

EXPOSURE DRAFT

2019-2020-2021

The Parliament of the
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

EXPOSURE DRAFT

Treasury Laws Amendment (Laminaria and Corallina Decommissioning Cost Recovery Levy) Bill 2021

No. , 2021

(Treasury)

**A Bill for an Act to amend the law relating to
taxation, and for related purposes**

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1 **A Bill for an Act to amend the law relating to**
2 **taxation, and for related purposes**

3 The Parliament of Australia enacts:

4 **1 Short title**

5 This Act is the *Treasury Laws Amendment (Laminaria and*
6 *Corallina Decommissioning Cost Recovery Levy) Act 2021.*

7 **2 Commencement**

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

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1

Commencement information

Column 1

Column 2

Column 3

Provisions

Commencement

Date/Details

1. The whole of this Act	At the same time as the <i>Offshore Petroleum (Laminaria and Corallina Decommissioning Cost Recovery Levy) Act 2021</i> commences. However, the provisions do not commence at all if that Act does not commence.	
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2

Note: This table relates only to the provisions of this Act as originally enacted.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

3

4

5

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

6

7

8

3 Schedules

9

Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

10

11

12

2

*Treasury Laws Amendment (Laminaria and Corallina
Decommissioning Cost Recovery Levy) Bill 2021*

No. , 2021

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1 **Schedule 1—Amendments**
2

3 ***Income Tax Assessment Act 1997***

4 **1 Section 12-5 (table item headed “mining”)**

5 Omit:
see *capital allowances*

6 substitute:
Laminaria and Corallina decommissioning levy 26-96
see also *capital allowances*

7 **2 After section 26-95**

8 Insert:

9 **26-96 Laminaria and Corallina decommissioning levy cannot be**
10 **deducted**

11 You cannot deduct under this Act an amount of *Laminaria and
12 Corallina decommissioning levy that you pay.

13 **3 Subsection 995-1(1)**

14 Insert:

15 *Laminaria and Corallina decommissioning levy* means levy
16 imposed by the *Offshore Petroleum (Laminaria and Corallina*
17 *Decommissioning Cost Recovery Levy) Act 2021*.

18 **4 Subsection 995-1(1) (note to the definition of *period of***
19 ***review*)**

20 After “Note”, insert “1”.

21 **5 Subsection 995-1(1) (at the end of the definition of *period of***
22 ***review*)**

23 Add:

24 Note 2: For the purposes of Laminaria and Corallina decommissioning levy,
25 this definition is modified in respect of an amount of that levy (see

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Schedule 1 Amendments

1 section 125-15 in Schedule 1 to the *Taxation Administration Act*
2 1953).

3 ***Petroleum Resource Rent Tax Assessment Act 1987***

4 **6 After paragraph 44(1)(i)**

5 Insert:

6 (ia) payments of levy imposed by the *Offshore Petroleum*
7 *(Laminaria and Corallina Decommissioning Cost Recovery*
8 *Levy) Act 2021*; or

9 ***Taxation Administration Act 1953***

10 **7 Subsection 2(1)**

11 Insert:

12 *Laminaria and Corallina decommissioning levy* has the same
13 meaning as in the *Income Tax Assessment Act 1997*.

14 **8 Subsection 8AAB(4) (after table item 45A)**

15 Insert:

45B	125-10 in	<i>Taxation Administration Act</i>	payment of Laminaria and
	Schedule 1	1953	Corallina decommissioning levy
			or shortfall interest charge

16 **9 Paragraph 14ZW(1)(bg)**

17 After “Act”, insert “and paragraph (bga) does not apply to the
18 objection”.

19 **10 After paragraph 14ZW(1)(bg)**

20 Insert:

21 (bga) if the taxation objection is made under Subdivision 155-C in
22 Schedule 1 to this Act in relation to an assessment of an
23 amount of Laminaria and Corallina decommissioning levy—
24 60 days after notice of the assessment has been given to the
25 person; or

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Amendments Schedule 1

1 **11 After Part 3-15 in Schedule 1**

2 Insert:

3 **Part 3-17—Laminaria and Corallina**
4 **decommissioning levy**

5 **Division 125—General provisions relating to the**
6 **Laminaria and Corallina decommissioning levy**

7 **125-1 What this Division is about**

8 If you are liable to pay Laminaria and Corallina decommissioning
9 levy for a financial year, you must give the Commissioner a return
10 relating to the levy.

11 An amount of levy is due and payable 21 days after the day the
12 Commissioner gives you a notice of assessment.

13 This Division contains other rules relating to the administration of
14 the levy, including rules dealing with charges and assessments.

15 **Table of sections**

16 **Operative provisions**

17	125-5	Returns
18	125-10	When Laminaria and Corallina decommissioning levy and related charges 19 are due and payable
20	125-15	Assessments of Laminaria and Corallina decommissioning levy

21 **Operative provisions**

22 **125-5 Returns**

- 23 (1) If you are liable to pay *Laminaria and Corallina decommissioning
24 levy for a financial year, you must give the Commissioner a return
25 relating to the levy in the *approved form.

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Schedule 1 Amendments

- 1 (2) The return must be given within 6 months after the end of the
2 financial year.

3 **125-10 When Laminaria and Corallina decommissioning levy and**
4 **related charges are due and payable**

5 *Original assessments*

- 6 (1) If you are liable to pay an amount of *Laminaria and Corallina
7 decommissioning levy for a financial year, the amount is due and
8 payable 21 days after the day the Commissioner gives you a notice
9 of assessment for the financial year.

