

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

4 – 6 June 2013

Question: BET 33

Topic: Non-legislated Budget Measures

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Senator CORMANN asked:

Senator CORMANN: I will engage in that line of questioning a bit more. As you know, Mr Ray, in last year's budget there was a measure to increase the contributions tax for people earning more than \$300,000 in relation to their super savings. That was to come into effect on 1 July 2012—last year's budget measure—and it has not been legislated. It has only been introduced by the government very recently. Is Treasury in a position by 30 June 2013 to deal with all outstanding budget measures that so far have not been legislated?

Mr Ray: For Treasury, I think the revenue group would be able to help you. I am trying to remember whether there is a piece of legislation elsewhere in the department. I do not think there is.

Senator CORMANN: You are taking a very narrow view now, I guess. The reason I am asking it in fiscal is because, obviously, it is relevant both for revenue and expenditure measures, and presumably you take a view across government.

Senator Wong: But he is not responsible for getting all legislation through. If you are asking what the status of the parliamentary business priority lists for the government is, we will see what we can do, but I suspect it is not something the department can assist you with. What revenue group could assist you with is what legislation is currently on the agenda in the next parliamentary sitting fortnight.

Senator CORMANN: Minister, the reason I am asking it is because you suggested that if only the opposition were more helpful everything could be passed. What I am putting to you is that for last year's budget that is not true. B have just given you one example where it took the government 11 months post budget to even put forward its own piece of legislation in relation to a measure that was to apply from 1 July the year before. What I am keen to understand is whether it is the government's intention to pass legislation implementing all revenue and expenditure measures in this current budget and in previous budgets before 30 June and, if not, whether we can have a list of any outstanding, non-legislated budget measures across the whole of the government? I guess that is a question for you, Minister, if Mr Ray cannot assist me.

Senator Wong: I will take the second question on notice. In relation to the first, that is not something that this portfolio would be determining.

Senator CORMANN: But presumably you asked the minister for finance—

Senator Wong: As you know, Senator, the parliamentary program is set by a committee of cabinet and is reflected in the program that is before the Senate and the House, so you can see the list from that. The point I was making is—as you know, Senator—that what is on that list includes an assessment of what the opposition has identified as noncontro.

Senator CORMANN: The thing is, you cannot identify anything as noncontro or contro if you are not even in a position to introduce the legislation.

Senator Wong: There are a great many pieces of legislation on the last set of Notice Papers that I have seen. Have you indicated noncontro to a whole heap of those?

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Senator CORMANN: It would be very helpful if you could give as a list of the budget measures that you would like to legislate before 30 June so that we could get a handle on those budget measures that you do not intend to legislate by 30 June 2013. Once we know what your intentions are—at whatever level of the government that decision has to be made—we can make judgements on how we can help facilitate, if that is appropriate. But unless we have the information from you, we cannot actually be helpful.

Senator Wong: I have to say, the prospect of you being helpful, Senator Cormann, is something I look forward to enjoying.

Senator CORMANN: Come on, you know that I am helpful all the time.

Senator Wong: Yes, extremely! I have taken that question on notice.

Senator CORMANN: Thank you.

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Senator CORMANN: Mr Heferen, to change topics to another discussion in which I was referred to you by Mr Ray. Are you able to tell us how many of the revenue measures in this budget and in previous budgets are expected to remain non-legislated by the end of June 2013?

Mr Heferen: I would have to take that on notice. I do not have that. From this budget and last budget?

Senator CORMANN: And previous budgets.

Mr Heferen: Are you asking what the stocktake is of—

Senator CORMANN: I am after a conclusive list of those revenue measures in this budget and previous budgets that will remain non-legislated by the time the parliament rises before the next election.

Mr Heferen: I will have to take that on notice.

Answer:

As at 30 June 2013, 70 revenue measures announced in the 2013-14 Budget and previous Budgets have not yet been legislated. A list of the measures is at [Attachment A](#).

