

Progress of Legislation @ 21/1/2005



What's Law?

Title of Bill	Purpose	Introduced in the House of Reps	Passed in the House of Reps	Introduced in the Senate	Passed in the Senate	Royal Assent	Act Number
Family and Community Services and Veterans' Affairs Legislation Amendment (2004 Election Commitments Bill 2004)	<p>The purpose of this Bill is to:</p> <ul style="list-style-type: none"> • establish the new utilities allowance, generally \$100 a year for singles and \$50 for each member of a couple, payable to senior Australians of age pension or veteran pension age who are in receipt of income support; • establish the new seniors concession allowance, a payment of \$200 a year to holders of a Commonwealth Seniors Health Card; • increase the number of hours (from 20 to 25 hours per week) that carers may spend in work, training or study, without losing qualification for carer payment; • enable grandparents who have primary care of a grandchild and who are receiving income support to have access to a special rate of child care benefit that will cover the full cost of child care fees charged to eligible grandparents by approved child care services; and • amend the <i>Veterans' Entitlements Act 1986</i> to increase bereavement payments in respect of persons receiving above general rate disability pension. 	18/11/04	30/11/04	1/12/04	2/12/04	8/12/04	132
Family and Community Services and Veterans' Affairs Legislation Amendment (Income	<p>The purpose of this Bill is to:</p> <ul style="list-style-type: none"> • provide a 50% assets test exemption for a new product, 'market-linked income streams' from 20 September 2004; • change the assets test exemption from 100% to 50% for certain non-commutable income streams 	26/05/04	26/05/04	15/06/04	24/06/04	13/07/04	116

Streams) Bill 2004	<p>purchased from 20 September 2004; and</p> <ul style="list-style-type: none"> align the characteristics of life expectancy income streams with those of the new market-linked income stream product and a variation to the guarantee period for asset-test exempt lifetime income streams. 						
<p>Family Assistance Legislation Amendment (More Help for Families – Increased Payments) Bill 2004</p>	<p>The purpose of this Bill is to provide:</p> <ul style="list-style-type: none"> an ongoing increase in the maximum and base rates of family tax benefit Part A of \$600 annually for each FTB child; a reduction in the rate at which family tax benefit Part A reduces from the maximum rate to the base rate, from 30 cents in the dollar to 20 cents in the dollar; a new maternity payment of \$3000, which will be payable as a lump sum to all mothers, regardless of income, from 1 July 2004. The maternity payment will increase to \$4000 in July 2006 and \$5000 in July 2008. The new maternity payment will replace the current (means tested) maternity allowance and the Baby Bonus. As the new maternity payment will be universal, the maternity immunisation allowance is also to be free of the means test and will be payable for all children who meet current immunisation requirements; a reduction in the rate at which family tax benefit Part B is withdrawn, from 30 cents in the dollar to 20 cents in the dollar; and an increase in the amount of income a secondary earner in a partnered relationship can earn before entitlement to family tax benefit Part B is affected, from \$1825 to \$4000 annually. 	11/05/04	12/05/04	13/05/04	13/05/04	26/05/04	59
<p>Family Law Amendment (Annuities) Bill 2004</p>	<p>The purpose of this Bill is to allow certain annuity products to be split on marriage breakdown.</p>	30/11/04	9/12/04	17/11/04	30/11/04	15/12/04	153

