the end of the day on which the first crediting occurs.

42. The period for which interest is payable to a full self-assessment taxpayer on the amount of the excess arising from a 'later crediting' (under subsection 8H(2A)) is from the payment due date for the assessed tax until the day on which the later crediting occurs.

43. Where a full self-assessment taxpayer made a payment towards an income tax or related liability after the first crediting and before the later crediting, the period for which interest is payable on the amount of the excess income tax crediting amounts that are attributable to that payment (under subsection 8H(3)) is from the day the payment was made until the day on which the later crediting occurs.

44. Where multiple payments have been made after the first crediting and before a later crediting, the excess is attributable to a particular payment (to the extent that it would be set off against that payment) by setting off in the reverse order that the payments were made.

45. The term 'first crediting' is to be interpreted as meaning the date that we first credit, apply or refund one or more income tax crediting amounts in relation to the income tax payable for a full self-assessment taxpayer for the relevant year of income (being a date after they lodged their tax return).

46. The term 'later crediting' is to be interpreted as meaning the date (after the first crediting) that we next credit, apply or refund one or more income tax crediting amounts in relation to the income tax payable by a full self-assessment taxpayer for the relevant year of income.

47. The term ‘credits’ as it relates to the date of first crediting or later crediting includes the date on which we are deemed to have made an assessment of income tax payable for a full self-assessment taxpayer for the relevant year of income.

48. The term ‘applies’ as it relates to the date of first crediting (subject to paragraph 50 of this Practice Statement) or later crediting means the effective date of the transaction representing the partial or full offset of the excess income tax crediting amounts against the outstanding tax debt for a full self-assessment taxpayer.

49. The term ‘refunds’ as it relates to the date of first crediting (subject to paragraph 50 of this Practice Statement) or later crediting means the process date that the refund of the excess income tax crediting amounts is actually issued to a full self-assessment taxpayer (for example, the date that the refund is paid by electronic funds transfer into a full self-assessment taxpayer’s bank account or the date that the cheque is sent by post to a full self-assessment taxpayer).

50. Notwithstanding the information provided in paragraphs 48 and 49 of this Practice Statement, under no circumstances should the effective date of the offset or the refund in relation to first crediting be earlier than the effective date of the underlying credit entitlement. That credit entitlement is the deemed issue date of the notice of assessment, being the lodgment date of the tax return.

51. In circumstances where there is both a partial offset and a residual refund in either first crediting or later crediting situations, there will be 2 interest calculations (unless the partial offset and residual refund occur at the same time). One calculation will be based on the offset amount with the end date being the effective date of the offset transaction and the other calculation will be based on the residual refund amount with the effective date being the date the residual refund is actually issued to a full self-assessment taxpayer.

Parts IIC, IIE, IIF and IIG – interest on overpayments resulting from certain amendments

52. IOP is payable under Parts IIC, IIE and IIF where an amount of surcharge or an advance instalment is overpaid following certain amendments to assessments under the:

- *Superannuation Contributions Tax (Assessment and Collection) Act 1997*
- *Superannuation Contributions Tax (Members of Constitutionally Protected Superannuation Funds) Assessment and Collection Act 1997*.

53. Interest is payable under Parts IIC, IIE, IIF and IIG on the overpaid amount which starts from the later of:

- the day on which the amount of the surcharge or advance instalment was paid, or
- the day by which the amount of the surcharge or advance instalment was required to be paid.

It ends on the day on which the assessment was amended.

54. Interest may also be payable under Part IIG to a superannuation provider in certain circumstances where an individual quotes a tax file number (TFN) to the provider resulting in a tax offset under Subdivision 295-J of the ITAA 1997.

55. Interest will be payable where:

- an individual has quoted their TFN to their employer before the end of an income year
- their employer failed to comply with the requirements set out in section 133 of the *Retirement Savings Accounts Act 1997* or section 299C of the *Superannuation Industry (Supervision) Act 1993* which requires them to inform the superannuation provider, to which they make contributions, of the individual's TFN before the end of the income year
- due to the employer's failure to comply contributions made to that superannuation provider formed part of its no-TFN contributions income
- tax payable on that no-TFN contributions income (the interest-bearing tax) counted towards the no-TFN contributions tax offset of the superannuation provider for the current year, and
- the tax offset has been applied in an assessment in respect of the superannuation provider for the current year.

