

Senate Economics Legislation Committee  
ANSWERS TO QUESTIONS ON NOTICE

**Treasury Portfolio**

**Inquiry into the Treasury Laws Amendment (Making Sure Foreign Investors Pay Their Fair Share of Tax in Australia and Other Measures) Bill 2018;**

**Income Tax (Managed Investment Trust Withholding Tax) Amendment Bill 2018;**

**Income Tax Rates Amendment (Sovereign Entities) Bill 2018**

2018 - 2019

**Division/Agency:** Corporate and International Tax Division

**Topic:** Timing of Government decision to allow managed investment trusts to hold residential property at a withholding tax rate of 30 per cent

**Reference:** Spoken

**Senator:** Chris Ketter

**Question:**

Senator KETTER: When was the decision to change the policy position—or the backflip, as I call it—taken?

Mr McKenna: On build-to-rent?

Senator KETTER: Yes.

Mr McKenna: Sometime between budget this year and the release of the second stage. I don't have the details.

Senator KETTER: Can you take that on notice?

Mr McKenna: I can take that on notice.

**Answer:**

The decision was made on 20 June 2018, following the consultation that regularly takes place before policy is legislated, to allow for refinements that ensure it is well-targeted and best achieves its stated aims.