2016

The Parliament of the

Commonwealth of Australia

HOUSE OF REPRESENTATIVES

Presented and read a first time

Superannuation (Excess Transfer Balance Tax) Imposition Bill 2016

No. , 2016

(Treasury)

A Bill for an Act to impose excess transfer balance tax, and for related purposes

Contents

1 Short title 1

2 Commencement 1

3 Definitions 2

4 Imposition of tax 2

5 Amount of tax 2

6 Severability 3

A Bill for an Act to impose excess transfer balance tax, and for related purposes

The Parliament of Australia enacts:

1 Short title

This Act is the *Superannuation (Excess Transfer Balance Tax) Imposition Act 2016*.

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. The whole of this Act | At the same time as Schedule 1 to the *Treasury Laws Amendment (Fair and Sustainable Superannuation) Act 2016* commences.  However, the provisions do not commence at all if that Schedule does not commence. |  |

Note: This table relates only to the provisions of this Act as originally enacted.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 Definitions

In this Act:

***excess transfer balance period*** has the same meaning as in the *Income Tax Assessment Act 1997*.

***notional earnings*** means the sum worked out under subsection 294‑230(3) of the *Income Tax Assessment Act 1997* for the excess transfer balance period*.*

4 Imposition of tax

Excess transfer balance tax payable under section 294‑230 of the *Income Tax Assessment Act 1997* is imposed.

5 Amount of tax

(1) The amount of the excess transfer balance tax is:

(a) if the circumstances mentioned in subsection (2) apply—30% of the person’s notional earnings for the excess transfer balance period; or

(b) in any other case—15% of the person’s notional earnings for the excess transfer balance period.

(2) For the purposes of paragraph (1)(a), the circumstances are:

(a) the excess transfer balance period starts on or after 1 July 2018; and

(b) the person has previously been liable to pay excess transfer balance tax for an excess transfer balance period starting on or after 1 July 2018.

6 Severability

If, apart from this section, section 4 would impose, in relation to a person, a tax the imposition of which in relation to the person would exceed the legislative power of the Commonwealth, section 4 has effect as if it did not impose that tax in relation to the person.