56. The interest is payable for a period from the day the interest-bearing tax on the no-TFN contributions income was paid or the day the interest-bearing tax was required to be paid (whichever is the later) until the day on which the assessment of the no-TFN contributions income tax offset is made. The interest is payable on each amount of interest-bearing tax.

Application of Part III – interest on overpayments resulting from decision to which the T(IOEP)A applies

57. IOP is payable under subsection 9(1) where[22]:

- the taxpayer pays an amount of 'relevant tax' to us
- all or part of the amount of 'relevant tax' paid is overpaid as a result of a 'decision to which this Act applies', and
- the overpaid amount is refunded to the taxpayer or applied against their outstanding tax liability.

58. Generally, overpayments that arise from an amended assessment that reduces the taxpayer's liability to tax, as a result of a relevant decision by us, the ART or a court, will give rise to an entitlement to IOP.

59. For the purposes of Part III, the taxpayer's payment of an amount of 'relevant tax' includes where a credit assessment has been made by them and that credit assessment is subsequently amended to reduce their liability to tax (including where an original credit assessment is increased upon amendment).

60. The taxpayer is entitled to interest only on the overpaid amount.[23]

61. Interest entitlements pursuant to Part III are payable on the overpaid amount for the period starting from the later of:

- the issue date of the notice of assessment (or deemed notice of assessment), determination or decision in relation to the 'decision to which this Act applies', or
- the day on which the amount of relevant tax was paid.

[22] Refer to paragraph 7 of this Practice Statement for an explanation of the terms used in this section.
[23] Refer to *Charara v Commissioner of Taxation* [2009] NSWSC 730.

The period ends on the day on which the amount of overpaid relevant tax is refunded or applied.

62. Where an amount of relevant tax has been paid in instalments and, as a result of a decision to which this Act applies, only part of the relevant tax is overpaid, the amount so refunded or applied is to be attributed to the instalments in the reverse order to which the instalments were paid.

63. The term 'refunded' in the context of Part III (subject to paragraph 65 of this Practice Statement) means the effective date that the refund of the overpaid relevant tax is actually issued to the taxpayer (for example, the date that the refund is paid by electronic funds transfer into their account or the date that the cheque is posted to them).

64. The term 'applied' in the context of Part III (subject to paragraph 65 of this Practice Statement) means the effective date of the transaction representing the partial or full offset of the overpaid relevant tax against an outstanding tax debt.

65. Notwithstanding the information provided in paragraphs 63 and 64 of this Practice Statement, where the overpaid relevant tax is the result of an amended assessment, the relevant end date is the later of the date the credit was refunded or applied, or the notice was issued (for example, the effective date of the Notice of Assessment).

66. If we have amended the income tax assessment multiple times for a particular income year, the start date for the defined interest period under subparagraph 10(1)(a)(i) is the issue date for the Notice of Assessment issued which created the underlying liability that led to the overpayment.

67. Where the decision to which this Act applies is a decision by us, the ART or a court in regard to indirect tax or assessed GST[24], an entitlement to interest may arise under either Part III (IOP) or Part IIIAA (DRI), but not both. That is, there is no double entitlement to interest. However, in accordance with the underlying intent of the T(IOEP)A, the taxpayer should receive whichever amount provides the greatest benefit.

Application of Part IIIA – interest on overpayments resulting from certain remissions and refunds

68. Where a request has been made and the refund or remission takes place more than 30 days after the day on which the request is made, Part IIIA provides for an entitlement to IOP where we, as a result of the taxpayer's request[25]:

- remit, under section 8AAG of the TAA, certain amounts of the GIC that have been paid (for example, the GIC under section 5-15 of the ITAA 1997 incurred in relation to unpaid assessed income tax liabilities)
- remit, under section 280-160 of Schedule 1 to the TAA, the whole or part of an amount that has been paid to us in respect of SIC payable under Division 280 in that Schedule
- refund the whole or part of a payment made by the taxpayer on account of assessed income tax and certain related liabilities (for

[24] Table items 145 and 155 in section 3C.
[25] 'Credits' were removed from Part IIIA effective 1 April 2019 following the repeal of inoperative provisions of sections 163A and B of the ITAA 1936 in the *Treasury Laws Amendment (2018 Measures No. 4) Act 2019*.

example, a compulsory repayment amount payable under section 154-1 of the HESA).

