



Petroleum Resource Rent Tax (Miscellaneous Provisions) Act 1987

No. 145 of 1987

An Act to make certain amendments consequent upon the enactment of the *Petroleum Resource Rent Tax Assessment Act 1987*, and for related purposes

[Assented to 18 December 1987]

BE IT ENACTED by the Queen, and the Senate and the House of Representatives of the Commonwealth of Australia, as follows:

Short title

1. This Act may be cited as the *Petroleum Resource Rent Tax (Miscellaneous Provisions) Act 1987*.

Commencement

2. This Act shall come into operation on the day on which the *Petroleum Resource Rent Tax Assessment Act 1987* comes into operation.

Petroleum Resource Rent Tax
(Miscellaneous Provisions) No. 145, 1987

Amendments

3. The Acts specified in the Schedule are amended as set out in the Schedule.

Transitional

4. A direction given under section 59 of the *Petroleum (Submerged Lands) Act 1967* before the commencement of the amendments made to that section by this Act continues to have effect after that commencement as if it had been given by the relevant Joint Authority under that section as amended by this Act.

SCHEDULE

Section 3

Administrative Decisions (Judicial Review) Act 1977

Paragraph (e) of Schedule 1—

Insert "*Petroleum Resource Rent Tax Assessment Act 1987*" after "*Pay-roll Tax (Territories) Assessment Act 1971*".

Crimes (Taxation Offences) Act 1980

After the definition of "Income Tax Assessment Act" in sub-section 3 (1)—

Insert the following definitions:

" 'petroleum resource rent tax' means—

- (a) tax imposed by the *Petroleum Resource Rent Tax Act 1987*, as assessed under the *Petroleum Resource Rent Tax Assessment Act*;
- (b) additional tax payable under section 85 or Part IX of the *Petroleum Resource Rent Tax Assessment Act*; and
- (c) an instalment of tax payable under Division 2 of Part VIII of the *Petroleum Resource Rent Tax Assessment Act*;

'*Petroleum Resource Rent Tax Assessment Act*' means the *Petroleum Resource Rent Tax Assessment Act 1987*;"

After sub-section 4 (1)—

Insert the following sub-section:

"(1AA) Section 17 of the *Petroleum Resource Rent Tax Assessment Act 1987* has effect as if this Act were part of that Act."

After Part IV—

Insert the following Part:

"PART V—OFFENCES RELATING TO PETROLEUM RESOURCE RENT TAX

Application of Part I and Part II in relation to petroleum resource rent tax

"15. (1) Without prejudice to their effect apart from this section, sub-section 3 (3), paragraph 3 (4) (e) and the provisions of Part II (other than section 8 and sub-section 10 (3)) also have the effect they would have if—

Petroleum Resource Rent Tax
(Miscellaneous Provisions) No. 145, 1987

SCHEDULE—continued

- (a) a reference in any of those provisions to sales tax were a reference to petroleum resource rent tax;
- (b) a reference in any of those provisions to future sales tax were a reference to future petroleum resource rent tax;
- (c) a reference in any of those provisions to some one or other of the Sales Tax Assessment Acts were a reference to the Petroleum Resource Rent Tax Assessment Act; and
- (d) a reference in any of those provisions, in relation to a company or trustee, to sales tax moneys were a reference to petroleum resource rent tax moneys.

“(2) For the purposes of the application of the provisions of Part II (other than section 8 and sub-section 10 (3)) in accordance with sub-section (1) of this section—

- (a) a reference in any of those provisions to the petroleum resource rent tax payable by a company or trustee, in relation to the purpose, or a purpose, of a person entering into, or the knowledge or belief of a person concerning, an arrangement or transaction shall be read as a reference to some or all of the petroleum resource rent tax due and payable by the company or the trustee at the time when the arrangement or transaction was entered into;
- (b) a reference in any of those provisions to future petroleum resource rent tax payable by a company or trustee, in relation to the purpose, or a purpose, of a person entering into, or the knowledge or belief of a person concerning, an arrangement or transaction shall be read as a reference to some or all of the petroleum resource rent tax that may reasonably be expected by that person to become payable by the company or trustee after the arrangement or transaction is entered into;
- (c) a reference in any of those provisions, other than sub-sections 10 (1) and (2), in relation to a company or trustee, to petroleum resource rent tax moneys shall be read as a reference to—
 - (i) petroleum resource rent tax payable by the company or trustee; and
 - (ii) costs ordered by a court against a company or trustee in a proceeding for the recovery of petroleum resource rent tax; and
- (d) a reference in sub-sections 10 (1) and (2) to petroleum resource rent tax moneys shall be read as a reference to petroleum resource rent tax that has been assessed under the Petroleum Resource Rent Tax Assessment Act.

“(3) For the purposes of the application of sub-section 10 (2), section 11 and section 12 in accordance with the preceding provisions of this section, the liability of a company or trustee in respect of petroleum resource rent tax moneys that have been assessed shall not be taken not to be finally determined by reason only of the possibility of the Commissioner amending the assessment (otherwise than as a result of an objection being allowed or to give effect to a decision of the Administrative Appeals Tribunal or a court).”.

