

# EXPOSURE DRAFT

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Inserts for  
**Treasury Laws Amendment (2019  
Measures No. 2) Bill 2019: Genuine  
redundancy payments—aligning access  
to the tax-free component with the Age  
Pension age**

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**Commencement information**

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<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Provisions</b>	<b>Commencement</b>	<b>Date/Details</b>

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1. Schedule #	The first 1 January, 1 April, 1 July or 1 October to occur after the day this Act receives the Royal Assent.	
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# EXPOSURE DRAFT

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1 **Schedule #—Genuine redundancy payments**  
2 **and early retirement scheme payments**  
3 **alignment with pension age**

4 **Part 1—Genuine redundancy payments and early**  
5 **retirement scheme payments amendments**

6 *Income Tax Assessment Act 1997*

7 **1 Subparagraph 83-175(2)(a)(i)**

8 Omit “he or she turned 65”, substitute “the employee reached \*pension  
9 age”.

10 **2 Subparagraph 83-180(2)(a)(i)**

11 Omit “he or she turned 65”, substitute “the employee reached \*pension  
12 age”.

13 **3 Application**

14 The amendments made by this Part apply to payments received by  
15 employees who are dismissed or retire on or after 1 July 2019.

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1 **Part 2—Technical amendments**

2 *Income Tax Assessment Act 1997*

3 **4 Subsection 52-25(3) (method statement, step 1,**  
4 **paragraph (b))**

5 Omit “pension age”, substitute “\*pension age”.

6 **5 Subsection 52-30(3) (method statement, step 1,**  
7 **paragraph (b))**

8 Omit “pension age”, substitute “\*pension age”.

9 **6 Subsection 52-35(3) (method statement, step 1,**  
10 **paragraph (b))**

11 Omit “pension age”, substitute “\*pension age”.

12 **7 After subsection 52-65(2)**

13 Insert:

14 Note: *Pension age* has the meaning given by subsection 23(1) of the *Social*  
15 *Security Act 1991*: see subsection 995-1(1).

16 **8 Subsection 52-65(3)**

17 Repeal the subsection.

18 **9 After subsection 52-105(5)**

19 Insert:

20 Note: *Pension age* has the meaning given by subsection 23(1) of the *Social*  
21 *Security Act 1991*: see subsection 995-1(1).

22 **10 Subsection 52-105(6)**

23 Repeal the subsection.

24 **11 Subsection 995-1(1) (definition of *pension age*)**

25 Repeal the definition, substitute:

26 *pension age* has the meaning given by subsection 23(1) of the  
27 *Social Security Act 1991*.

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Note: In Subdivision 52-E, *pension age* has the meaning given by subsection 52-131(9).