TAX AND TAX-RELATED SUPERANNUATION MEASURES ANNOUNCED IN THE 2013-14 BUDGET AND PREVIOUS BUDGET MEASURES

	2013-14 BUDGET MEASURES - ANNOUNCED / UNENACTED		2013-14 BUDGET MEASURES - BEFORE PARLIAMENT
1	Clean Energy Future — deferral of the 2015-16 tax cuts	1	A plan for Australian Jobs - Research and Development tax incentive - better targeting
2	Protecting the corporate tax base from erosion and loopholes — addressing aggressive tax structures that seek to shift profits by artificially loading debt into Australia		
3	Protecting the corporate tax base from erosion and loopholes — closing loopholes in the consolidation regime: Deductible liabilities		
4	Protecting the corporate tax base from erosion and loopholes — closing loopholes in the consolidation regime: Intra-group creation of rights over encumbered assets		
5	Protecting the corporate tax base from erosion and loopholes — closing loopholes in the consolidation regime: Tax cost setting where Division 855 applies		
6	Protecting the corporate tax base from erosion and loopholes — closing loopholes in the consolidation regime: Intra-group liabilities and assets subject to TOFA on leaving a group		
7	Protecting the corporate tax base from erosion and loopholes — review of MEC Groups		
8	Protecting the corporate tax base from erosion and loopholes — closing loopholes in the Offshore Banking Unit regime		
9	Protecting the corporate tax base from erosion and loopholes — improving the integrity of the foreign resident capital gains tax regime: Technical amendments		
10	Protecting the corporate tax base from erosion and loopholes — improving the integrity of the foreign resident capital gains tax regime:		

5	DGR - Improving administration of the registers		
6	GST Administration - changes in use adjustments (BOT)		
7	GST - review treatment of vouchers (BOT)		
8	GST - review multi-party transactions (BOT)		
9	CGT Income tax relief for water reforms		
10	Review of elections in the income tax laws - arising from the 2004 Report on Aspects of Income Tax Self-Assessment		
11	Remove certain redundant provisions allowing for unlimited amendment periods		
12	Improvements to taxation running balance accounts and interest on overpayments		
13	Foreign source income anti-tax deferral rule (BOT). Part X		
14	Debt/equity tax rules – clarification of the scope of an integrity provision		
15	Components of Simplified Imputation System		
16	Off-market share buybacks (BOT)		
17	Consolidation - calculation and collection of income tax		
18	Improvements to company loss recoupment rules		
19	Technical changes to uniform capital allowance regime		
20	GST - simplify grouping rules (BOT)		
21	GST - clarify treatment of general law partnerships (BOT)		
22	Board of Tax review (BoT) of the legal framework for the administration of the GST - GST and Tax Law Partnerships - Recosting of Start Date (GST - clarify treatment of tax law partnerships)		
23	GST - technical amendments to adjustment provisions (BOT)		
24	Taxation of financial arrangements provisions - foreign currency		

25	GST - clarifying treatment of bare trusts (BOT)		
26	Consolidation - Entry history rule and applying the 200 per cent diminishing value rate		
27	Consolidation - Extending the single entry rule to discount capital gains and CGT event K6		
28	Consolidation - Distribution of net income upon entry or exit of a trust		
29	Improve the CGT treatment of earn out agreements		
30	CGT relief for taxpayers affected by natural disasters		
31	DGR - Improving administration of the cultural gifts program		
32	GST BOT review - Pre-registration adjustments - change of start date (GST Administration - pre registration adjustments)		
33	Board of Taxation's Admin Review of the GST - Recosting - Supply of going concerns and farm land (GST Administration - reverse charge going concerns and farm land)		
34	Adjustments on cessation of registration (BOT)		
35	CGT & other rollovers for amalgamation of Indigenous Corps.		
36	Taxation exemptions for foreign governments (sovereign immunity)		
37	Loss recoupment rules - multiple classes of shares		
38	Securities lending arrangements tax rules – extending the scope to address insolvency issues (CGT rollover - amend the tax rules for securities lending arrangements)		
39	Functional currency rules to trusts and other entities		
40	Interest withholding tax - phasing down for financial institutions		
41	Capital gains tax – exemption for incentives related to renewable resources or for preserving environmental benefits (CGT - Treatment of environmental financial incentive)		
42	CGT - refinements to income tax law for deceased estates		

43	CGT - Treatment of compensation insurance payments
44	CGT - broaden revenue asset and trading stock roll-overs
45	GST and cross border transactions - 'connected with Australia' rules
46	Foreign accumulation fund rule
47	SUPERSTREAM - TFN Declaration of choice
