Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Estimates, November 2004

Question: Supp 43

Topic: **Off-market Share Buyback Provisions**

Hansard Page: **Written**

Senator Murray asked:

Given the increased use of the off-market share buyback provisions by listed companies to reduce share capital whilst simultaneously providing shareholders with a tax advantage pursuant to section 159GZZZQ of the Income Tax Assessment Act, should this provision be treated as a tax expenditure? If so, what was the value of the tax expenditure for the 2003-04?

Answer:

No.