



Tax Bonus for Working Australians Act (No. 2) 2009

No. 5, 2009

**An Act to provide for a tax bonus, and for related
purposes**

Note: An electronic version of this Act is available in ComLaw (<http://www.comlaw.gov.au/>)

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[Assented to 18 February 2009]

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *Tax Bonus for Working Australians Act (No. 2) 2009*.

2 Commencement

This Act commences on the day on which it receives the Royal Assent.

3 General administration of Act

The Commissioner has the general administration of this Act.

4 Definitions

(1) In this Act:

adjusted tax liability has the meaning given by subsection (2).

assessable income has the meaning given by the *Income Tax Assessment Act 1997*.

Australian resident has the meaning given by the *Income Tax Assessment Act 1997*.

basic income tax liability means basic income tax liability worked out in accordance with step 2 of the method statement in subsection 4-10(3) of the *Income Tax Assessment Act 1997*.

Commissioner means the Commissioner of Taxation.

excepted assessable income has the same meaning as in section 102AE of the *Income Tax Assessment Act 1936*.

excepted person has the same meaning as in section 102AC of the *Income Tax Assessment Act 1936*.

general interest charge means the charge worked out under Part IIA of the *Taxation Administration Act 1953*.

income tax return has the meaning given by the *Income Tax Assessment Act 1997*.

income year has the meaning given by the *Income Tax Assessment Act 1997*.

Medicare levy means the Medicare levy imposed by the *Medicare Levy Act 1986*.

Medicare levy surcharge has the meaning given by the *Income Tax Assessment Act 1997*.

prescribed person has the same meaning as in section 102AC of the *Income Tax Assessment Act 1936*.

taxable income has the meaning given by the *Income Tax Assessment Act 1997*.

tax bonus has the meaning given by subsection 5(1).

tax offset has the meaning given by the *Income Tax Assessment Act 1997*.

- (2) Work out a person's **adjusted tax liability** for an income year as follows:
- (a) firstly, work out the sum of the following:
 - (i) the person's basic income tax liability for that income year;
 - (ii) the person's Medicare levy (if any) for that income year;
 - (iii) the person's Medicare levy surcharge (if any) for that income year;
 - (b) next, reduce the amount worked out under paragraph (a) by the sum of the person's tax offsets (if any) for that income year.

5 Entitlement to tax bonus

- (1) A person is entitled to a payment (known as the **tax bonus**) for the 2007-08 income year if:
- (a) the person is an individual; and
 - (b) the person is an Australian resident for that income year; and
 - (c) the person's adjusted tax liability for that income year is greater than nil; and
 - (d) the person's taxable income for that income year does not exceed \$100,000; and

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- (e) the person lodges his or her income tax return for that income year no later than:
 - (i) unless subparagraph (ii) applies—30 June 2009; or
 - (ii) if, before the commencement of this Act, the Commissioner deferred the time for lodgment of the return under section 388-55 in Schedule 1 to the *Taxation Administration Act 1953* to a day later than 30 June 2009—that later day.

Exception for persons aged under 18 without employment income etc.

- (2) However, the person is not entitled to the tax bonus for the 2007-08 income year if:
 - (a) he or she is a prescribed person in relation to that income year and is not an excepted person in relation to that income year; and
 - (b) his or her assessable income for the income year does not include excepted assessable income.

6 Amount of tax bonus

If a person is entitled to the tax bonus for the 2007-08 income year, the amount of his or her tax bonus is:

- (a) if the person's taxable income for that income year does not exceed \$80,000—\$900; or
- (b) if the person's taxable income for that income year exceeds \$80,000 but does not exceed \$90,000—\$600; or
- (c) if the person's taxable income for that income year exceeds \$90,000 but does not exceed \$100,000—\$250.

7 Payment of tax bonus

- (1) If the Commissioner is satisfied that a person is entitled to the tax bonus for the 2007-08 income year, the Commissioner must pay the person his or her tax bonus as soon as practicable after becoming so satisfied.
- (2) The Commissioner must pay the tax bonus to the credit of a financial institution account nominated in the person's income tax

return for the 2007-08 income year for the purposes of section 8AAZLF of the *Taxation Administration Act 1953*.

- (3) However, the Commissioner may direct that the tax bonus be paid to the person in a different way.
- (4) If the person has not nominated a financial institution account as mentioned in subsection (2) and the Commissioner has not directed that the tax bonus be paid in a different way, the Commissioner is not obliged to pay the tax bonus to the person until the person does so.
- (5) If the Commissioner pays a tax bonus to the credit of an account nominated by a person, the Commissioner is taken to have paid the tax bonus to the person.

8 Overpayments etc.

- (1) This section applies if:
 - (a) the Commissioner pays an amount by way of a tax bonus for a person; and
 - (b) either:
 - (i) the person was not entitled to the tax bonus; or
 - (ii) the amount paid is more than the correct amount of the person's tax bonus.
- (2) The person is liable to repay the following amount to the Commonwealth:
 - (a) if the person was not entitled to the tax bonus—the whole of the amount referred to in paragraph (1)(a);
 - (b) if the amount paid is more than the correct amount of the tax bonus—the amount by which the amount paid exceeds the correct amount.
- (3) An amount that a person is liable to repay under subsection (2) is due and payable 28 days after the day on which the Commissioner gives him or her a notice in writing of the liability.

9 General interest charge on overpayment debts

- (1) If:
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- (a) a person is liable under subsection 8(2) to repay an amount;
and
 - (b) the whole or a part of the amount remains unpaid after the
time by which the amount is due to be paid;
- the person is liable to pay general interest charge on the unpaid
amount.
- (2) A person who is liable under this section to pay general interest
charge on an unpaid amount is liable to pay the charge for each day
in the period that:
- (a) started at the beginning of the day by which the unpaid
amount was due to be paid; and
 - (b) finishes at the end of the last day at the end of which any of
the following remains unpaid:
 - (i) the unpaid amount;
 - (ii) general interest charge on any of the unpaid amount.

*[Minister's second reading speech made in—
House of Representatives on 12 February 2009
Senate on 13 February 2009]*

(21/09)
