

MODERNISING THE TAXATION OF TRUST INCOME — CONSULTATION STRATEGY

The Government invites all interested groups to register their interest in the project to modernise the taxation of trust income by emailing trust_rewrite@treasury.gov.au.

PROJECT OBJECTIVE:

To improve and simplify the taxation of trust income in Australia, specifically in relation to Division 6 of Part III of the *Income Tax Assessment Act 1936*.

CONSULTATION OBJECTIVE:

To achieve better outcomes by ensuring that all stakeholders have the opportunity to participate in the process and present their views for genuine consideration.

COMMUNICATION PRINCIPLES:

Treasury will adopt the following principles in communicating with stakeholders:

- Communications to all stakeholders will be timely, accurate and appropriate to the knowledge and perspective of the stakeholder.
- Stakeholders should feel satisfied their views have been listened to, properly understood, and given due consideration — even if they are not agreed with.
- Confidentiality of communications will be respected where it is specifically sought.

NEXT STEPS:

The process to modernise the taxation of trust income is likely to involve the following steps:

| <i>Steps</i> | <i>Indicative timeframes*</i> |
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| <i>Release of initial consultation paper</i> | November 2011 |
| <i>Consultation forums (before and after close of public submissions)</i> | January – March 2012 |
| <i>Release of policy design paper</i> | May 2012 |
| <i>Consultation roundtables (before and after close of public submissions)</i> | May – June 2012 |
| <i>Release of exposure draft legislation</i> | July 2012 |
| <i>Consultation roundtables (before and after close of public submissions)</i> | July – August 2012 |
| <i>Possible second round of exposure draft legislation</i> | Sept– October 2012 |
| <i>Introduction of legislation</i> | November 2012 |

* These indicative timeframes assume a target start date of 1 July 2013. Actual timeframes will depend on the scope of the review (see section 1.3 of the Consultation Paper) and on broader Government priorities.