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The Parliament of the
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

Presented and read a first time

**Tax and Superannuation Laws
Amendment (2015 Measures No. 5) Bill
2015**

No. , 2015

(Treasury)

**A Bill for an Act to amend the law relating to
taxation, and for related purposes**

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A Bill for an Act to amend the law relating to taxation, and for related purposes

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *Tax and Superannuation Laws
Amendment (2015 Measures No. 5) Act 2015*.

2 Commencement

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

Commencement information		
Column 1	Column 2	Column 3
Provisions	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. Schedules 1, 2 and 3	The day this Act receives the Royal Assent.	
3. Schedule 4, Parts 1 and 2	The day this Act receives the Royal Assent.	
4. Schedule 4, Part 3, Division 1	The day this Act receives the Royal Assent. However, if the <i>Foreign Acquisitions and Takeovers Legislation Amendment Act 2015</i> receives the Royal Assent before that day, the provisions do not commence at all.	
5. Schedule 4, Part 3, Division 2	The day this Act receives the Royal Assent. However, the provisions do not commence at all if Schedule 4 to the <i>Foreign Acquisitions and Takeovers Legislation Amendment Act 2015</i> does not commence.	
6. Schedule 4, Part 4	The day this Act receives the Royal Assent.	

Note: This table relates only to the provisions of this Act as originally enacted.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

- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3 Schedules

Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 1—Modernising the car expense deduction rules

Part 1—Main amendments

Income Tax Assessment Act 1997

1 Subsection 28-25(1)

Repeal the subsection, substitute:

- (1) To calculate your deduction using the “cents per kilometre” method, use this formula:

$$\frac{\text{Number of *business kilometres travelled by the *car in the income year}}{\text{Rate of cents/kilometre determined under subsection (4) for the car for the income year}} \times$$

2 At the end of section 28-25

Add:

- (4) For the purposes of subsection (1), the Commissioner may, by legislative instrument, determine rates of cents per kilometre for cars for an income year.
- (5) In determining a rate, the Commissioner must have regard to the average operating costs for the cars to be covered by that rate.

Note: Examples of operating costs include fixed costs such as registration, insurance and depreciation, and variable costs such as fuel and maintenance.

3 Subdivisions 28-D and 28-E

Repeal the Subdivisions.

Part 2—Other amendments

Fringe Benefits Tax Assessment Act 1986

4 Paragraph 19(1)(d)

Repeal the paragraph, substitute:

- (d) if:
- (i) paragraph (ca) does not apply; and
 - (ii) the loan fringe benefit is a car loan benefit in respect of a car held by the recipient during a period (the ***holding period***) in the year of tax;
the recipient gives a declaration to the employer, before the declaration date and in a form approved by the Commissioner, that purports to set out:
 - (iii) the holding period; and
 - (iv) the number of whole business kilometres travelled by the car during the holding period; and
 - (v) the number of whole kilometres travelled by the car during the holding period;

5 Subparagraph 19(1)(g)(ii)

Repeal the subparagraph.

6 Paragraph 19(1)(h)

Repeal the paragraph.

7 Subsections 19(3) and (4)

Repeal the subsections.

8 Paragraph 24(1)(f)

Repeal the paragraph, substitute:

- (f) if:
- (i) paragraph (ea) does not apply; and
 - (ii) the expense payment fringe benefit is a car expense payment benefit in respect of a car held by the recipient during a period (the ***holding period***) in the year of tax;

the recipient gives a declaration to the employer, before the declaration date and in a form approved by the Commissioner, that purports to set out:

- (iii) the holding period; and
- (iv) the number of whole business kilometres travelled by the car during the holding period; and
- (v) the number of whole kilometres travelled by the car during the holding period;

9 Subparagraph 24(1)(j)(ii)

Repeal the subparagraph.

10 Paragraph 24(1)(k)

Repeal the paragraph.

11 Subsections 24(7) and (8)

Repeal the subsections.

