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The Parliament of the
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

Presented and read a first time

Superannuation Laws Amendment (Abolition of Surcharge) Bill 2005

No. , 2005

(Treasury)

**A Bill for an Act to abolish superannuation
contributions surcharge and termination payments
surcharge, and for related purposes**

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1 **A Bill for an Act to abolish superannuation**
2 **contributions surcharge and termination payments**
3 **surcharge, and for related purposes**

4 The Parliament of Australia enacts:

5 **1 Short title**

6 This Act may be cited as the *Superannuation Laws Amendment*
7 *(Abolition of Surcharge) Act 2005*.

8 **2 Commencement**

9 This Act commences on the day on which it receives the Royal
10 Assent.

1 **3 Schedule(s)**

2 Each Act that is specified in a Schedule to this Act is amended or
3 repealed as set out in the applicable items in the Schedule
4 concerned, and any other item in a Schedule to this Act has effect
5 according to its terms.
6

1
2 **Schedule 1—Amendments**

3 **Part 1—Abolition of surcharge**

4 *Superannuation Contributions Tax (Assessment and*
5 *Collection) Act 1997*

6 **1 At the end of subsection 7(1)**

7 Add “that ends before 1 July 2005”.

8 *Superannuation Contributions Tax (Members of*
9 *Constitutionally Protected Superannuation Funds)*
10 *Assessment and Collection Act 1997*

11 **2 At the end of subsection 8(1)**

12 Add “that ends before 1 July 2005”.

13 *Termination Payments Tax (Assessment and Collection) Act*
14 *1997*

15 **3 Paragraph 7(2)(a)**

16 After “20 August 1996”, insert “and before 1 July 2005”.
17

Part 2—Consequential amendments

Defence Force Retirement and Death Benefits Act 1973

4 Paragraph 6C(3)(d)

Repeal the paragraph.

Parliamentary Contributory Superannuation Act 1948

5 Paragraph 4E(3)(d)

Repeal the paragraph.

Superannuation Act 1976

6 Paragraph 80A(3)(d)

Repeal the paragraph.

***Superannuation Contributions Tax (Application to the
Commonwealth—Reduction of Benefits) Act 1997***

7 Paragraph 4(2A)(d)

Repeal the paragraph.

***Superannuation Contributions Tax (Assessment and
Collection) Act 1997***

8 Paragraph 6(a)

After “later financial year”, insert “(being a financial year that ends before 1 July 2005)”.

9 Subsection 9(7)

After “each later financial year”, insert “(being a financial year that ends before 1 July 2005)”.

10 Subsection 13(2)

1 After “the end of each financial year”, insert “(being a financial year
2 that ends before 1 July 2005)”.

3 **11 Subsections 13(3), (4) and (4A)**

4 After “20 August 1996”, insert “and before 1 July 2005”.

5 **12 Paragraph 14A(1)(a)**

6 After “member”, insert “for a financial year that ends before 1 July
7 2005”.

8 **13 Subsection 15(1)**

9 After “each financial year”, insert “(being a financial year that ends
10 before 1 July 2005)”.

11 **14 Subsection 15A(2) (at the end of the definition of *financial***
12 ***year*)**

13 Add “that ends before 1 July 2005”.

14 **15 Subsection 15B(1)**

15 After “for a financial year”, insert “that ends before 1 July 2005”.

16 ***Superannuation Contributions Tax Imposition Act 1997***

17 **16 At the end of section 4**

18 Add:

19 Note: Surcharge is not payable for the financial year that began on 1 July
20 2005 or a later financial year—see subsection 7(1) of the
21 *Superannuation Contributions Tax (Assessment and Collection) Act*
22 *1997*.

23 **17 Subsection 5(1AA) (paragraph (b) of the definition of**
24 ***higher income amount*)**

25 Omit “for each later financial year”, substitute “for the 2004-2005
26 financial year”.

27 **18 Subsection 5(1AA) (paragraph (b) of the definition of *lower***
28 ***income amount*)**

29 Omit “for each later financial year”, substitute “for the 2004-2005
30 financial year”.

1 **19 Subsection 5(1AA) (paragraph (b) of the definition of**
2 ***maximum surcharge percentage*)**

3 Omit “12.5%; and”, substitute “12.5%.”.

4 **20 Subsection 5(1AA) (paragraph (c) of the definition of**
5 ***maximum surcharge percentage*)**

6 Repeal the paragraph.

7 **21 Subsection 7(6)**

8 Omit “, and before the start of each later financial year.”.

9 Note: The heading to subsection 7(1) is altered by omitting “*and later financial years*”.

10 **22 Subsection 7(7) (definition of *indexing financial year*)**

11 Omit “or a later financial year”.

12 ***Superannuation Contributions Tax (Members of***
13 ***Constitutionally Protected Superannuation Funds)***
14 ***Assessment and Collection Act 1997***