69. Where an amount of the GIC that has been paid is remitted, an entitlement to interest may arise under either Part IIIA (IOP) or Part IIIAA (DRI) but not both. That is, there is no double entitlement to interest in relation to the remission of an amount of the GIC.

70. IOP under Part IIIA is calculated on the amount remitted, refunded or credited from the beginning of the 30th day after the day on which the request was made and up until the end of the effective day on which the remission, refund or crediting takes place.

71. If the taxpayer makes a payment of income tax before the day they lodge their tax return, the return will be considered a request for refund of the overpaid amount, made on the day of lodgment. There will be an entitlement to interest if the refund takes place more than 30 days after the request, regardless of whether the payment and lodgment occurred before, on or after the payment and lodgment due dates. The amount refunded may include other amounts which are not overpaid income tax – these are not eligible for payment of interest. Interest is limited to the amount overpaid as determined by the income tax assessment.

Delayed refund interest

Application of Part IIIAA – delayed refund interest on running balance account surpluses

72. DRI is generally payable in relation to an RBA established to account for BAS amounts if a refund that we are required to give is not paid by the RBA interest day.[26] However, DRI is not payable where a notification required for the refund has not been given or is inaccurate[27] or there is a need to obtain further information. For example, a notification under any of the BAS provisions or a further (or fuller) GST return[28] that the taxpayer is required to give to us.

Entitlement to delayed refund interest after notification of business activity statement amount or petroleum resource rent tax amount – section 12AA

73. DRI is payable under section 12AA where:

- we have allocated a BAS amount or PRRT amount to the taxpayer's RBA and an RBA surplus arises
- under subsection 8AAZLF(1) of the TAA, we are required to refund the whole or part of that surplus, and
- the refund takes place after the RBA interest day.

[26] In relation to RBAs established from 1 July 2000.
[27] An inaccurate notification would be one where the credit entitlement claimed in the BAS lodgment does not substantially match their actual entitlement that is ultimately refunded.
[28] Further or fuller GST return is described in section 31-20 of the *A New Tax System (Goods and Services Tax) Act 1999*. The approved form for a further or fuller GST return may require information to be provided relating to the tax period to which the return relates, one or more preceding tax periods or both.

When is the running balance account interest day?

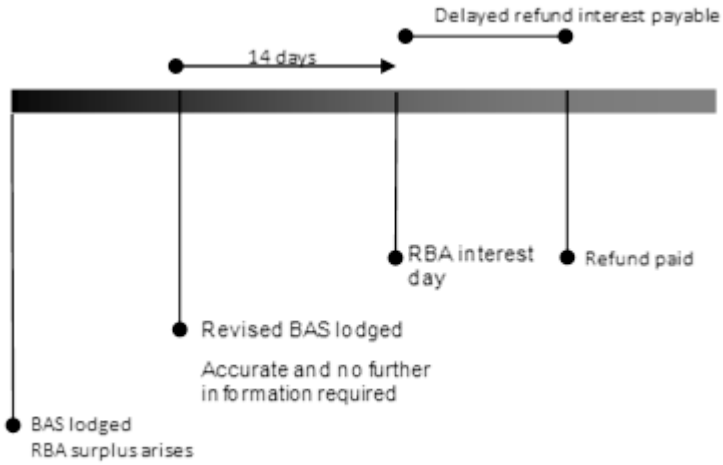
74. The RBA interest day as it relates to section 12AA means the 14th day after the latest of the following days:

- the day on which the surplus arises
- the day on which the taxpayer has given a notification to us that is required for the refund[29] under section 8AAZLG or 8AAZLGB of the TAA (as the case requires) and that is accurate so far as it relates to the refund
- if subsection 8AAZLH(3)[30] of the TAA does not apply, the day on which the taxpayer nominates a financial institution account.

75. The RBA surplus will generally arise on the day the taxpayer gave us the notification required for the refund in the approved form of their credit entitlement for a particular tax period.[31] This would generally be when they lodged their activity statement or fuel tax return. In such cases, the RBA interest day would be 14 days after the lodgment received date.