12 Paragraph 44(1)(e)

Repeal the paragraph, substitute:

(e) if:

- (i) paragraph (da) does not apply; and
- (ii) the property fringe benefit is a car property benefit in respect of a car held by the recipient during a period (the *holding period*) in the year of tax;

the recipient gives a declaration to the employer, before the declaration date and in a form approved by the Commissioner, that purports to set out:

- (iii) the holding period; and
- (iv) the number of whole business kilometres travelled by the car during the holding period; and
- (v) the number of whole kilometres travelled by the car during the holding period;

13 Subparagraph 44(1)(h)(ii)

Repeal the subparagraph.

14 Paragraph 44(1)(j)

Repeal the paragraph.

15 Subsections 44(3) and (4)

Repeal the subsections.

16 Paragraph 52(1)(e)

Repeal the paragraph, substitute:

(e) if:

- (i) paragraph (da) does not apply; and
- (ii) the fringe benefit is a car residual benefit in respect of a car held by the recipient during a period (the ***holding period***) in the year of tax;

the recipient gives a declaration to the employer, before the declaration date and in a form approved by the Commissioner, that purports to set out:

- (iii) the holding period; and
- (iv) the number of whole business kilometres travelled by the car during the holding period; and
- (v) the number of whole kilometres travelled by the car during the holding period;

17 Subparagraph 52(1)(h)(ii)

Repeal the subparagraph.

18 Paragraph 52(1)(j)

Repeal the paragraph.

19 Subsections 52(3) and (4)

Repeal the subsections.

20 Subsection 136(1) (definition of *basic car rate*)

Repeal the definition, substitute:

basic car rate, for a car for a year of tax ending on 31 March in a year, means the rate determined under subsection 28-25(4) of the *Income Tax Assessment Act 1997* for the car for the year of income ending on 30 June in that year.

Income Tax Assessment Act 1997

21 Section 12-5 (table item headed “car expenses”)

Omit:

“one-third of actual expenses” method Subdivision 28-E

22 Section 12-5 (table item headed “car expenses”)

Omit:

“12% of original value” method Subdivision 28-D

23 Section 28-5

Repeal the section, substitute:

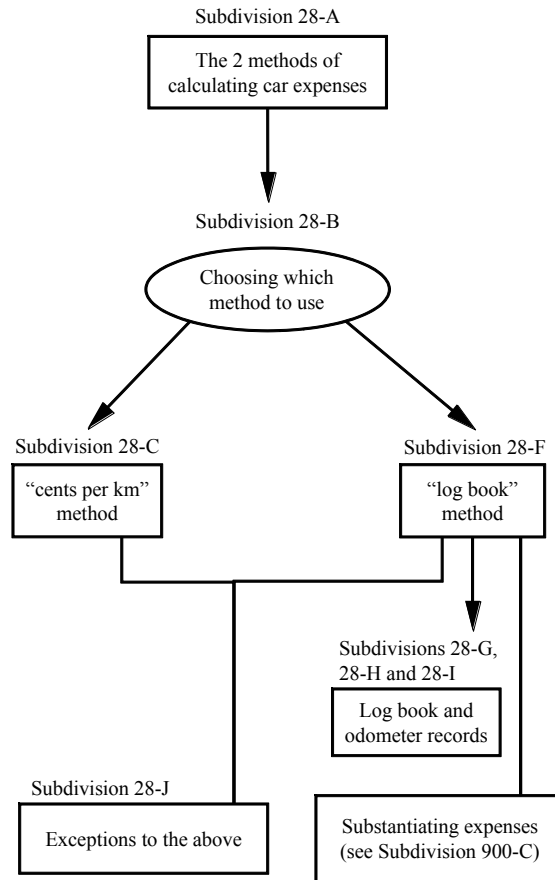
28-5 Map of this Division

Section 28-12 contains the basic operative provision.

Choosing the best method is up to you. Hence it is important to understand the methods and how they differ.

The “log book” method is more complicated because it involves further Subdivisions about log books and odometer records.

The exceptions cover unusual cases which will not apply to most taxpayers.



24 Section 28-12

Omit “4 methods” (wherever occurring), substitute “2 methods”.

