

Chapter 1

Introduction

Background

1.1 On 26 November 2009 the Senate Selection of Bills Committee referred the provisions of the *Tax Laws Amendment (2009 Measures No. 6) Bill 2009* to the Economics Legislation Committee for inquiry and report by 25 February 2010.¹

1.2 The six schedules of the omnibus bill will amend various taxation laws to finalise a number of issues prior to the Government's consideration of the recommendations that flow out of Australia's Future Tax System (the Henry Review).²

1.3 The revenue implications of the measures contained in the bill vary; overall, the impact is expected to be small. Only Schedule 1 – capital gains tax trust cloning and limited fixed trust roll-over is expected to have a positive revenue impact.³

Conduct of the inquiry

1.4 The committee advertised the inquiry in the national press and contacted a number of organisations inviting submissions to be lodged by 18 December 2009. Ten submissions were received, the majority of comment concentrated on Schedule 2 (loss relief for merging superannuation funds) of the bill.

1.5 The committee would like to thank all those who contributed to the inquiry.

Structure of the report

1.6 Chapter 2 outlines the provisions of Schedule 1 to the bill, explains how they will operate and analyses the impacts of the changes. Similarly, Chapter 3 details the intricacies of Schedule 2.

1.7 Chapter 4 sets out and analyses the remaining Schedules 3 to 6 of the bill.

1 Selection of Bills Committee, Report No. 18 of 2009, 26 November 2009. Appendix 5.

2 The Hon. Dr Craig Emerson MP, Second Reading Speech, *House of Representatives Hansard*, Wednesday 25 November 2009, p. 6.

3 Tax Laws Amendment (2009 Measures No. 6) Bill 2009, Explanatory Memorandum, pp 7 – 10.

