



ASSISTANT TREASURER

<http://assistant.treasurer.gov.au>

**PRESS
RELEASE**

EXPOSURE DRAFT REGULATIONS FOR TAX FILE NUMBER WITHHOLDING FOR CLOSELY HELD TRUSTS

The Assistant Treasurer, Senator Nick Sherry, has today released for public consultation the exposure draft regulations and explanatory material for extending tax file number (TFN) withholding to closely held trusts, including family trusts.

“The Rudd Government is continuing the process of engagement with industry stakeholders and I encourage interested parties to provide feedback on this measure,” the Assistant Treasurer said.

“The draft regulations contain several important aspects which are the result of previous consultations.”

The exposure draft regulations prescribe:

- details of the administration of the TFN withholding measure, including the withholding rate and payments threshold; and
- the types of trusts that will be excluded from the operation of the measure, including discretionary mutual funds, employee share trusts and solicitor trusts.

“The regulations will operate, in part, to exclude a number of classes of trusts not intended to be within the scope of the measure,” the Assistant Treasurer said.

“These exclusions arose directly from consultation previously undertaken with stakeholders and trustees.”

Copies of the consultation materials are available www.treasury.gov.au.

The measure commences on 1 July 2010 and submissions should be lodged by 10 June 2010.

CANBERRA

03 June 2010

Media contact: Joe Scavo 0413 800 757