25 Subsection 28-12(2)

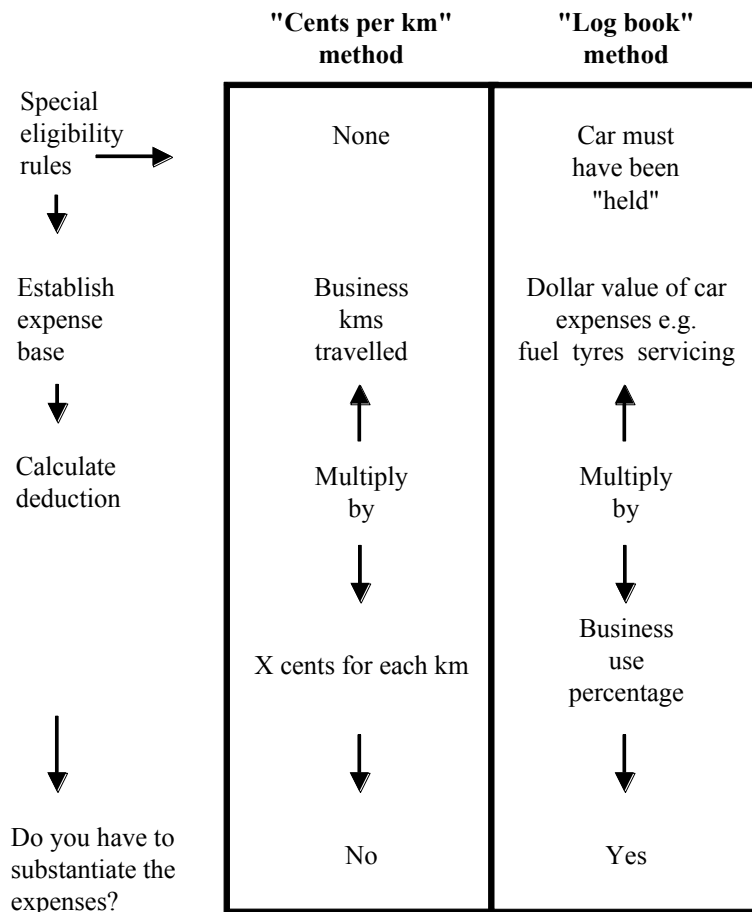
Omit “any of the methods”, substitute “either of the methods”.

26 Section 28-15

Repeal the section, substitute:

28-15 Choosing between the 2 methods

- (1) Below is a diagram giving information about the 2 methods of calculating car expense deductions.
- (2) The 2 methods give you the choice of which method best suits your situation and needs. For instance, one method may involve more paperwork than the other, but could give you bigger deductions.



27 Subsection 28-20(1)

Omit "any other method", substitute "the other method".

28 Subdivision 28-J (heading)

Repeal the heading, substitute:

Subdivision 28-J—Situations where you cannot use, or do not need to use, one of the 2 methods

29 Section 28-160

Omit “any of the 4 methods”, substitute “either of the 2 methods”.

30 Subsections 28-165(1), 28-170(1) and (2), 28-175(1) and (2), and 28-180(2) and (3)

Omit “4 methods”, substitute “2 methods”.

31 Subsection 40-25(6)

Repeal the subsection.

32 Section 40-55

Repeal the section, substitute:

40-55 Use of the “cents per kilometre” car expense deduction method

You cannot deduct any amount for the decline in value of a *car for an income year if you use the “cents per kilometre” method for the car for that year.

Note: See Subdivision 28-C for that method.

33 Paragraph 40-370(1)(c)

Repeal the paragraph, substitute:

- (c) you chose the “cents per kilometre” method in Subdivision 28-C for deducting your car expenses for the car for one or more other income years.

34 Subsection 40-370(1) (note 1)

Omit “or the “one-third of actual expenses” method”.

35 Subsection 40-370(1) (note 2)

Omit “or the “12% of original value” method”.

