

# EXPOSURE DRAFT

2008-2009-2010

The Parliament of the  
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

EXPOSURE DRAFT
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## **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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## Contents

1	Short title .....	1
2	Commencement .....	1
3	Schedule(s) .....	2
<b>Schedule 1—Amendments</b>		<b>3</b>
	<i>Income Tax Rates Act 1986</i>	3



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.  
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**Commencement information**

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<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Provision(s)</b>	<b>Commencement</b>	<b>Date/Details</b>
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 passed by both Houses of the Parliament and assented to. It will not be  
3 expanded to deal with provisions inserted in this Act after assent.

4 (2) Column 3 of the table contains additional information that is not  
5 part of this Act. Information in this column may be added to or  
6 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9 repealed as set out in the applicable items in the Schedule  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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## Schedule 1—Amendments

### *Income Tax Rates Act 1986*

#### **1 Subsection 12(7)**

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

#### **2 After section 12A**

Insert:

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

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 20%.

#### **3 At the end of Part III**

Add:

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

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 20%.

#### **4 Application**

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