15 **23 Paragraph 6(a)**

16 After “later financial year”, insert “(being a financial year that ends
17 before 1 July 2005)”.

18 **24 Subsection 10(7)**

19 After “each later financial year”, insert “(being a financial year that
20 ends before 1 July 2005)”.

21 **25 Subsection 12(2)**

22 After “the end of each financial year”, insert “(being a financial year
23 that ends before 1 July 2005)”.

24 **26 Subsection 12(3)**

25 After “20 August 1996”, insert “and before 1 July 2005”.

26 **27 Subsection 12(6)**

27 Before “then the provider”, insert “(being a member who was a member
28 at any time after 7.30 pm by legal time in the Australian Capital
29 Territory on 20 August 1996 and before 1 July 2005),”.

1 **28 Subsection 14(1)**

2 After “each financial year”, insert “(being a financial year that ends
3 before 1 July 2005)”.

4 **29 Subparagraph 15(6)(b)(iv)**

5 Repeal the subparagraph.

6 **30 Subparagraph 15(6AA)(d)(iv)**

7 Repeal the subparagraph.

8 **31 Subparagraph 15(6A)(b)(iv)**

9 Repeal the subparagraph.

10 ***Superannuation Contributions Tax (Members of***
11 ***Constitutionally Protected Superannuation Funds)***
12 ***Imposition Act 1997***

13 **32 At the end of section 4**

14 Add:

15 Note: Surcharge is not payable for the financial year that began on 1 July
16 2005 or a later financial year—see subsection 8(1) of the
17 *Superannuation Contributions Tax (Members of Constitutionally*
18 *Protected Superannuation Funds) Assessment and Collection Act*
19 *1997.*

20 **33 Subsection 5(1A) (paragraph (b) of the definition of *higher***
21 ***income amount*)**

22 Omit “for each later financial year”, substitute “for the 2004-2005
23 financial year”.

24 **34 Subsection 5(1A) (paragraph (b) of the definition of *lower***
25 ***income amount*)**

26 Omit “for each later financial year”, substitute “for the 2004-2005
27 financial year”.

28 **35 Subsection 5(1A) (paragraph (b) of the definition of**
29 ***maximum surcharge percentage*)**

30 Omit “12.5%; and”, substitute “12.5%.”.

1 **36 Subsection 5(1A) (paragraph (c) of the definition of**
2 ***maximum surcharge percentage*)**

3 Repeal the paragraph.

4 **37 Subsection 7(6)**

5 Omit “, and before the start of each later financial year,”.

6 Note: The heading to subsection 7(1) is altered by omitting “*and later financial years*”.

7 **38 Subsection 7(7) (definition of *indexing financial year*)**

8 Omit “or a later financial year”.

9 ***Termination Payments Tax (Assessment and Collection) Act***
10 ***1997***

11 **39 Section 6**

12 After “20 August 1996”, insert “and before 1 July 2005”.

13 **40 Subsection 10(7)**

14 After “each later financial year”, insert “(being a financial year that
15 ends before 1 July 2005)”.

16 **41 Subsection 11(1)**

17 After “each financial year”, insert “(being a financial year that ends
18 before 1 July 2005)”.

19 ***Termination Payments Tax Imposition Act 1997***

20 **42 At the end of section 4**

21 Add:

22 Note: Surcharge is not payable on a termination payment made on or after
23 1 July 2005—see subsection 7(2) of the *Termination Payments Tax*
24 (*Assessment and Collection*) Act 1997.

25 **43 Subsection 5(1AA) (paragraph (b) of the definition of**
26 ***higher income amount*)**

27 Omit “for each later financial year”, substitute “for the 2004-2005
28 financial year”.

1 **44 Subsection 5(1AA) (paragraph (b) of the definition of *lower***
2 ***income amount*)**

3 Omit “for each later financial year”, substitute “for the 2004-2005
4 financial year”.

5 **45 Subsection 5(1AA) (paragraph (b) of the definition of**
6 ***maximum surcharge percentage*)**

7 Omit “12.5%; and”, substitute “12.5%.”.

8 **46 Subsection 5(1AA) (paragraph (c) of the definition of**
9 ***maximum surcharge percentage*)**

10 Repeal the paragraph.

11 **47 Subsection 6(6)**

12 Omit “, and before the start of each later financial year,”.

13 Note: The heading to subsection 6(1) is altered by omitting “*and later financial years*”.

14 **48 Subsection 6(7) (definition of *indexing financial year*)**

15 Omit “or a later financial year”.