36 Subsections 40-370(3) and (4)

Repeal the subsections, substitute:

- (3) In working out the *adjustable value for the income years for which you chose the “cents per kilometre method”, assume the decline in value was calculated under this Division on the same basis as those income years when that method did not apply.
- (4) In working out the reduction in step 2 for the income years for which you chose the “cents per kilometre method”, assume that:
 - (a) you had not chosen that method for the *car; and
 - (b) Division 28 (about car expenses) had not applied to the car; and
 - (c) 20% was the extent of your use of the car for *taxable purposes.

37 Paragraph 41-10(3)(a)

Repeal the paragraph.

38 Subsection 900-70(1)

Omit “the “one-third of actual expenses” method or”.

39 Subsection 900-70(1)

Omit “Subdivision 28-E tells you about the “one-third of actual expenses” method and”.

40 Subsection 900-70(2)

Repeal the subsection.

41 Subsections 900-250(1) and (2)

Omit “4 methods”, substitute “2 methods”.

42 Subsection 900-250(4)

Repeal the subsection.

43 Subsection 995-1(1) (definition of *business kilometres*)

Omit “, 28-50, 28-75”.

44 Subsection 995-1(1)

Repeal the following definitions:

- (a) definition of *car-less day*;
- (b) definition of *full year car deduction*.

Part 3—Application and transitional provisions

45 Application of amendments

- (1) Subject to subitems (2) and (3), the amendments made by this Schedule apply in relation to the 2015-16 income year and later income years.
- (2) The amendments of the *Fringe Benefits Tax Assessment Act 1986* made by this Schedule apply in relation to the 2016-17 FBT year and later FBT years.
- (3) Despite the amendments of section 40-370 of the *Income Tax Assessment Act 1997* made by this Schedule, that section continues to apply, in relation to a balancing adjustment event, as if those amendments had not been made if:
 - (a) that balancing adjustment event occurs at or after the start of the 2015-16 income year for a car you held; and
 - (b) you chose the “12% of original value” method in former Subdivision 28-D of that Act for deducting your car expenses for the car for one or more earlier income years.

46 Transitional—initial rate of cents per kilometre

Treat the Commissioner as having determined, under subsection 28-25(4) of the *Income Tax Assessment Act 1997* (as inserted by this Schedule), the rate of 66 cents per kilometre for all cars for the 2015-16 income year.

Schedule 2—Zone tax offset

Income Tax Assessment Act 1936

1 Paragraph 79A(2)(b)

Omit “if the taxpayer is a resident of Zone A in the year of income but has not resided or actually been in the special area in Zone A or the special area in Zone B during any part of the year of income”, substitute “if the taxpayer is a resident of Zone A (but not of the special area in Zone A or of the special area in Zone B) in the year of income”.

2 Paragraph 79A(2)(c)

Omit “if the taxpayer is a resident of Zone B in the year of income but has not resided or actually been in Zone A or the special area in Zone B during any part of the year of income”, substitute “if the taxpayer is a resident of Zone B (but not of Zone A or of the special area in Zone B) in the year of income”.

3 Paragraph 79A(3B)(a)

Omit “resided”, substitute “had his or her usual place of residence”.

4 At the end of paragraph 79A(3B)(a)

Add “or”.

5 Paragraph 79A(3B)(b)

Repeal the paragraph.

6 Paragraph 79A(3B)(c)

Omit “resided”, substitute “had his or her usual place of residence”.

7 At the end of paragraph 79A(3B)(c)

Add “or”.

8 Subparagraphs 79A(3B)(d)(i) and (ii)

Omit “resided, or actually was,”, substitute “had his or her usual place of residence”.

9 Subparagraph 79A(3B)(d)(iii)

Omit “and”.

10 Subparagraphs 79A(3B)(e)(i) and (ii)

Omit “resided”, substitute “had his or her usual place of residence”.

11 Subparagraph 79A(3B)(e)(iv)

Omit “and” (last occurring).

12 Subparagraph 79A(3B)(e)(v)

Omit “resided”, substitute “had his or her usual place of residence”.

13 Subsection 79A(3C)

Omit “residing, or actually being, in a particular area”, substitute “having his or her usual place of residence in a particular area”.