Excise Tariff Act 1921

Sub-section 3 (1) (definition of “excepted area”)—

Omit the definition, substitute the following definition:

“‘excepted area’ means an area that, for the purposes of the *Petroleum Resource Rent Tax Assessment Act 1987*, is—

- (a) the exploration permit area of an exploration permit other than an excluded exploration permit;

Petroleum Resource Rent Tax
(Miscellaneous Provisions) No. 145, 1987

SCHEDULE—continued

- (b) the retention lease area of a retention lease that is related to an exploration permit other than an excluded exploration permit; or
- (c) the production licence area of an eligible production licence.”.

Sub-section 5B (4A)—

Omit “the excepted area”, substitute “an excepted area”.

Sub-items 17 (A), (B) and (C) of the Schedule—

Omit “the excepted area” (wherever occurring), substitute “an excepted area”.

Fringe Benefits Tax Assessment Act 1986

After paragraph 96 (7) (c)—

Insert the following paragraph:

“(ca) tax within the meaning of sub-section 88 (2) of the *Petroleum Resource Rent Tax Assessment Act 1987*.”.

Income Tax Assessment Act 1936

After section 72—

Insert the following section:

Deductions in respect of petroleum resource rent tax payments

“72A. (1) Subject to sub-section (2), where in a year of income a taxpayer pays an amount of petroleum resource rent tax for which the taxpayer is personally liable, the amount of the payment is an allowable deduction from the assessable income of the taxpayer of the year of income.

“(2) Where in a year of income a taxpayer as agent or trustee pays an amount of petroleum resource rent tax for which the taxpayer is liable as agent or trustee, the amount of the payment is an allowable deduction from the assessable income of the taxpayer, as agent or trustee, of the year of income.

“(3) Subject to sub-section (4), where in a year of income—

- (a) a taxpayer receives a refund of an amount paid for petroleum resource rent tax that has been allowed or is allowable as a deduction from the assessable income of the taxpayer of a year of income; or
- (b) the Commissioner—
 - (i) pays an amount to a taxpayer in total or partial discharge of a debt under sub-section 47 (1) of the *Petroleum Resource Rent Tax Assessment Act 1987*; or
 - (ii) applies an amount under sub-section 47 (2) of that Act in total or partial discharge of a liability of a taxpayer,

the amount shall be included in the assessable income of the taxpayer of the year of income in which it is received, paid or applied, as the case may be.

“(4) Where in a year of income—

- (a) a taxpayer receives as agent or trustee a refund of an amount paid for petroleum resource rent tax that has been allowed or is allowable as a deduction from the assessable income of the taxpayer of a year of income; or
- (b) the Commissioner—

Petroleum Resource Rent Tax
(Miscellaneous Provisions) No. 145, 1987

SCHEDULE—continued

- (i) pays an amount to a taxpayer as agent or trustee in total or partial discharge of a debt under sub-section 47 (1) of the *Petroleum Resource Rent Tax Assessment Act 1987*; or
- (ii) applies an amount under sub-section 47 (2) of that Act in total or partial discharge of a liability of a taxpayer as agent or trustee,

the amount shall be included in the assessable income of the taxpayer, as agent or trustee, of the year of income in which it is received, paid or applied, as the case may be.

“(5) In this section, ‘petroleum resource rent tax’ means tax imposed by the *Petroleum Resource Rent Tax Act 1987*, as assessed under the *Petroleum Resource Rent Tax Assessment Act 1987*.”.

After paragraph 215 (3D) (a)—

Insert the following paragraph:

“(aaa) tax within the meaning of sub-section 88 (2) of the *Petroleum Resource Rent Tax Assessment Act 1987*.”.

Pay-roll Tax (Territories) Assessment Act 1971

After paragraph 30 (3C) (a)—

Insert the following paragraph:

“(aaa) tax within the meaning of sub-section 88 (2) of the *Petroleum Resource Rent Tax Assessment Act 1987*.”.

Petroleum (Submerged Lands) Act 1967

Sub-section 6A (4)—

Omit all the words after “licensee” (first occurring), substitute “and the Joint Authority or, in the absence of agreement, by the Supreme Court of a State on the application of the licensee or the Joint Authority”.

Sub-sections 47 (2) and (3)—

Omit the sub-sections, substitute the following sub-section:

“(2) The Designated Authority shall, in an instrument under sub-section (1), state that an applicant is required to specify an amount that the applicant would be prepared to pay in respect of the grant of a licence to the applicant on the application.”.

Paragraphs 47 (6) (d) and (e)—

Omit the paragraphs, substitute the following paragraph:

“(d) shall specify the amount that the applicant would be prepared to pay in respect of the grant of a licence to the applicant on the application; and”.

Paragraph 48 (1) (b)—

Omit the paragraph, substitute the following paragraph:

“(b) a deposit of 10% of the amount that the applicant has specified as the amount that the applicant would be prepared to pay in respect of the grant of a licence to the applicant on the application.”.

