

# EXPOSURE DRAFT

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Inserts for

## **Treasury Instruments Spring 2017: withholding amounts for FHSS released amounts and contributing the proceeds of downsizing to superannuation**

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<b>Commencement information</b>		
<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Provisions</b>	<b>Commencement</b>	<b>Date/Details</b>
1. Schedule 1	At the same time as Schedule 1 to the <i>Treasury Laws Amendment (Reducing Pressure on Housing Affordability) Act 2017</i> commences.  However, the provisions do not commence at all if that Schedule does not commence.	1 July 2018
2. Schedule 2	The day after this instrument is registered.	

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## Schedule 1—Withholding amounts for FHSS released amounts

### *Taxation Administration Regulations 2017*

#### 1 Section 4

Insert:

*assessable FHSS released amount* has the meaning given by subsection 995-1(1) of the *Income Tax Assessment Act 1997*.

#### 2 After Subdivision F of Division 3 of Part 3

Insert:

### Subdivision FA—Withholding amounts for Subdivision 12-J

#### X FHSS released amounts

- (1) The amount to be withheld under section 12-460 in Schedule 1 to the Act from the FHSS released amounts paid in respect of an individual is:
  - (a) the amount of tax that the Commissioner estimates will be payable by the individual in relation to the individual's assessable FHSS released amount;  
or
  - (b) if the Commissioner is unable to make an estimate under paragraph (a)—  
17% of the individual's assessable FHSS released amount.
- (2) For the purposes of this section, the Commissioner may have regard to any information that the Commissioner considers relevant.

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## Schedule 2—Contributing the proceeds of downsizing to superannuation

### *Retirement Savings Accounts Regulations 1997*

**1 Subregulation 5.03(1) (table items 2 and 3, column headed “the RSA institution may accept ...”, after paragraph (b))**

Insert:

; or (c) downsizer contributions

**2 Subregulation 5.03(1) (table item 4)**

After “mandated employer contributions”, insert “or downsizer contributions”.

**3 Subregulation 5.03(7)**

Insert:

*downsizer contribution* means a contribution covered under section 292-102 of the 1997 Tax Act.

### *Superannuation Industry (Supervision) Regulations 1994*

**4 Subregulation 7.04(1) (table items 2 and 3, column headed “the fund may accept ...”, after paragraph (b))**

Insert:

; or (c) downsizer contributions

**5 Subregulation 7.04(1) (table item 4)**

After “mandated employer contributions”, insert “or downsizer contributions”.

**6 Subregulation 7.04(7)**

Insert:

*downsizer contribution* means a contribution covered under section 292-102 of the 1997 Tax Act.