14 Paragraphs 79A(3C)(a) and (b)

Omit “residing, or actually being,”, substitute “having his or her usual place of residence”.

15 Application of amendments

The amendments made by this Schedule apply to the 2015-16 year of income and later years of income.

Schedule 3—Limiting FBT concessions on salary packaged entertainment benefits

Fringe Benefits Tax Assessment Act 1986

1 Subsection 5B(1)

Repeal the subsection.

2 Subsection 5B(1E) (method statement, steps 3 and 4)

Repeal the steps, substitute:

- Step 3. If step 2 does not apply in respect of one or more employees of the employer, reduce the individual grossed-up non-exempt amount for each such employee by \$30,000, but not below nil.
- Step 4. If the amount calculated under step 2 or 3 in respect of an employee is positive, reduce that amount (but not below nil) by the lesser of:
- (a) \$5,000; and
 - (b) so much of the employee's individual grossed-up non-exempt amount as relates to benefits covered by subsection (1M) (about salary packaged meal entertainment and entertainment facility leasing benefits).
- Step 5. Add together the amounts calculated under step 4 in relation to the employees of the employer. The total amount is the employer's ***aggregate non-exempt amount*** for the year of tax.

3 After subsection 5B(1L)

Insert:

Salary packaged meal entertainment and entertainment facility leasing benefits

- (1M) This subsection covers a benefit that is provided under a salary packaging arrangement if:
- (a) the benefit is constituted by the provision of meal entertainment (as defined in section 37AD, whether or not the employer has elected that Division 9A of Part III apply to the employer); or
 - (b) the benefit is wholly or partly attributable to entertainment facility leasing expenses.

4 Paragraph 5E(3)(a)

Repeal the paragraph, substitute:

- (a) that is:
 - (i) constituted by the provision of meal entertainment (as defined in section 37AD, whether or not the employer has elected that Division 9A of Part III apply to the employer); and
 - (ii) *not* provided under a salary packaging arrangement; or

5 Paragraph 5E(3)(c)

Repeal the paragraph, substitute:

- (c) that is:
 - (i) a benefit whose taxable value is wholly or partly attributable to entertainment facility leasing expenses; and
 - (ii) *not* provided under a salary packaging arrangement; or

6 Section 37AC

Repeal the section, substitute:

37AC Meal entertainment benefits

If, at a particular time:

- (a) an employer (the *provider*) to whom this Division applies provides meal entertainment to another person (the *recipient*); and

- (b) the meal entertainment is not provided under a salary packaging arrangement;
- the provision of the meal entertainment is a meal entertainment benefit provided by the provider to the recipient at that time.

7 Subsection 65J(2B) (method statement, steps 2 and 3)

Repeal the steps (including the note), substitute:

- Step 2. Reduce the individual grossed-up non-rebatable amount for each employee of the employer by \$30,000, but not below zero.
- Step 2A. If the amount calculated under step 2 in relation to an employee is positive, reduce that amount (but not below zero) by the lesser of:
 - (a) \$5,000; and
 - (b) so much of the employee's individual grossed-up non-rebatable amount as relates to benefits covered by subsection (2J) (about salary packaged meal entertainment and entertainment facility leasing benefits).
- Step 3. Add up the results of step 2A for all the employer's employees.

8 After subsection 65J(2H)

Insert:

Salary packaged meal entertainment and entertainment facility leasing benefits

- (2J) This subsection covers a benefit that is provided under a salary packaging arrangement if:
 - (a) the benefit is constituted by the provision of meal entertainment (as defined in section 37AD, whether or not the employer has elected that Division 9A of Part III apply to the employer); or

- (b) the benefit is wholly or partly attributable to entertainment facility leasing expenses.

9 Subsection 136(1) (definition of *salary packaging arrangement*)

After “an employee”, insert “, or an associate of an employee,”.

10 Section 152B

Omit “If:”, substitute “(1) If:”.

11 At the end of section 152B

Add:

- (2) This section does not apply to a fringe benefit provided under a salary packaging arrangement.

