



Legislative Instrument

Classes of Electronic Payment System Transactions Exempt from Being Reported in Third Party Reports Determination 2021

I, Louise Clarke, Deputy Commissioner of Taxation, make this determination under subsection 396-70(4) of Schedule 1 to the *Taxation Administration Act 1953*.

Signed by Louise Clarke

Deputy Commissioner of Taxation

Dated: 11 March 2021

1. Name of instrument

This instrument is the *Classes of Electronic Payment System Transactions Exempt from Being Reported in Third Party Reports Determination 2021*.

2. Commencement

This instrument commences on 1 July 2020.

For the purposes of subsection 12(2) of the Legislation Act 2003 this instrument does not adversely affect the rights or liabilities of any person other than the Commonwealth.

3. Repeal of previous instruments

This instrument repeals and replaces F2017L00629 *Classes of Electronic Payment System Transactions Exempt From Being Reported in Third Party Reports Determination 2017* and F2017L00631 *Classes of Electronic Payment System Transactions Exempt In Certain Years From Being Reported In Third Party Reports Determination 2017*.

4. Application

This instrument applies to administrators of a payment system, within the meaning of the *Payment Systems (Regulation) Act 1998*.

5. Determination

(a) An administrator of a payment system, within the meaning of the *Payment Systems (Regulation) Act 1998*, is not required to provide information to the Commissioner of Taxation under table item 9 in section 396-55 of Schedule 1 to the *Taxation Administration Act 1953* (TAA) in relation to a transaction where:

- i. the transaction was initiated by another entity;
- ii. the other entity is required to provide information to the Commissioner of Taxation in relation to the transaction under table item 9 in section 396-55 of Schedule 1 to the TAA; and
- iii. if the transaction is processed before 1 July 2020, the administrator is an authorised deposit-taking institution, for the purposes of the *Banking Act 1959*.

(b) An administrator of a payment system, within the meaning of the *Payment Systems (Regulation) Act 1998*, is not required to provide information to the Commissioner of Taxation under table item 9 in section 396-55 of Schedule 1 to the TAA in relation to a transaction which is a payment processed by High Value Clearing System Framework Participants under the High Value Clearing System governed by Australian Payments Clearing Association Limited.

(c) An administrator of a payment system, within the meaning of the *Payment Systems (Regulation) Act 1998*, is not required to provide information to the Commissioner of Taxation under table item 9 in section 396-55 of Schedule 1 to the TAA in relation to a transaction which is a payment:

(i) made to a carriage service provider (within the meaning of the *Telecommunications Act 1997*);

(ii) made to a utility for the provision of electricity, water, sewerage or gas;

(iii) made to a government related entity (within the meaning of section 195-1 of the *A New Tax System (Goods and Services Tax) Act 1999*);

(iv) made to a general insurer and received in the course of the insurer's insurance business (within the meaning of the *Insurance Act 1973*);

(v) made to a life insurer and received in the course of the insurer's life insurance business (within the meaning of the *Life Insurance Act 1995*);

(vi) made to a private health insurer and received in the course of the insurer's health insurance business (within the meaning of the *Private Health Insurance (Prudential Supervision) Act 2015*);

(vii) made to a superannuation fund, approved deposit fund, or pooled superannuation trust (within the meanings of the *Superannuation Industry (Supervision) Act 1993*) or RSA provider (within the meaning of the *Retirement Savings Accounts Act 1997*);

(viii) made by Direct Entry Direct Credit processed through the Bulk Electronic Clearing System governed by Australian Payments Network Limited; or

(ix) processed by New Payments Platform Participants using the New Payments Platform governed by NPP Australia Limited.

(d) An administrator of a payment system, within the meaning of the *Payment Systems (Regulation) Act 1998*, is not required to provide information to the Commissioner of Taxation under table item 9 in section 396-55 of Schedule 1

to the TAA in relation to a transaction, processed after 30 June 2020, which is a payment:

(i) processed by an administrator, where the payer, the payee and the administrator (which may be the payer, the payee or neither) are all members of the same consolidated group (within the meaning of section 703-5 of the *Income Tax Assessment Act 1997*) and the same GST group (within the meaning of section 195-1 of the *A New Tax System (Goods and Services Tax) Act 1999*); or

(ii) made as a loan repayment, chattel mortgage repayment, hire purchase payment or finance lease payment;

6. Additional Information

Entities may provide information to which paragraphs 5(c) or (d) apply where not reporting it would impose an increased administrative burden on the reporting entity.