<p>Superannuation Budget Measures Bill 2004</p>	<p>The purpose of this Bill is to:</p> <ul style="list-style-type: none"> • increase the level of Government matching of personal superannuation contributions to 150%; • increase the maximum amount of Government contribution available to \$1,500; • increase the income level up to which the maximum co-contribution applies to \$28,000; • reduce the rate by which the maximum co-contribution phases out to 5 cents for each additional dollar of income. Consequently, the co-contribution will phase out completely at \$58,000; and • reduce the maximum surcharge rates from their current levels to 12.5% for 2004-2005, 10.0% for 2005-2006, and 7.5% for 2006-2007 and subsequent years. 	13/05/04	26/05/04	15/06/04	24/06/04	30/06/04	106
<p>Superannuation Laws Amendment (2004 Measures No 1) Bill 2004</p>	<p>The purpose of this Bill is to:</p> <ul style="list-style-type: none"> • extend the Government co-contribution for low income earners to some employees who currently do not qualify; • remove the taxation deduction available for personal superannuation contributions made by individuals who under this bill will now qualify for a Government co-contribution; and • make various changes to administrative provisions. 	27/05/04	02/06/04	15/06/04	23/06/04	29/06/04	92
<p>Superannuation Laws Amendment (2004 Measures No 2) Bill 2004</p>	<p>The purpose of this Bill is to:</p> <ul style="list-style-type: none"> • remove the requirement for superannuation funds to obtain an actuary's certificate in order to qualify for exemption from tax on income derived by assets supporting certain pension liabilities or an exemption of a proportion of income attributable to certain pension liabilities; • provide an additional condition that needs to be satisfied by taxpayers below the age of 18 in order to claim a taxation deduction for personal superannuation contributions ; and • simplify the earnings base of an employee for 	27/05/04	02/06/04	15/06/04	23/06/04	29/06/04	93

	superannuation guarantee (SG) purposes.						
Superannuation Legislation Amendment (Choice of Superannuation Funds) 2003	<p>The purpose of this Bill is to:</p> <ul style="list-style-type: none"> • require employers to make superannuation contributions on behalf of an employee to a complying superannuation fund, superannuation scheme or retirement savings account in compliance with the choice of fund requirements, and • provide penalties for breach of the choice of fund requirements. 	27/06/02	05/12/03	10/02/04	22/06/04	30/06/04	102
The Tax Laws Amendment (Superannuation Reporting) Bill 2004	<p>The purpose of this Bill is to remove the requirement for employers to provide reports to employees under the superannuation guarantee (SG) arrangements. The removal of this requirement will have effect from 1 January 2005.</p>	18/11/04	6/12/04	7/12/04	7/12/04	14/12/04	142

Source – Capital Monitor

What's Pending?

Tax Laws Amendment (2005 Measures No 1) Bill 2005	The purpose of this Bill is to: <ul style="list-style-type: none"> • implement a range of changes / improvements to Australia's tax system; and • provide a tax offset (maximum of \$500) for workers aged 55 and over to encourage and reward participation in the workforce. 	10/02/05	TBA	TBA	TBA	TBA	TBA
The New International Tax Arrangements (Managed Funds and Other Measures) Bill 2004	The purpose of this Bill is to: <ul style="list-style-type: none"> • make a number of changes exempting from Australian tax foreign source income derived by Australian fixed trusts to which foreign resident beneficiaries are presently entitled; • make changes to the tax treatment of foreign residents who make a capital gain or loss in respect of an interest in an Australian fixed trust; and • ensures that generally the source of income derived by widely held unit trusts from funds management activities to which a non-resident beneficiary is presently entitled will be determined in the same manner as it would be determined for the purposes of the <i>Income Tax Assessment Act 1936</i> and the <i>Income Tax Assessment Act 1997</i>. 	18/11/04	TBA	TBA	TBA	TBA	TBA

Source – Capital Monitor

What's Proposed?

1. The Government has proposed that, from 1 July 2005, people who have not retired will be able to access their superannuation as a non-commutable income stream once they reach their preservation age.
2. The Government has proposed that members of accumulation superannuation funds may split future personal and employer superannuation contributions with their spouse from 1 July 2004. Under this proposal, each spouse may have access to their own Reasonable Benefit Limit (RBL) and ETP low-rate threshold.

This material has been provided as a guide only. The information about the bills may have changed since the publication of this material and you should always check it prior to relying on it. TOWER does not guarantee the accuracy or completeness of the information. You can check the current status of bills with the relevant Commonwealth Parliamentary Secretary or on the website for Parliament House: www.aph.gov.au