76. In certain limited circumstances, the day on which the RBA surplus arises may be a day prior to when a notification required for the refund is given to us. For example, if the taxpayer lodged a revised activity statement or fuel tax return that results in a credit for a particular tax period, the RBA surplus would retrospectively arise on the original lodgment date as they were, in effect, entitled to the credit on that date. In such cases, the RBA interest day would be 14 days after the day that the revised activity statement or fuel tax return is given (in the approved form).[32] This day is later than the day on which the surplus arises and will therefore be the RBA interest day. Refer to Diagram 1 in this Practice Statement for an illustration of this.

Diagram 1: Delayed refund interest period



[29] See the explanation of the term 'Notification required for the refund' in paragraph 7 of this Practice Statement.
[30] This subsection gives us the discretion to direct that certain refunds be paid in a different way.
[31] Subsequent to 1 July 2012, this is a deemed assessment and deemed notice of assessment. See sections 155-15 and 155-40 of Schedule 1 to the TAA.
[32] Section 388-50 of Schedule 1 to the TAA.

77. We will not pay DRI where a notification that affects or may affect the amount that is refunded has not been given, is inaccurate[33] or there is a need to obtain further information – for example, where:

- the taxpayer has not given us a notification that they are required to give us under any of the BAS provisions (for example, where they have outstanding activity statements or where we have requested further or fuller GST returns)
- an activity statement is lodged and does not disclose an amount against all labels on the statement where the taxpayer has an expected liability for that period
- the taxpayer makes an error on the activity statement (for example, arithmetic error) and it is necessary to contact them to obtain other information to process the activity statement, or
- the taxpayer has not nominated an account at a financial institution into which the refund should be paid (unless we have exercised the discretion provided in subsection 8AAZLH(3) of the TAA).

78. In the situations outlined in paragraph 77 of this Practice Statement, the RBA interest day will be 14 days after the day the taxpayer provides the relevant information or notification or return to us. In addition, the notification that is provided must be in the approved form and must be accurate so far as it relates to the actual amount to be refunded.

Entitlement to delayed refund interest for running balance account surpluses after request for remission – section 12AB

79. DRI is also payable in accordance with section 12AB where:

- we have allocated a BAS amount or PRRT amount to an RBA
- the taxpayer requests a remission of a penalty that has been notified by us, and
- as a result of the remission of penalty, an RBA surplus arises that we are required to refund under subsection 8AAZLF(1) of the TAA and the surplus is not refunded by the RBA interest day.

80. The RBA interest day as it relates to section 12AB, means the 14th day after the latest of the following days:

- the day on which the request for remission is received
- the day on which the taxpayer has given a notification to us that is required for the refund[34] under section 8AAZLG or 8AAZLGB of the TAA (as the case requires) and that is accurate as far as it relates to the refund
- if subsection 8AAZLH(3) of the TAA does not apply, the day on which the taxpayer nominates a financial institution account.

81. Interest will be payable in these circumstances for the period from the end of the RBA interest day until the end of the day on which the refund takes place.

[33] An inaccurate notification would be one where the credit entitlement claimed in the BAS lodgment does not substantially match the actual entitlement that is ultimately refunded.
[34] See the explanation of the term 'Notification required for the refund' in paragraph 7 of this Practice Statement.

Entitlement to delayed refund interest for running balance account surpluses after request for refund – section 12AC

82. DRI is also payable in accordance with section 12AC where:

- we have allocated a payment to an RBA
- we have allocated or intend to allocate a BAS amount or PRRT amount to that RBA, and
- the taxpayer requests a refund of an RBA surplus that has arisen as a result of a voluntary payment and that we are required to refund under subsection 8AAZLF(2) of the TAA, and the surplus is not refunded by the RBA interest day.

83. The RBA interest day as it relates to section 12AC means the 14th day after the latest of the following days:

- the day on which the request for refund of the RBA surplus resulting from the voluntary payment is received
- the day on which the taxpayer has given a notification to us that is required for the refund[35] under 8AAZLG or 8AAZLGB of the TAA (as the case requires) and that is accurate as far as it relates to the refund
- if subsection 8AAZLH(3) of the TAA does not apply, the day on which the taxpayer nominates a financial institution account.

84. Interest is payable on the amount of the RBA surplus which is required to be refunded under section 8AAZLF of the TAA for the period from the end of the RBA interest day (that is, the beginning of the next day) until the end of the effective day on which the refund is actually issued.

