

EXPOSURE DRAFT

2016-2017

The Parliament of the
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

EXPOSURE DRAFT

Income Tax (Managed Investment Trust Withholding Tax) Amendment Bill 2017

No. , 2017

(Treasury)

**A Bill for an Act to amend the *Income Tax
(Managed Investment Trust Withholding Tax) Act
2008*, and for related purposes**

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A Bill for an Act to amend the *Income Tax (Managed Investment Trust Withholding Tax) Act 2008*, and for related purposes

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The Parliament of Australia enacts:

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1 Short title

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This Act is the *Income Tax (Managed Investment Trust Withholding Tax) Amendment Act 2017*.

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2 Commencement

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- (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.

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Commencement information

Column 1

Column 2

Column 3

Provisions

Commencement

Date/Details

1. The whole of this Act

The later of:
(a) the day after this Act receives the Royal Assent; and
(b) the day Schedule 2 (about affordable housing through managed investment trusts) to the *Treasury Laws Amendment (Reducing Pressure on Housing Affordability Measures No. 2) Act 2017* commences.

However, the provisions do not commence at all if the event mentioned in paragraph (b) does not occur.

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This table relates only to the provisions of this Act as originally enacted.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

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

4 **3 Schedules**

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6 repealed as set out in the applicable items in the Schedule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

2 *Income Tax (Managed Investment Trust Withholding Tax) Amendment No. , 2017*
Bill 2017

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Schedule 1—Amendments

Income Tax (Managed Investment Trust Withholding Tax) Act 2008

1 Section 2A

Insert:

ineligible affordable housing gain has the same meaning as in the
Income Tax Assessment Act 1997.

2 After subsection 4(1)

Insert:

(2) However, if:

(a) the entity is a resident of an information exchange country;
and

(b) the fund payments are wholly or partly payments of, or
attributable to, ineligible affordable housing gains;

a rate of income tax of 15% is imposed by this Act, in addition to
the rate imposed by subsection (1), for so much of the fund
payments as are payments of, or attributable to, the ineligible
affordable housing gains.

Note: A gain may not be an ineligible affordable housing gain if it arises in
relation to an ownership interest acquired before [*insert the day of the
announcement*] (see section 980-100 of the *Income Tax (Transitional
Provisions) Act 1997*).

3 Application of amendments

The amendments made by this Schedule apply in relation to income
years commencing on or after 1 July 2017.