INCOME TAX (COMPANIES, CORPORATE UNIT TRUSTS AND SUPERANNUATION FUNDS) BILL 1984

Date Introduced: 7 September 1984
House: House of Representatives

Short Digest of Bill

Purpose

To declare and impose the rates of tax payable for 1984-85 by companies and registered organizations, trustees of corporate unit trusts, superannuation funds and ineligible approved deposit funds, and by trustees in respect of trust income of non-resident company beneficiaries of trust estates.

Background

Apart for a few changes, the provisions of this Bill are similar to those for previous years.

Main Provisions

This Bill will come into operation on the date of Royal Assent (clause 2).

Clause 5 formally imposes tax payable in accordance with this Bill at rates declared by the Bill.

By clause 6, the general rate of tax payable on taxable income of companies is to remain at 46 per cent. The rate of additional tax payable by a private company on the amount by which dividends paid fall short of a sufficient distribution remains at 50 per cent. One change is that the rate of tax payable by a registered organization will be 20 per cent.

Under clause 7, the rate of tax payable by a trustee on the net income of a corporate unit trust to which section 102K of the Income Tax Assessment Act 1936 (ITAA) applies remains at 46 per cent.

The rate of tax payable on certain taxable income of superannuation funds to which section 121CA or 121CB of ITAA applies will remain at 50 per cent. Furthermore, there
will be a reduction, from 46 per cent to 30 per cent, of the rate of tax payable by the trustee of a superannuation fund which does not comply with the 30/20 rule. The rate of tax payable by a trustee of a superannuation fund to which section 121DA of ITAA applies will remain at 60 per cent. Tax will be imposed at the rate of 46 per cent on the taxable income of a superannuation fund to which section 121DAB of ITAA applies (clause 8).

By clause 9, the rate of tax payable by a trustee on the taxable income of an ineligible approved deposit fund will remain at 46 per cent. It will similarly remain at 46 per cent for a trustee of a non-resident company beneficiary (clause 10).

Clause 12 formally levies tax imposed by clause 5 at the rates declared in clauses 6-10 for the 1984-85 financial year and, until the Parliament otherwise provides, for the 1985-86 financial year.

For further information, if required, contact:

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