Tax treatment of interest payable under the T(IOEP)A

85. Interest payable by us under the T(IOEP)A is assessable income when it is received (applied, credited or refunded).[36]

86. Generally, if an amount of interest is to be paid to a taxpayer that has an overseas address according to ATO records, or if we are authorised to pay the interest at a place outside of Australia, 10% of the interest is withheld under section 12-245 of Schedule 1 to the TAA.

87. Interest payable under the T(IOEP)A is also a 'credit' for the purposes of Part IIB of the TAA. Accordingly, we are required under Division 3 of Part IIB to the TAA to apply an amount of interest payable to the taxpayer against any amount due to the Commonwealth directly arising under a taxation law, including any such amount that is due but not yet payable.

Entitlement to interest under Parts 2 and 5 of the Co-contributions Act

88. A taxpayer will be entitled to a payment of interest by us if we pay none of the government co-contribution on or before the payment date for the co-contribution.[37]

89. Interest is payable:

- on the amount of the government co-contribution, and

[35] See the explanation of the term 'Notification required for the refund' in paragraph 7 of this Practice Statement.
[36] Section 15-35 of the ITAA 1997.
[37] Section 12 of the Co-contributions Act.

- for the period from the payment date for the government co-contribution until the day on which we first pay an amount in satisfaction of that co-contribution.

90. A taxpayer will also be entitled to a payment of interest by us if we underpay a government co-contribution and we do not pay the underpaid amount in full on or before the payment date for the underpaid amount.[38]

91. Interest is payable:

- on the unpaid amount of the government co-contribution (or payment shortfall) that remains unpaid on the payment date, and
- for the period from the payment date for the underpaid amount until the day on which the underpaid amount is paid in full.

92. Additionally, if by an administrative error we have underpaid the amount of co-contribution, a taxpayer will be entitled to interest on the amount of the payment shortfall. Interest is payable for the period from the payment date for the government co-contribution until the payment date for the underpaid amount.[39]

93. The payment date is 60 days after we have received all of the information, required by the Co-contributions Act or requested by us under the Act, necessary to make a determination that a government co-contribution is payable and to whom the payment is to be directed.[40]

Tax treatment of interest payable under the Co-contributions Act

94. The interest that is payable under section 12 of the Co-contributions Act forms part of the actual government co-contribution. Therefore, it is treated for all purposes (for example, taxation purposes) in the same manner as the government co-contribution. The government co-contribution is not assessable income in the hands of the superannuation entity or the individual (sections 295-170 and 307-135 of the ITAA 1997).

Entitlement to interest for late payments of money received by us in accordance with release authority – section 131-70 of Schedule 1 to the TAA

95. The entitlement to interest for amounts released from superannuation is set out in section 131-70 of Schedule 1 to the TAA[41] and applies to:

- excess concessional and non-concessional contribution determinations, where issued on or after 1 July 2018 (whether for financial years commencing before, on, or after 1 July 2018)
- notices of assessments of amounts of Division 293 tax (where issued on or after 1 July 2018 (whether for financial years commencing before, on, or after 1 July 2018), and
- first home super saver determinations issued on or after 1 July 2018.

[38] Section 21 of the Co-contributions Act.
[39] Section 22 of the Co-contributions Act.
[40] The method for identifying the payment date is contained in section 8 of the *Superannuation (Government Co-contribution for Low Income Earners) Regulations 2022*.
[41] For excess concessional and non-concessional contributions commencing 1 July 2013 to 30 June 2018, section 96-10 of Schedule 1 to the TAA (now repealed) applies. For refunded excess concessional contributions commencing 1 July 2011 to 29 June 2013, section 292-425 of the ITAA 1997 (now repealed) applies.

96. A taxpayer will be entitled to interest for late payments where:

- we issue a release authority to a superannuation provider in accordance with section 131-15 of Schedule 1 to the TAA
- the superannuation provider pays the amount detailed in the release authority to us
- they are entitled to a credit for that amount as mentioned in section 131-65 of Schedule 1 to the TAA
- all or part of the credit is required to be refunded in accordance with Division 3A of Part IIB of the TAA, and
- we do not refund the required amount within 60 days after receiving the amount from the superannuation provider.

97. Interest is calculated on a daily basis utilising the base interest rate that applies for each relevant day and the interest period is determined as follows:

- beginning 60 days after the day we receive the amount, and
- ending on the effective day that we refund the amount or the effective day that the relevant amount is applied or offset against the outstanding taxation liability.