10 *Amended assessments*

- 11 (2) If the Commissioner amends your assessment of an amount of
12 *Laminaria and Corallina decommissioning levy, any extra levy
13 resulting from the amendment is due and payable 21 days after the
14 day the Commissioner gives you notice of the amended
15 assessment.

16 *Shortfall interest charge*

- 17 (3) If you are liable to pay an amount of *shortfall interest charge
18 under section 280-102D, the amount is due and payable 21 days
19 after the day the Commissioner gives you notice of the charge.

20 *General interest charge*

- 21 (4) If an amount of levy or *shortfall interest charge payable under this
22 section remains unpaid after it is due and payable, you are liable to
23 pay *general interest charge on the unpaid amount for each day in
24 the period that:
25 (a) started at the beginning of the day by which the amount was
26 due to be paid; and
27 (b) finishes at the end of the last day at the end of which any of
28 the following remains unpaid:
29 (i) the amount of levy or shortfall interest charge;
30 (ii) general interest charge on any of the amount of levy or
31 shortfall interest charge.

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1 **125-15 Assessments of Laminaria and Corallina decommissioning**
2 **levy**

3 (1) In applying Division 155 in relation to an amount of *Laminaria
4 and Corallina decommissioning levy:

- 5 (a) apply the provisions of that Division with the modification
6 set out in subsection (2) of this section; and
7 (b) disregard section 155-70.

8 (2) Despite subsection 155-35(2), the *period of review*, for an
9 assessment of an amount of *Laminaria and Corallina
10 decommissioning levy, is:

- 11 (a) the period:
12 (i) starting on the day on which the Commissioner first
13 gives notice of the assessment to you under
14 section 155-10; and
15 (ii) ending on the last day of the period of 6 months starting
16 the day after that day; or
17 (b) if the period of review is extended under
18 subsection 155-35(3) or (4)—the period as so extended.

19 **12 At the end of subsection 155-5(2) in Schedule 1**

20 Add:

- 21 ; (l) an amount of *Laminaria and Corallina decommissioning
22 levy for a financial year.

23 **13 At the end of subsection 155-30(3) in Schedule 1**

24 Add:

- 25 ; (d) the *Laminaria and Corallina decommissioning levy payable
26 by you for a financial year.

27 **14 Subsection 250-10(2) in Schedule 1 (after table item 136)**

28 Insert:

136AA	amount of Laminaria and Corallina decommissioning levy	125-10 in Schedule 1	<i>Taxation Administration Act 1953</i>
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Schedule 1 Amendments

136AB	shortfall interest charge on Laminaria and Corallina decommissioning levy	125-10 in Schedule 1	<i>Taxation Administration Act 1953</i>
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1 **15 Section 280-1 (paragraph beginning “The shortfall interest**
2 **charge”)**

3 Omit “or diverted profits tax”, substitute “, diverted profits tax or
4 Laminaria and Corallina decommissioning levy”.

5 **16 Section 280-50**

6 Omit “or *diverted profits tax”, substitute “, *diverted profits tax or
7 *Laminaria and Corallina decommissioning levy”.

8 **17 After section 280-102C in Schedule 1**

9 Insert:

10 **280-102D Liability to shortfall interest charge—Laminaria and**
11 **Corallina decommissioning levy**

12 (1) You are liable to pay *shortfall interest charge on an additional
13 amount of *Laminaria and Corallina decommissioning levy that
14 you are liable to pay because the Commissioner amends your
15 assessment of an amount of levy payable for a financial year.

16 (2) The liability is for each day in the period:
17 (a) beginning at the start of the day on which levy under your
18 first assessment for that financial year was due to be paid, or
19 would have been due to be paid if there had been any; and
20 (b) ending at the end of the day before the day on which the
21 Commissioner gave you the notice of the amended
22 assessment.

23 (3) However, if an amended assessment reinstates all or part of a
24 liability in relation to a particular that had been reduced by an
25 earlier amended assessment, the period for the reinstated liability
26 begins at the start of the day on which levy under the earlier

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1 amended assessment was due to be paid, or would have been due
2 to be paid if there had been any.

3 Note: See section 125-10 for when the amount of levy and shortfall interest
4 charge becomes due and payable. That section also provides for
5 general interest charge on any part of the additional amount (plus any
6 shortfall interest charge) that remains unpaid after the additional
7 amount is due and payable.

8 **18 Subsection 280-110(1)**

9 Omit “or 280-102B”, substitute “, 280-102B or 280-102D”.

10 **19 At the end of Division 356 in Schedule 1**

11 Add:

12 **Subdivision 356-C—Laminaria and Corallina decommissioning** 13 **levy**

14 **Table of sections**

15 356-15 Commissioner has general administration of Laminaria and Corallina
16 decommissioning levy

17 **356-15 Commissioner has general administration of Laminaria and** 18 **Corallina decommissioning levy**

19 The Commissioner has the general administration of the *Offshore*
20 *Petroleum (Laminaria and Corallina Decommissioning Cost*
21 *Recovery Levy) Act 2021*.

22 **20 After paragraph 357-55(fd) in Schedule 1**

23 Insert:

24 (fe) *Laminaria and Corallina decommissioning levy;

25 **21 Application of amendments**

26 The amendments made by this Schedule apply in relation to financial
27 years starting on or after 1 July 2021.