

EXPOSURE DRAFT



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Treasury Laws Amendments (2019 Measures No. #) Regulations 2019

I, General the Honourable Sir Peter Cosgrove AK MC (Ret'd), Governor-General of the Commonwealth of Australia, acting with the advice of the Federal Executive Council, make the following regulation.

Dated 2019

Peter Cosgrove
Governor-General

By His Excellency's Command

Stuart Robert **[DRAFT ONLY—NOT FOR SIGNATURE]**
Assistant Treasurer

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1 Name

This instrument is the *Treasury Laws Amendments (2019 Measures No. #) Regulations 2019*.

2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this instrument	The day after this instrument is registered.	

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under the *Income Tax Assessment Act 1997*.

4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

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Schedule 1 Amendments

Schedule 1—Amendments

Income Tax Assessment Regulations 1997

1 Subregulation 974-135F(4)

Repeal the subregulation, substitute:

- (4) In this regulation, a condition applying to the obligation is a ***non-viability condition*** if the condition has the effect that if a non-viability trigger event occurs the note must be:
 - (a) written off; or
 - (b) converted into ordinary shares of the issuer of the note or a parent entity of the issuer; or
 - (c) converted into a mutual equity interest of the issuer of the note or a parent entity of the issuer.

2 After Subregulation 974-135(5)

Insert:

- (6) In this regulation, a ***mutual equity interest***, has the same meaning as in Attachment K of the *Prudential Standard APS 111 Capital Adequacy: Measurement of Capital*.