12 Application of amendments

The amendments made by this Schedule apply to assessments for the year of tax starting on 1 April 2016 and later years of tax.

Schedule 4—Third party reporting

Part 1—Main amendments

Taxation Administration Act 1953

1 At the end of Division 396 in Schedule 1

Add:

Subdivision 396-B—Information about transactions that could have tax consequences for taxpayers

Guide to Subdivision 396-B

396-50 What this Subdivision is about

The Commissioner can require certain entities to give information about transactions that could reasonably be expected to have tax consequences for other entities.

Table of sections

Operative provisions

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Operative provisions

396-55 Reporting tax-related information about transactions to the Commissioner

An entity mentioned in column 1 of an item of this table must:

- (a) prepare a report in the *approved form setting out information about any transactions described in that item that happened during this period:
- (i) a *financial year; or
 - (ii) such other period as the Commissioner specifies by legislative instrument for that item; and
- (b) give the report to the Commissioner on or before:
- (i) the 31st day after the end of that period; or
 - (ii) such other time after the end of that period as the Commissioner specifies by legislative instrument for that item;

unless section 396-65, or a notice or determination under section 396-70, provides that the entity is not required to do so.

Information to be reported by third parties about transactions

	Column 1	Column 2
Item	This entity:	must report information about this transaction:
1	a government related entity (within the meaning of the *GST Act), other than a *local governing body	the provision of a grant by the entity to an entity that has an *ABN
2	a government related entity (within the meaning of the *GST Act)	the provision of consideration (within the meaning of the *GST Act): (a) by the entity to an entity; and (b) wholly or partly for a *supply of services; unless the supply of services is merely incidental to a supply of goods (within the meaning of the GST Act)
3	a State or Territory	the transfer of a freehold or leasehold interest in real property situated in the State or Territory
4	*ASIC	a transaction about which data has been delivered to *ASIC under the *market integrity rules
5	a participant (within the meaning of Chapter 7 of the	a transaction, involving the participant, that: (a) results in a change to the type, name or number of *shares in a company, or units in a unit trust,

Schedule 4 Third party reporting
Part 1 Main amendments

Information to be reported by third parties about transactions		
	Column 1	Column 2
Item	This entity:	must report information about this transaction:
	<i>Corporations Act 2001</i>) in an *Australian financial market	that are held by another entity; and (b) is a transaction about which data is required to be delivered to *ASIC under the *market integrity rules
6	a company whose *shares are listed for quotation in the official list of an *Australian financial market	a transaction that: (a) results in a change to the type, name or number of *shares in the company that are held by an entity; and (b) is not a transaction about which data is required to be delivered to *ASIC under the *market integrity rules
7	the trustee of a unit trust	a transaction that: (a) results in a change to the type, name or number of units in the unit trust that are held by an entity; and (b) is not a transaction about which data is required to be delivered to *ASIC under the *market integrity rules
8	the trustee of a trust (other than a unit trust)	a transaction that results in a change to the type, name or number of any *shares in a company, or units in a unit trust: (a) that are held as assets of the trust; and (b) to which one or more entities are absolutely entitled as beneficiaries of the trust; unless the trustee gives the Commissioner an *income tax return for the income year in which the transaction was entered into
9	an administrator of a payment system (within the meaning of the <i>Payment Systems (Regulation) Act 1998</i>)	a transaction involving an electronic payment if: (a) the transaction is facilitated by the payment system on behalf of an entity; and (b) the administrator reasonably believes that the transaction: (i) provides a payment to the entity, or provides a refund or cash to a customer of the entity; and

Information to be reported by third parties about transactions	
Column 1	Column 2
Item	This entity: must report information about this transaction:

(ii) is for the purposes of a *business carried on by the entity

Note: An administrative penalty applies to a failure to give the report by that time (see subsection 286-75(1)). An administrative penalty applies for any false statements in the report (see section 284-75).

