

Legislation update

16 February 2018

Progress of tax-related bills

Name	Status	Description
Higher Education Support Legislation Amendment (Student Loan Sustainability) Bill 2018	Introduced in House of Reps	Makes changes to Higher Education Loan Program (HELP) and debt recovery of the Student Financial Supplement Scheme (SFSS) including changing repayment thresholds and repayment rates; aligning the indexation of the HELP repayment thresholds to the Consumer Price Index (CPI) instead of Average Weekly Earnings (AWE); changing order of various repayment of various student loan debts; and introducing a new, combined loan limit to how much students can borrow under HELP to cover their tuition fees from 1 January 2019.
Treasury Laws Amendment (Income Tax Consolidation Integrity) Bill 2018	Introduced in House of Reps	Makes changes to improve the integrity and operation of the tax consolidation regime including removing a double benefit that can arise in respect of certain liabilities held by an entity that joins a consolidated group and simplifying the operation of the entry and exit tax cost setting rules by ensuring that deferred tax liabilities are disregarded. See Minister' media release .
Treasury Laws Amendment (Illicit Tobacco Offences) Bill 2018	Introduced in House of Reps	Amends the taxation law to establish a new tobacco offence regime that provides a comprehensive set of offences for illicit tobacco that has been domestically manufactured or produced; or for which the origin of production or manufacturing is unknown or uncertain. See Minister's media release .
Family Assistance and Child Support Legislation Amendment (Protecting Children) Bill 2017	Passed House of Reps with amendments	Contains various child support amendments and replaces the current compliance incentive under <i>the No Jab No Pay</i> 2015-16 Budget measure. From 1 July 2018, families who do not meet the health check requirements or immunisation requirements for a child will, instead of losing their FTB Part A end of year supplement, have

		approximately \$28 per child withheld from their fortnightly rate of FTB Part A.
Treasury Laws Amendment (Junior Minerals Exploration Incentive) Bill 2017	Passed House of Reps	Replaces the former Exploration Development Incentive with the Junior Mineral Exploration Incentive (JMEI). The JMEI provides a tax incentive to invest in small minerals exploration companies undertaking greenfields minerals exploration in Australia. Australian resident investors of these companies receive a tax incentive where the companies choose to give up a portion of their tax losses relating to their exploration expenditure in an income year.
Treasury Laws Amendment (2018 Measures No. 1) Bill 2018	Debated in House of Reps	Contains various measures including the requirement for purchasers of new residential premises and new subdivisions of potential residential land to make a payment of part of the purchase price to the ATO and extending the tax relief for merging superannuation funds until 1 July 2020.
Treasury Laws Amendment (Putting Consumers First—Establishment of the Australian Financial Complaints Authority) Bill 2017	Passed the House of Reps and awaiting Royal Assent	Introduces a new external dispute resolution scheme, known as the Australian Financial Complaints Authority (AFCA), to resolve disputes about products and services provided by financial firms. See Ministers' media release .
Treasury Laws Amendment (Enterprise Tax Plan Base Rate Entities) Bill 2017	Introduced in Senate	Amends the <i>Income Tax Rates Act 1986</i> to ensure that a corporate tax entity will not qualify for the lower corporate tax rate if more than 80 per cent of its assessable income is income of a passive nature
Treasury Laws Amendment (Enterprise Tax Plan No. 2) Bill 2017	Introduced in Senate	Reintroduces the remaining elements of the first Enterprise Tax Plan Bill, i.e. progressively extending the reduction of the corporate tax rates to all corporate tax entities

Committee reports

- The Senate Legal and Constitutional Affairs Legislation Committee has tabled a [report](#) on the [Anti-Money Laundering and Counter-Terrorism Financing Amendment Bill 2017](#). The Committee has recommended that the Bill be passed.
- The Senate Standing Committee for Selection of Bills has met and tabled its [report](#). The Committee has recommended that Treasury Laws Amendment (2017 Measures No. 6) Bill 2017 **not** be referred to committee. It has deferred consideration of the following tax-related bills to its next meeting:
 - Treasury Laws Amendment (Enterprise Tax Plan Base Rate Entities) Bill 2017
 - Treasury Laws Amendment (Junior Minerals Exploration Incentive) Bill 2017.

Status of other tax-related bills in Parliament

Family Assistance and Child Support Legislation Amendment (Protecting Children) Bill 2017	House of Reps	Contains various child support amendments and replaces the current compliance incentive under <i>the No Jab No Pay</i> 2015-16 Budget measure. From 1 July 2018, families who do not meet the health check requirements or immunisation requirements for a child will, instead of losing their FTB Part A end of year supplement, have approximately \$28 per child withheld from their fortnightly rate of FTB Part A
Treasury Laws Amendment (2017 Enterprise Incentives No. 1) Bill 2017	Senate	Contains the following measures from the National Innovation and Science Agenda: <ul style="list-style-type: none"> • the introduction of the similar business test, which will supplement the same business test, to increase access to losses for companies (and certain trusts) that have changed • provides taxpayers a choice to self-assess the effective life of certain intangible depreciating assets they start to hold on or after 1 July 2016, rather than using the statutory effective life currently specified in the law
Higher Education Support Legislation Amendment (A More Sustainable, Responsive and Transparent Higher Education System) Bill 2017	Senate	Recalibrate the costs of higher education between, taxpayers, higher education providers and students as well as make changes to HELP eligibility and repayment arrangements
<ul style="list-style-type: none"> • Medicare Levy Amendment (National Disability Insurance Scheme Funding) Bill 2017 • Fringe Benefits Tax Amendment (National Disability Insurance Scheme Funding) Bill 2017 • Income Tax Rates Amendment (National Disability Insurance 	House of Reps	These 10 bills are part of a package of bills to increase funding for the National Disability Insurance Scheme by increasing the Medicare Levy rate from 2% to 2.5%

<ul style="list-style-type: none">Scheme Funding) Bill 2017• Superannuation (Excess Non-concessional Contributions Tax) Amendment (National Disability Insurance Scheme Funding) Bill 2017• Superannuation (Excess Non-concessional Contributions Tax) Amendment (National Disability Insurance Scheme Funding) Bill 2017• Income Tax (TFN Withholding Tax (ESS)) Amendment (National Disability Insurance Scheme Funding) Bill 2017• Family Trust Distribution Tax (Primary Liability) Amendment (National Disability Insurance Scheme Funding) Bill 2017• Taxation (Trustee Beneficiary Non-disclosure Tax) (No. 1) Amendment (National Disability Insurance Scheme Funding) Bill 2017• Taxation (Trustee Beneficiary Non-disclosure Tax) (No. 2) Amendment (National Disability Insurance Scheme Funding) Bill 2017• Treasury Laws Amendment (Untainting Tax) (National Disability Insurance Scheme Funding) Bill 2017		
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