

2016

The Parliament of the
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

Presented and read a first time

**Tax Laws Amendment (Tougher
Penalties for Country-by-Country
Reporting) Bill 2016**

No. , 2016

(Dr Leigh)

**A Bill for an Act to amend the law relating to
taxation, and for related purposes**

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Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this Act	The day after this Act receives the Royal Assent.	
1	Note:	This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.
2		
3		
4	(2)	Any information in column 3 of the table is not part of this Act.
5		Information may be inserted in this column, or information in it
6		may be edited, in any published version of this Act.
7	3 Schedules	
8		Legislation that is specified in a Schedule to this Act is amended or
9		repealed as set out in the applicable items in the Schedule
10		concerned, and any other item in a Schedule to this Act has effect
11		according to its terms.

Schedule 1—Amendments

Income Tax Assessment Act 1997

1 Subsection 815-355(1) (note)

Omit “Note”, substitute “Note 1”.

2 At the end of subsection 815-355(1)

Add:

Note 2: Division 287 in Schedule 1 to the *Taxation Administration Act 1953* provides an administrative penalty for a failure to comply with this section.

Taxation Administration Act 1953

3 Section 286-25 in Schedule 1

After “statements”, insert “(other than statements by *significant global entities under section 815-355 of the *Income Tax Assessment Act 1997*)”.

4 At the end of section 286-25 in Schedule 1

Add:

Note: Division 287 in this Schedule provides an administrative penalty for a failure to comply with section 815-355 of the *Income Tax Assessment Act 1997*.

5 After subsection 286-75(1B) in Schedule 1

Insert:

(1C) Subsection (1) does not apply to a statement under section 815-355 of the *Income Tax Assessment Act 1997* by a *significant global entity.

Note: Division 287 in this Schedule provides an administrative penalty for a failure to comply with that section.

6 After Division 286 in Schedule 1

Insert:

Division 287—Penalties for failing to comply with reporting obligations for significant global entities

Table of Subdivisions

287-A	Guide to Division 287
287-B	Object of Division
287-C	Penalties for failing to comply with reporting obligations for significant global entities

Subdivision 287-A—Guide to Division 287

287-1 What this Division is about

You are liable to an administrative penalty if you are a significant global entity that is required to give the Commissioner a statement under section 815-355 of the *Income Tax Assessment Act 1997* by a particular time and you do not do so.

This Division sets out when the penalty applies and how the amounts of the penalty are calculated.

The Commissioner must consider making an examination of your affairs if the statement is not given within a particular period.

Subdivision 287-B—Object of Division

Table of sections

287-25	Object of Division
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287-25 Object of Division

The object of this Division is to ensure that *significant global entities comply with their obligations to give the Commissioner statements under section 815-355 of the *Income Tax Assessment Act 1997*.

**Subdivision 287-C—Penalties for failing to comply with
reporting obligations for significant global entities**

Table of sections

287-75	Liability to penalty
287-80	Amount of penalty
287-85	Examination of affairs for extended non-compliance

287-75 Liability to penalty

You are liable to an administrative penalty if:

- (a) you are required by section 815-355 of the *Income Tax Assessment Act 1997* to give a statement to the Commissioner in the *approved form by a particular day; and
- (b) you do not give the statement to the Commissioner in the approved form by that day.

287-80 Amount of penalty

- (1) The amount of the penalty is 125 penalty units for each period of 28 days or part of a period of 28 days starting on the day when the statement is due and ending when you give it (up to a maximum of 1500 penalty units).

Note: See section 4AA of the *Crimes Act 1914* for the current value of a penalty unit.

- (2) In working out the amount of the penalty, the amount of a penalty unit is the amount applying at the start of the relevant 28 day period.
- (3) The fact that you have not yet given the statement does not prevent the Commissioner notifying you that you are liable to an administrative penalty under this Subdivision. That penalty may be later increased under this section.

Note: The Commissioner is required to notify you of an administrative penalty: see section 298-10.

1 **287-85 Examination of affairs for extended non-compliance**

2 The Commissioner must consider making an examination of the
3 affairs of a *significant global entity if:

- 4 (a) the entity is required by section 815-355 of the *Income Tax*
5 *Assessment Act 1997* to give a statement to the Commissioner
6 in the *approved form by a particular day; and
7 (b) the statement is not given in the approved form before the
8 end of the eleventh period of 28 days mentioned in
9 subsection 287-80(1).

10 **7 Application**

11 The amendments made by this Schedule apply in relation to a statement
12 that is required to be given under section 815-355 of the *Income Tax*
13 *Assessment Act 1997* on or after the commencement of this Schedule.