396-60 Information required

Transactions not involving market participants

- (1) For the purposes of section 396-55, the information required by the *approved form about a transaction (other than a transaction described in table item 5 in that section):
 - (a) must relate to the identification, collection or recovery of a possible *tax-related liability of a party to the transaction (disregarding any exemption under a *taxation law that may apply to those parties); and
 - (b) may relate to identifying the parties to the transaction; and
 - (c) for a transaction described in table item 3 in that section—may include the *tax file numbers of those parties to the transaction who have quoted their tax file numbers to the State or Territory concerned.

Transactions involving market participants

- (2) For the purposes of section 396-55, the information required by the *approved form about a transaction described in table item 5 in that section must relate to identifying the parties to the transaction.

Some reporting entities may request tax file numbers

- (3) A State or Territory may request an entity to quote the entity's *tax file number to the State or Territory if:
 - (a) the tax file number is for a report by the State or Territory under section 396-55 about a transaction described in table item 3 in that section; and
 - (b) the entity is a party to the transaction.

396-65 Exemptions—wholesale clients

An entity is not required to include, in a report under section 396-55, information about a transaction described in table item 5, 6, 7 or 8 in that section to the extent that the information relates to a party to the transaction:

- (a) who is not an individual; and
- (b) who is being provided a financial product, or a financial service, under the transaction as a wholesale client.

Financial product, financial service and **wholesale client** have the same meanings in this section as they do in Chapter 7 of the *Corporations Act 2001*.

Note: This exemption does not apply to information relating to any other party to the transaction, such as the party providing the product or service.

396-70 Exemptions—other cases

Exemptions for particular entities

- (1) The Commissioner may, in writing, notify an entity that it:
 - (a) is not required to prepare and give reports under section 396-55; or
 - (b) is not required to do so for specified classes of transactions.
- (2) An entity dissatisfied with a decision to:
 - (a) give it a notice under subsection (1); or
 - (b) not give it a notice under subsection (1);may object against the decision in the manner set out in Part IVC.
- (3) A notice under subsection (1) is not a legislative instrument.

General exemptions

- (4) The Commissioner may, by legislative instrument, determine that specified classes of entities:
 - (a) are not required to prepare and give reports under section 396-55; or
 - (b) are not required to do so for specified classes of transactions.

396-75 Errors in reports

- (1) An entity must give to the Commissioner a corrected report if:
 - (a) the entity has given a report to the Commissioner under this Subdivision; and
 - (b) after giving the report, the entity becomes aware of a material error in it.
- (2) The report must be in the *approved form.
- (3) The report must be given to the Commissioner no later than 28 days after the entity becomes aware of the error.

Note 1: An administrative penalty applies to a failure to give the report by that time (see subsection 286-75(1)). An administrative penalty applies for any false statements in the report (see section 284-75).

Note 2: Section 388-55 allows the Commissioner to defer the time for giving an approved form.

Part 2—Other amendments

Income Tax Assessment Act 1997

2 Subsection 995-1(1)

Insert:

ASIC means the Australian Securities and Investments Commission.

Australian financial market means a financial market (within the meaning of Chapter 7 of the *Corporations Act 2001*) operating under an Australian market licence granted under subsection 795B(1) of that Act.

market integrity rules means rules made under section 798G of the *Corporations Act 2001*.

Tax Agent Services Act 2009

3 Paragraph 20-30(2)(b)

Omit “the Australian Securities and Investments Commission”, substitute “*ASIC”.

4 Paragraph 40-20(3)(b)

Omit “the Australian Securities and Investments Commission”, substitute “*ASIC”.

5 Subparagraph 60-125(8)(c)(iv)

Omit “the Australian Securities and Investments Commission”, substitute “*ASIC”.

6 Subparagraph 60-125(8)(d)(iii)

Omit “the Australian Securities and Investments Commission”, substitute “ASIC”.

7 Subsection 70-40(3A) (heading)

Repeal the heading, substitute:

Disclosures to ASIC

8 Subsection 70-40(3A)

Omit “the Australian Securities and Investments Commission”,
substitute “*ASIC”.

9 Subsection 70-40(3A)

Omit “the Commission”, substitute “ASIC”.