Tax treatment of interest for amounts refunded in accordance with a release authority

98. Interest payable under section 131-70 of Schedule 1 to the TAA is assessable income at the time that it is received (applied, credited or refunded).

99. Interest payable is also a 'credit' for the purposes of Part IIB of the TAA. Accordingly, we are required under Division 3 of Part IIB of the TAA to apply an amount of interest payable against any amount due to the Commonwealth directly arising under a taxation law, including any such amount not yet payable.

Date issued: 14 April 2011

Date of effect: 14 April 2011

Business line: Frontline Operations

Amendment history

10 July 2025

Part	Comment
Throughout	Content checked for technical accuracy and currency. Updated in line with current ATO style and accessibility requirements.
Paragraph 1	Revised explanation of practice statement.
Paragraph 4	Revised explanation of how IOP is calculated to the nearest cent.
Paragraph 7	Revised definition of income tax crediting amount, ordinary taxpayers, relevant tax
Paragraph 8	Insertion of paragraph to explain rationale of credit interest regime.
Paragraph 13	Insertion of paragraph to explain discretion to pay or not to pay a credit interest entitlement.
Paragraph 19	Insertion of paragraph to reflect that for eligible payments made since 1 July 2021, IEP is automatically calculated and paid out. Former paragraph 16 removed as a result.
Paragraph 20	Insertion of paragraph to reflect that eligible payments made before 1 July 2021 require that the taxpayer or their agent must send a written request to us or alternatively can be calculated and claimed via their next tax return.
Paragraph 22 (former paragraph 18)	Removed ATO requirement to provide written details to a taxpayer when IEP has been paid.
Paragraph 23 (former paragraph 19)	Insertion of paragraph to reflect that for an overlap of IEP and IOP under Part IIB, IIC, IIE, IIF, and IIG, the taxpayer is entitled to receive both the IEP and IOP.
Paragraph 24 – 'Table 2: Types of overpayments', Paragraph 52 and 53 (former paragraphs 20, 42, 43)	Removed reference to Part IID and *Termination Payments Tax (Assessment and Collection) Act 1997*– repealed in *Treasury Laws Amendment (2018 Measures No. 1) Act 2018*. Introduced table name.
Paragraph 26 (former paragraph 21)	Revised explanation to which tax Part IIB applies to.
Paragraph 27	Insertion of further explanation to which situation where Part IIB interest applies to.
Paragraph 28	Insertion of paragraph to explain that Part IIB is not payable when the income tax return had been lodged fraudulently by an unauthorised third party.
Paragraph 29 (former paragraph 22)	Revised explanation of entitlement under subsection 8E(1). Added 'notice crediting' to heading above this paragraph.
Paragraph 31 (former paragraph 24)	Revised explanation of entitlement under subsection 8E(2). Added 'ordinary taxpayers – post-notice crediting' heading above this paragraph.
Paragraph 33 (former paragraph 25)	Insertion of text to explain this applies under section 8F. Inserted table name. Further revised content of the table to explain time of credit is not reliant on 'original' assessment. Added heading above this paragraph 'ordinary taxpayers – calculation of interest'.
Paragraph 37 (former paragraph 29)	Revised explanation of entitlement under subsection 8G(1). Amended heading above this paragraph to include 'first crediting'.

