

STREAMLINED TAX LAWS TO REDUCE COMPLEXITY

The Assistant Treasurer, Senator Nick Sherry, today released rewrites of 149 pages of income tax law for public consultation in a further step towards a single Income Tax Assessment Act.

"These drafts, which I foreshadowed earlier this year, continue the process of rewriting the income tax law from the 1936 Act into the 1997 Act," said the Assistant Treasurer.

"This process was begun back in 1993 during the Keating Government, and as part of our commitment to slash red-tape, reduce tax complexity and make the tax system generally easier for everyone, we're going to see it through to completion."

"For example, the rewrite I am releasing today cuts by 25 percent the number of pages of law across the five areas it covers."

This rewrite will move 149 pages from the 1936 Act and simplify it to 110 pages under the 1997 Act, a 25% reduction in pages.

The rewrites cover the following provisions of the *Income Tax Assessment Act 1936*:

- Part VI – collection and recovery provisions;
- Schedule 2C – forgiveness of commercial debts;
- Schedule 2E – leases of luxury cars;
- Schedule 2G – farm management deposits; and
- Schedule 2J – general insurance.

"While the rewrites have been undertaken with no intention to change the interpretation of the law, these modernisations will provide certainty around some areas following court decisions," said the Assistant Treasurer.

The full text of the rewrites and explanatory material is available at www.treasury.gov.au and submissions should be lodged by Friday 18 December 2009.

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CANBERRA