Senator Chris Ketter: asked the Department of the Treasury on 25 October 2017—
(1. The bill defines a passive investment company as one that receives 80% or greater
of income from passive sources. This definition is for the 2017-18 tax year onwards.
Does Treasury have an estimate of how many entities have, in effect, been given a tax
amnesty for the 2015-16 and 2016-17 tax years?
Answer —
See attachment.
Division/Agency: Corporate and International Tax Division
Question No: 290
Topic: Treasury Laws Amendment (Enterprise Tax Plan Base Rate Entities) Bill 2017
Reference: Written
Senator: Chris Ketter

Question:

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Answer:

Treasury does not have an estimate of how many entities would not have qualified for the lower company tax rate in 2015-16 and 2016-17 had the passive income test applied in those years instead of the ‘carrying on a business’ test.