

Australian Taxation Office

Taxation Administration Act 1953

Pay as you go withholding

Notice exempting entities from giving a payment summary for lump sum superannuation benefits to certain recipients with a terminal medical condition – Legislative Instrument

I, Erin Kathleen Holland, Deputy Commissioner of Taxation, make this instrument under section 15-15 of Schedule 1 to the *Taxation Administration Act 1953*.

This legislative instrument will revoke Legislative Instrument No. F2007L03956 registered on the 4th day of October 2007.

Signed on the 30th day of May 2008



Deputy Commissioner of Taxation

Name of instrument

This instrument is the *Taxation Administration Act - Notice exempting entities from giving a payment summary for lump sum superannuation benefits to certain recipients with a terminal medical condition*.

Commencement

This instrument commences on 1 July 2007.

Purpose

This instrument removes the requirement to issue a payment summary to the recipient of a withholding payment under paragraph 12-85(a) of Schedule 1 to the *Taxation Administration Act 1953*, where the payee is classified as having a terminal medical condition.

Type of payments

This instrument removes the requirement for superannuation funds to issue a payment summary for a withholding payment that is:

- a superannuation member benefit within the meaning of subsection 307-5(2) of the *Income Tax Assessment Act 1997*, and
- a superannuation lump sum within the meaning of section 307-65 of the *Income Tax Assessment Act 1997*, and
- paid to a member in accordance with the payment standards prescribed:
 - in the case of a benefit paid from a complying superannuation fund – subsection 31(1) of the *Superannuation Industry (Supervision) Act 1993*, or
 - in the case of a benefit paid from an approved deposit fund – subsection 32(1) of that Act, or
 - in the case of a benefit paid from a retirement savings account – subsection 38(2) of the *Retirement Savings Accounts Act 1997*

in circumstances where the member has a terminal medical condition at a time in the period:

- a) starting when the member receives the lump sum; and
- b) ending at the later of:
 - i) 90 days after the member receives the payment; or
 - ii) 30 June 2008 for a payment made in the 2007-08 financial year.

A payee will be taken to have a terminal medical condition if the following circumstances exist:

- (a) two registered medical practitioners have certified, jointly or separately, that the person suffers from an illness, or has incurred an injury, that is likely to result in the death of the person within a period (the *certification period*) that ends not more than 12 months after the date of the certification;
- (b) at least one of the registered medical practitioners is a specialist practicing in an area related to the illness or injury suffered by the person;
- (c) for each of the certificates, the certification period has not ended.