

FOUNDATIONS OF TAXATION LAW

15TH EDITION

Foundations of Taxation Law provides a clear and comprehensive introduction to the policy, principles and practice that underpin the Australian taxation system.

Designed as a guide for law and business students as well as tax practitioners, the text blends policy issues, taxation theory, black letter law and commercial practice into a succinct general principles text.

Topics are presented in a logical and structured order and are cross-referenced to specific provisions in the legislation and relevant cases so that readers are able to easily find the source of the law. The text includes approximately 400 examples as well as dozens of diagrams and tables that condense the law and help clarify difficult concepts.

This edition contains expanded technical and policy discussion of several areas of law. It has been substantially revised and restructured to take account of the many important legislative reforms, case law developments and announcements that have occurred over the last 24 months. Some of the new topics covered include:

- the March and October 2022 and May 2023 Budget announcements
- the OECD's two-pillar solution on global tax reform
- the corporate collective investment vehicle regime
- the proposed tax on earnings on superannuation balances over \$3m
- the skills and training and technology investment boosts
- the small business energy incentive
- the digital games tax offset
- the share buy-back reforms
- the ATO Charter
- the state and territory land tax, payroll tax and stamp duty changes
- the new ruling on residency tests for individuals
- the multinational tax transparency reporting rules
- the public beneficial ownership register requirements, and
- the denial of deductions for payments to associates for intangibles in low corporate tax jurisdictions.

Stephen Barkoczy is a Professor in the Faculty of Law at Monash University.

Cambridge University Press & Assessment
978-1-009-45883-2 — Foundations of Taxation Law
Stephen Barkoczy
Frontmatter
[More Information](#)

Cambridge University Press acknowledges the Australian Aboriginal and Torres Strait Islander peoples of this nation. We acknowledge the traditional custodians of the lands on which our company is located and where we conduct our business. We pay our respects to ancestors and Elders, past and present. Cambridge University Press is committed to honouring Australian Aboriginal and Torres Strait Islander peoples' unique cultural and spiritual relationships to the land, waters and seas and their rich contribution to society.

STEPHEN BARKOCZY

FOUNDATIONS OF TAXATION LAW

15TH EDITION



CAMBRIDGE
UNIVERSITY PRESS

Cambridge University Press & Assessment
 978-1-009-45883-2 — Foundations of Taxation Law
 Stephen Barkoczy
 Frontmatter
[More Information](#)



CAMBRIDGE
UNIVERSITY PRESS

Shaftesbury Road, Cambridge CB2 8EA, United Kingdom
 One Liberty Plaza, 20th Floor, New York, NY 10006, USA
 477 Williamstown Road, Port Melbourne, VIC 3207, Australia
 314–321, 3rd Floor, Plot 3, Splendor Forum, Jasola District Centre, New Delhi – 110025, India
 103 Penang Road, #05–06/07, Visioncrest Commercial, Singapore 238467

Cambridge University Press is part of Cambridge University Press & Assessment, a department of the University of Cambridge.

We share the University's mission to contribute to society through the pursuit of education, learning and research at the highest international levels of excellence.

www.cambridge.org
 Information on this title: www.cambridge.org/highereducation/isbn/9781009458832

Fourteenth edition © Cambridge University Press & Assessment 2022
 Fifteenth edition © Stephen Barkoczy 2024

This publication is copyright. Subject to statutory exception and to the provisions of relevant collective licensing agreements, no reproduction of any part may take place without the written permission of Cambridge University Press & Assessment.

First published by CCH Australia 2009
 Eighth edition published by Oxford University Press 2016
 Fourteenth edition published by Cambridge University Press & Assessment 2022
 Fifteenth edition 2024

Cover and text designed by Sardine Design
 Typeset by Integra Software Services Pvt. Ltd

A catalogue record for this publication is available from the British Library

A catalogue record for this book is available from the National Library of Australia

ISBN 978-1-009-45883-2 Paperback

Additional resources for this publication at www.cambridge.org/highereducation/isbn/9781009458832/resources

Reproduction and communication for educational purposes

The Australian *Copyright Act 1968* (the Act) allows a maximum of one chapter or 10% of the pages of this work, whichever is the greater, to be reproduced and/or communicated by any educational institution for its educational purposes provided that the educational institution (or the body that administers it) has given a remuneration notice to Copyright Agency Limited (CAL) under the Act.

