

2010

The Parliament of the
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

Presented and read a first time

**Income Tax Rates Amendment
(Research and Development) Bill 2010**

No. , 2010

(Treasury)

A Bill for an Act to amend the *Income Tax Rates Act 1986*, and for related purposes

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1 **A Bill for an Act to amend the *Income Tax Rates***
2 ***Act 1986, and for related purposes***

3 The Parliament of Australia enacts:

4 **1 Short title**

5 This Act may be cited as the *Income Tax Rates Amendment*
6 (*Research and Development*) Act 2010.

7 **2 Commencement**

8 (1) Each provision of this Act specified in column 1 of the table
9 commences, or is taken to have commenced, in accordance with
10 column 2 of the table. Any other statement in column 2 has effect
11 according to its terms.
12

Commencement information

Column 1	Column 2	Column 3
Provision(s)	Commencement	Date/Details
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	
2. Schedule 1	At the same time as Schedule 1 to the <i>Tax Laws Amendment (Research and Development) Act 2010</i> commences.	

1 Note: This table relates only to the provisions of this Act as originally
2 enacted. It will not be amended to deal with any later amendments of
3 this Act.

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 Schedule(s)**

8 Each Act 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9 repealed as set out in the applicable items in the Schedule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.

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2
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Schedule 1—Amendments

4

Income Tax Rates Act 1986

5

1 Subsection 12(7)

6
7

Omit “section 12A” (wherever occurring), substitute “sections 12A and 12B”.

8

2 After section 12A

9

Insert:

10

12B Rate of extra income tax for recoupments for R&D activities

11
12
13

The rate of extra income tax payable by a taxpayer under Subdivision 355-G (about government R&D recoupments) of the *Income Tax Assessment Act 1997* for a year of income is 10%.

14

3 At the end of Part III

15

Add:

16

31 Rate of extra income tax for recoupments for R&D activities

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18
19

The rate of extra income tax payable under Subdivision 355-G (about government R&D recoupments) of the *Income Tax Assessment Act 1997* for a year of income is 10%.

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4 Application

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22

The amendments made by this Schedule apply to assessments for years of income commencing on or after 1 July 2010.