Part	Comment
Paragraph 38 (former paragraph 30 and 31)	Revised explanation of 8G(1)(e) and 8G(1)(f) further.
Paragraph 39 (former paragraph 29)	Interest calculation for 8G(1) was made into its own paragraph.
Paragraph 40 (former paragraph 31)	Revised explanation of entitlement under 8G(2). Added heading above this paragraph 'full self-assessment taxpayers – later crediting'.
Paragraphs 41-43 (former paragraphs 33-35)	Revised explanation of calculation of interest. Added heading for paragraph 40 'full self-assessment taxpayers – calculation of interest'.
Paragraph 45 (former paragraph 36)	Revised explanation of 'first crediting'.
Paragraph 47	Insertion of paragraph to explain 'credits' as it relates to the date of the first crediting or later crediting.
Paragraph 49 (former paragraph 39)	Amended the phrase 'effective date' to 'process date'. Revised explanation further.
Paragraph 57 (former paragraph 47)	Revised explanation of IOP payable under subsection 9(1).
Paragraph 58 (former paragraph 47)	Insertion of paragraph to explain what occurs when overpayments arise from an amended assessment. Removed decisions relation to Part IVC objection.
Paragraph 59	Insertion of paragraph to explain that 'relevant tax' for the purposes of Part III includes a credit assessment that has been made by the taxpayer and that credit assessment is subsequently amended to reduce the taxpayer's liability to tax.
Paragraph 65 (former paragraph 52)	Revised explanation of IOP end dates, when it is a result of an amended assessment.
Paragraph 66	Added explanation of subparagraph 10(1)(a)(i) for when the income tax assessment for a particular year has been amended multiple times.
Former paragraph 54	Removed explanation where there is both a partial offset and an income tax crediting refund.
Heading of paragraph 68 (former paragraph 55)	Removed 'credits' as they were removed from Part IIIA – repealed in *Treasury Laws Amendment (2018 Measures No. 4) Act 2019*.
Paragraph 68	Removed 'authorised tax representative acting on the taxpayer's behalf'.
Paragraph 68 (former paragraph 55)	Removed reference to 'former section 163AA of the ITAA1936' from paragraph.
Paragraph 98 (former paragraph 85)	Removed reference to 'former sections 96-55 of Schedule 1 to the TAA and section 202-425 of the ITAA 1997'.

10 January 2024

Part	Comment
Paragraph 6 – 'Terms Used'	Under 'Relevant tax' section, reference to '*Trade Support Loans Act 2014*' changed to *'Australian Apprenticeship Support Loans Act 2014*'.
Paragraph 11	Reference to 'Trade Support Loan' changed to 'Australian Apprenticeship Support Loan'.

6 October 2020

Part	Comment
Paragraph 11	Corrected error in footnote 15 – changed 'Individual Education Plan' to 'IEP'.

1 October 2020

Part	Comment
Various	Revised content and formatting to meet *ATO style guide* requirements and to improve readability, for example, moved text, added headings. Minor wording changes to better reflect the wording of the T(IOEP)A.
Table of Contents	• Removal of, or changes to headings for sections dealing with excess superannuation contributions, including updated legislative references. • Removal of FHSA Act sections – repealed by the *Tax and Superannuation Laws Amendment (2015 Measures No.1) Act 2015*. • Corresponding changes to page numbers.
Various	Additional footnotes throughout to reflect content changes, including relevant repeals and additions to 'Terms Used' section.
Paragraph 5	• Section 96-55 reference updated to section 131-70, with corresponding changes to content to better reflect content of provision. • Removal of section 292-45 content - repealed by the *Tax Laws Amendment (Fairer Taxation of Excess Concessional Contributions) Act 2013*. • Removal of FHSA Act sections – repealed by the *Tax and Superannuation Laws Amendment (2015 Measures No. 1) Act 2015*. • Removal of section 20H(2B) - the section does not provide for payment of interest.
Paragraph 6 – 'Terms Used'	'Decision to which the act applies' - • fringe benefits tax dot point revised to request made by employer rather than taxpayer to reduce ambiguity • deletion of MRRT – repealed by the *Minerals Resource Rent Tax Repeal and Other Measures Act 2014*. 'Notification required for the refund'- added. 'RBA interest day' inserted, with inclusion of the words '8AAZLGB (as the case requires)', consistent with the T(IOEP)A. 'Relevant tax'- • clarified interest under former section 170AA of the ITAA 1936 to refer to GIC • deletion of MRRT from list of relevant taxes-repealed • addition of other tax types to more comprehensively reflect the T(IOEP)A.
Paragraph 7	Reference to Part 8(A)(1) changed to Part IIA for consistency. Change from '…where a taxpayer makes a payment' to '…where a taxpayer makes a payment (or part payment)'.