Taxation Administration Act 1953

10 Subparagraph 12-400(3)(b)(ii) in Schedule 1

Omit “ASIC”, substitute “*ASIC”.

11 Subsection 12-403(3) in Schedule 1

Omit “ASIC”, substitute “*ASIC”.

12 Section 269-50 in Schedule 1

Omit “the Australian Securities and Investments Commission”,
substitute “*ASIC”.

13 Subsection 355-65(3) in Schedule 1 (table item 6A)

Omit “the Australian Securities and Investments Commission”,
substitute “*ASIC”.

14 Paragraph 355-70(4)(l) in Schedule 1

Repeal the paragraph, substitute:

(l) *ASIC.

15 Paragraph 355-70(7)(d) in Schedule 1

Repeal the paragraph, substitute:

(d) *ASIC;

16 Part 5-25 (heading) in Schedule 1

Repeal the heading, substitute:

Part 5-25—Record-keeping and other obligations relating to taxpayers

17 Division 396 in Schedule 1 (heading)

Repeal the heading, substitute:

Division 396—Third party reporting

Table of Subdivisions

	Guide to Division 396
396-A	FATCA
396-B	Information about transactions that could have tax consequences for taxpayers

18 Before section 396-1 in Schedule 1

Insert:

396-1A What this Division is about

Financial institutions must give the Commissioner information for the purposes of the FATCA Agreement.

Certain entities must give the Commissioner information about transactions that could reasonably be expected to have tax consequences for other entities.

Subdivision 396-A—FATCA

Guide to Subdivision 396-A

19 Section 396-1 in Schedule 1 (heading)

Repeal the heading, substitute:

396-1 What this Subdivision is about

20 Before section 396-5 in Schedule 1

Insert:

Operative provisions

21 Subsection 396-20(1) in Schedule 1

Omit “this Division”, substitute “this Subdivision”.

Part 3—Contingent amendments

Division 1—Amendments if the Foreign Acquisitions and Takeovers Legislation Amendment Act 2015 has not already received the Royal Assent

Taxation Administration Act 1953

22 Subsection 355-65(4) in Schedule 1 (table item 1)

Omit “the Australian Securities and Investments Commission (*ASIC*)”, substitute “*ASIC”.

23 Subsection 355-65(4) in Schedule 1 (table item 2)

Omit “ASIC” (first occurring), substitute “*ASIC”.

24 Subsection 355-65(4) in Schedule 1 (table items 3 and 4)

Omit “ASIC”, substitute “*ASIC”.

Note: This Division commences only if the *Foreign Acquisitions and Takeovers Legislation Amendment Act 2015* has not already received the Royal Assent.

Division 2—Amendments if the Foreign Acquisitions and Takeovers Legislation Amendment Act 2015 commences

Taxation Administration Act 1953

25 Subsection 355-65(4) in Schedule 1 (table item 1)

Omit “the Australian Securities and Investments Commission”, substitute “*ASIC”.

26 Subsection 355-65(4) in Schedule 1 (table item 1)

Omit “the Commission”, substitute “ASIC”.

Note: This Division commences only if Schedule 4 to the *Foreign Acquisitions and Takeovers Legislation Amendment Act 2015* commences.

Part 4—Application of amendments

27 Application of amendments

- (1) Subdivision 396-B in Schedule 1 to the *Taxation Administration Act 1953* (as inserted by this Schedule) applies in relation to transactions entered into on or after:
 - (a) if table item 3 or 4 in section 396-55 in that Schedule (as inserted by this Schedule) describes the transaction—1 July 2016; or
 - (b) otherwise—1 July 2017.

- (2) However, subparagraphs 396-55(a)(ii) and (b)(ii) in Schedule 1 to the *Taxation Administration Act 1953* (as inserted by this Schedule) apply in relation to transactions entered into on or after:
 - (a) if table item 3 or 4 in section 396-55 in that Schedule (as inserted by this Schedule) describes the transaction—1 July 2016; or
 - (b) otherwise—1 July 2020.