

**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**

**Hansard Page: Wednesday 5 June 2013, Page 9**

**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:		

	Withholding tax regime
11	Protecting the corporate tax base from erosion and loopholes — preventing ‘dividend washing’
12	Protecting the corporate tax base from erosion and loopholes — targeting the deduction for exploration to genuine exploration activity
13	Personal income tax — net medical expenses tax offset phase out
14	Personal income tax — reforms to work-related education expenses
15	Excise and excise-equivalent customs duty — index tobacco excise to average weekly ordinary times earnings - may require a tariff proposal
16	Tax compliance — improving compliance through third party reporting and data matching
17	A Plan for Australian Jobs - Venture Australia - enhancing taxation arrangements.
18	Superannuation reforms — encouraging the take-up of deferred lifetime annuities
19	Superannuation reforms — reforming the tax exemption for earnings on superannuation assets supporting retirement income streams
20	Superannuation reforms — transfer of lost member accounts to the ATO


	<b>PREVIOUS BUDGET MEASURES - ANNOUNCED / UNENACTED</b>
1	Bad debts – ensuring consistent treatment in related party financing arrangements (Symmetric treatment of bad debts)
2	Capital gains tax – strengthening certain integrity provisions in the scrip for scrip roll-over (CGT - integrity provisions for scrip/scrip roll-over)
3	Better targeting of not-for-profit tax concessions
4	Taxation of financial arrangements - hedging rules

	<b>PREVIOUS BUDGET MEASURES - BEFORE PARLIAMENT</b>
1	Restating and standardising the special conditions for tax concession entities
2	GST Administration - restrictions on refunds (BOT)





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
