Date Introduced: 2 May 1984
House: House of Representatives
Presented by: Hon. C.J. Hurford, M.P., Acting Treasurer

Short Digest of Bill

Purpose

To formally impose the dividend recoupment tax in accordance with the provisions of the Taxation (Unpaid Company Tax) Assessment Amendment Bill 1983 [No. 4].

Background

This Bill is identical to the Dividend Recoupment Tax Bill 1983 introduced on 23 August 1983. It imposes the dividend recoupment tax on the dividend amount which is assessed and calculated under the Taxation (Unpaid Company Tax) Assessment Amendment Bill 1983 [No. 4] (Assessment Bill). For a discussion of the background see the Bills Digest on that Bill. This Bill is a complementary piece of legislation which fulfils the Constitutional requirement that an Act imposing taxation must deal only with the imposition of taxation.

Main Provisions

The Bill comes into operation on the same day as the Taxation (Unpaid Company Tax) Assessment Amendment Bill 1983 [No. 4] receives Royal Assent.

Clause 5 determines the amount of tax imposed in respect of the deemed dividend or dividend amount arising under the Assessment Bill. The amount varies from 69.62 cents in the dollar for income year 1972 to 60 cents in the dollar for income year 1981.

For further information, if required, contact:

24 May 1984
Economics and Commerce Group
LEGISLATIVE RESEARCH SERVICE