Paragraph 49 (2) (b)—

(a) Omit “, or a rate of royalty,”.

Petroleum Resource Rent Tax
(Miscellaneous Provisions) No. 145, 1987

SCHEDULE—continued

(b) Omit “, or the rate of royalty,”.

Sub-section 49 (2)—

Omit all the words after “pay the amount specified in the application”.

Paragraph 49 (3) (b)—

Omit the paragraph, substitute the following paragraph:

“(b) that the applicant will be required to pay the amount specified in the application.”.

Sub-section 59 (3)—

Omit “Designated Authority, of his own motion or on application made to him”, substitute “Joint Authority, of its own motion or on application made to the Joint Authority”.

Sub-section 59 (4)—

- (a) Omit “Designated Authority” (last occurring), substitute “Joint Authority”.
- (b) Omit “him”, substitute “the Joint Authority”.

Sub-sections 59 (5) and (6)—

Omit “Designated Authority” (wherever occurring), substitute “Joint Authority”.

Sub-section 59 (7)—

- (a) Omit “Designated Authority” (wherever occurring), substitute “Joint Authority”.
- (b) Omit “he”, substitute “the Joint Authority”.

Sub-section 59 (8)—

- (a) Omit “Designated Authority”, substitute “Joint Authority”.
- (b) Omit “he”, substitute “the Designated Authority”.
- (c) Omit “him”, substitute “the Designated Authority”.

Sub-section 59 (12)—

Omit “Designated Authority” (wherever occurring), substitute “Joint Authority”.

Petroleum (Submerged Lands) (Royalty) Act 1967

Section 4A—

Omit the section, substitute the following section:

Application of Act

“4A. (1) This Act does not apply in relation to—

- (a) a permit other than a permit that is an excluded exploration permit for the purposes of the *Petroleum Resource Rent Tax Assessment Act 1987*;
- (b) a lease that, for the purposes of that Act, is related to a permit other than a permit that is an excluded exploration permit for the purposes of that Act; or
- (c) a licence that is an eligible production licence for the purposes of that Act.”.

Petroleum Resource Rent Tax
(Miscellaneous Provisions) No. 145, 1987

SCHEDULE—continued

Sales Tax Assessment Act (No. 1) 1930

After paragraph 32 (2D) (b)—

Insert the following paragraph:

“(ba) tax within the meaning of sub-section 88 (2) of the *Petroleum Resource Rent Tax Assessment Act 1987*.”

Taxation Administration Act 1953

After paragraph 8J (2) (m)—

Insert the following paragraph:

“(ma) paragraph 108 (1) (c) of the *Petroleum Resource Rent Tax Assessment Act 1987*.”

After paragraph 8ZE (3) (f)—

Insert the following paragraph:

“(fa) section 101 or 102 of the *Petroleum Resource Rent Tax Assessment Act 1987*.”

After sub-paragraph 14ZKA (2) (b) (vi)—

Insert the following sub-paragraph:

“(via) Part IX of the *Petroleum Resource Rent Tax Assessment Act 1987*.”

Taxation (Interest on Overpayments) Act 1983

After paragraph (cb) of the definition of “decision to which this Act applies” in sub-section 3 (1)—

Insert the following paragraph:

“(d) in a case where the expression is used in relation to relevant tax of a kind referred to in paragraph (ka) of the definition of ‘relevant tax’—a decision of the Commissioner to amend an assessment made in relation to a person reducing the liability of the person to tax, other than—

- (i) a decision to give effect to an application or request by or on behalf of the person for an amendment of the assessment; or
- (ii) a decision made in consequence of another decision of the Commissioner to amend another assessment (whether of the person or of another person), being another decision that was made to give effect to an application or request by or on behalf of the person or the other person, as the case may be, for the amendment of the other assessment; or”.

After paragraph (g) of the definition of “objection” in sub-section 3 (1)—

Insert the following paragraph:

“(ga) sub-section 53 (4), 71 (1) or 90 (3) or (7) of the *Petroleum Resource Rent Tax Assessment Act 1987*.”

After paragraph (k) of the definition of “relevant tax” in sub-section 3 (1)—

Insert the following paragraph—

“(ka) tax within the meaning of sub-section 85 (1) of the *Petroleum Resource Rent Tax Assessment Act 1987*.”

*Petroleum Resource Rent Tax
(Miscellaneous Provisions) No. 145, 1987*

SCHEDULE—continued

Tobacco Charges Assessment Act 1955

After paragraph 27 (3C) (b)—

Insert the following paragraph:

“(ba) tax within the meaning of sub-section 88 (2) of the *Petroleum Resource Rent Tax Assessment Act 1987*”.

Wool Tax (Administration) Act 1964

After paragraph 47 (3C) (b)—

Insert the following paragraph:

“(ba) tax within the meaning of sub-section 88 (2) of the *Petroleum Resource Rent Tax Assessment Act 1987*”.

[*Minister's second reading speech made in—
House of Representatives on 21 October 1987
Senate on 3 November 1987*]