Part	Comment
Paragraph 11	• Removal of redundant references to 'HECS assessment debt'. HECS was absorbed into HELP in 2005 reforms legislated by the HESA. The T(IOEP)A refers to 'compulsory repayment amount' which captures all HELP debt types. • Removal of SFSS assessment debt to reflect legislation (insert FS Assessment debt). • Insert HELP; VSL; SSL; ABSTUDY SSL; TSL: FS assessment debt to reflect the HESA. • Amended reference to subsections 163A, 163B and 170AA to reflect they have been repealed.
Paragraph 13	Addition of text reflecting requirement for early payment more than 14 days before the due date to be eligible for IEP- added for clarity for staff performing IEP calculations.
Paragraph 14	Clarification of wording reflecting requirement for early payment more than 14 days before the due date to be eligible for IEP added for clarity for staff performing IEPcalculations.
Paragraph 23	• Removal of redundant references to 'HECS assessment debt'. HECS was absorbed into HELP in 2005 reforms legislated by the HESA. The T(IOEP)A refers to 'compulsory repayment amount' which captures all HELP debt types. • Removal of SFSS assessment debt to reflect legislation (insert FS Assessment debt). • Insert HELP; VSL; SSL; ABSTUDY SSL; TSL: FS assessment debt to reflect the HESA. • Clarification of wording in section 282-18 of the *Private Health Insurance Act 2007*, and section 102AAM of the ITAA 1936.
Paragraph 24	Removal of redundant references to 'HECS assessment debt'. HECS was absorbed into HELP in 2005 reforms legislated by the HESA. The T(IOEP)A refers to 'compulsory repayment amount' which captures all HELP debt types. Removal of SFSS assessment debt to reflect legislation (insert FS Assessment debt). Insert HELP; VSL; SSL; ABSTUDY SSL; TSL: FS assessment debt to reflect the HESA. Clarify section 282-18 to reflect legislation required notification of NOA. Clarification of section 102AAM to remove 'post' preceding 'notice crediting'.
Paragraph 25	Insert 'Notice of' before 'assessment to clarify type of assessment for section 8F(2).
Paragraph 42	Footnote to heading for Part IID IOP to reflect repeal by the *Treasury Laws Amendment (2018 Measures No. 1) Act*.
Paragraph 45	• Addition of 'section 133 of the *Retirement Savings Accounts Act* or' in second dot point for consistency with the T(IOEP)A. • Removal of section 299C in third dot point for readability.
Paragraph 55	Update from 'GIC under former sub section 204(3)' to 'section 163AA of the ITAA 1936 or section 5-15 of the ITAA 1997'.
Paragraph 60, 66, 69	Additional of 'or PRRT amount' consistent with wording in Part IIIA.

Part	Comment
Paragraph 61, 67, 70	Addition of '8AAZLGB (as the case requires)', consistent with wording in the T(IOEP)A.
Paragraph 68	Clarification of wording relating to period for which interest is payable.
Paragraphs 75 to 79	Addition of, or changes to content reflecting interest entitlements under sections 12, 21 and 22 of the Co-contributions Act, including separation of content in relation to situations where the Commissioner pays none of the co-contribution vs underpaying an amount, or administrative errors.
Paragraph 80 to 83	Remove section 292-425 content to reflect repeal of legislation in the *Tax Laws Amendment (Fairer Taxation of Excess Concessional Contributions) Act 2013*.
Paragraphs 82 (former paragraph 84) to 84	• Updates to various legislative references from sections 96 to 131. • Change to heading to refer to 'late payments of money received by the Commissioner in accordance with release authority', consistent with section 131-70 heading and content. • Change to content to capture (in addition to excess concessional contributions determinations), other payments subject to release authorities. • Clarification of timing of determinations.
Paragraph 85 (former paragraph 87)	Updated current reference to section 131-70, and addition of 'former' preceding repealed sections 96-55 of Schedule 1 to the TAA and section 292-425 of the ITAA 1997.
Paragraphs 89 to 95	Removal of FHSA content to reflect repeal of legislation in the Tax and Superannuation Laws Amendment (2015 Measures No. 1) Act 2015.

23 January 2015

Part	Comment
Various	Revised content and formatting to meet ATO *Style guide* requirements and to improve readability, for example, moved text, added headings.
Paragraph 62	Diagram included to assist in explaining the RBA interest day in the circumstance where RBA surplus arises prior to when notification is given.
Paragraphs 80 to 88	New information on the entitlement to interest for: • excess concessional contributions under section 96-55 of Schedule 1 to the TAA • refunded excess concessional contributions under section 292-425 of the ITAA 1997.
Paragraphs 89 to 94	New information on the entitlement to interest under the *First Home Savers Accounts Act 2008.*

15 August 2011

Part	Comment
Paragraph 42 (including footnote 15)	Example updated to reflect repealed legislation (Part VII of the ITAA 1936) and refer to section 154-1 of the *Higher Education Support Act 2003*. Footnote 15 omitted.

References

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