

**THE TAX INSTITUTE**

13 July 2012

Mr Stephen Boyd
Committee Secretary
House of Representatives
Standing Committee on Economics
PO Box 6021
PARLIAMENT HOUSE ACT 2600

By email: economics.reps@aph.gov.au

Dear Mr Boyd

TAX LAWS AMENDMENT (2012 MEASURES NO. 4) BILL 2012 – LIVING AWAY FROM HOME ALLOWANCE RULES

The Tax Institute is pleased to have the opportunity to make a submission to the House of Representatives Standing Committee on Economics (**Committee**) in relation to Schedule 1 of *Tax Laws Amendment (2012 Measures No. 4) Bill 2012 (Bill)*.

Schedule 1 of the Bill contains amendments to the *Income Tax Assessment Act 1997 (Cth) (ITAA97)*, *Fringe Benefits Tax Assessment Act 1986 (Cth) (FBTAA)* and the *Taxation Administration Act 1953 (Cth) (TAA)* in relation to the Reform of Living Away From Home (**LAFH**) Allowance and Benefit Rules.

We do not seek to make any comments in relation to Schedule 2 or Schedule 3 of the Bill.

Overview

Our submission below is set out in the following sections:

- **Section 1:** Policy intention (and the extent to which that intention is achieved by the Bill).
- **Section 2:** Administration of the Food Allowance component in two tax systems.
- **Section 3:** The 'variation of employment arrangements' and the transitional rules.
- **Section 4:** Recommendations.