For details of the CAL licence for educational institutions contact:

Copyright Agency Limited
 Level 12, 66 Goulburn Street
 Sydney NSW 2000
 Telephone: (02) 9394 7600
 Facsimile: (02) 9394 7601
 E-mail: memberservices@copyright.com.au

Cambridge University Press & Assessment has no responsibility for the persistence or accuracy of URLs for external or third-party internet websites referred to in this publication and does not guarantee that any content on such websites is, or will remain, accurate or appropriate.

Please be aware that this publication may contain several variations of Aboriginal and Torres Strait Islander terms and spellings; no disrespect is intended. Please note that the terms 'Indigenous Australians', 'Aboriginal and Torres Strait Islander peoples' and 'First Nations peoples' may be used interchangeably in this publication.

FOREWORD TO THE FIRST EDITION

Foundations of Taxation Law is an impressively ambitious project impressively executed. The aim of the book is said in the preface to be to provide a 'concise' introduction to the policy, principles and practice of the Australian federal taxation system. Anyone acquainted with that system will appreciate how large and difficult a task that is. Stephen Barkoczy has brought to bear many years of teaching and practice in tax in the production of this substantial contribution to the literature on tax law, policy and practice in Australia. His teaching skills are evident in the exposition of complex and difficult issues in a systematic and clear language reflecting the kinds of questions which students might frequently have asked him. The text, however, is thoroughly informed by many years of practice and experience in tax law, policy and practice. The value of this book lies not only in its clarity and breadth of coverage. Readers will find throughout the book further references to pursue in more detail the many concepts and issues considered by the author. Teachers in taxation will undoubtedly find useful as a teaching tool both the text and the many detailed further references. They will also find particularly useful the study questions helpfully provided throughout the text at the end of various sections. They are designed to assist students in their understanding of the issues explained in the text and, as a teaching tool, will be very useful to the other teachers of taxation in Australia as a vehicle for discussion and application of principles.

It is particularly heartening to see a text of this kind directed to the student. There are many texts on tax law for practitioners designed, with varying degrees of success, to provide practical answers to difficult problems. Some publications for practitioners can do little more to assist the practitioner than gather together as much relevant information as possible and provide some statement of the law. *Foundations of Taxation Law* is directed to a different kind of enquiry, namely, that of the student wishing to understand what the rules are about. Tax law has developed over the years to become a complex system of many interacting rules. The complexity and size of the rules makes its teaching as a system a difficult task. The practitioner consulting a practice text or commentary may be presumed to have sufficient knowledge before looking up the text. For the student the task is different and more difficult. It is that enterprise that Stephen Barkoczy has undertaken with impressive results in this text.

On a personal note, it is particularly gratifying that this text should be written by one's own former student of many years ago. The text is a great credit to the author and I commend it to students of taxation in Australia.

The Hon. Tony Pagone AM KC

CONTENTS

<i>Foreword to the First Edition</i>	v
<i>Preface</i>	ix
<i>About the Author</i>	xii
<i>Key to Abbreviations</i>	xiii
<i>Acknowledgements</i>	xix
PART A: INTRODUCTION TO TAXATION AND AUSTRALIA'S TAX SYSTEM	
Chapter 1: Taxation Principles and Theory	2
Chapter 2: Tax Law Research and Interpretation	33
Chapter 3: Constitutional Framework of the Australian Tax System	49
Chapter 4: Australian Taxes	67
Chapter 5: Tax Policy, Politics and Reform	87
Chapter 6: The Treasury, Australian Taxation Office and Tax Profession	110
PART B: GOODS AND SERVICES TAX	
Chapter 7: Goods and Services Tax	126
PART C: INCOME TAX	
Chapter 8: Income Tax	182
PART D: INCOME	
Chapter 9: Ordinary Income	218
Chapter 10: Statutory Income	271
Chapter 11: Exempt Income and Non-Assessable Non-Exempt Income	281
PART E: DEDUCTIONS	
Chapter 12: General Deductions	294
Chapter 13: Specific Deductions	356
Chapter 14: Provisions that Deny or Limit Deductions	369
PART F: ASSET TAXATION RULES	
Chapter 15: Capital Allowances	386
Chapter 16: Trading Stock	404
Chapter 17: Capital Gains Tax	413

PART G: FRINGE BENEFITS, SUPERANNUATION AND EMPLOYMENT

Chapter 18: Fringe Benefits Tax	482
Chapter 19: Superannuation	519
Chapter 20: Termination and Unused Leave Payments	583
Chapter 21: Employee Share Schemes	590

PART H: ENTITIES

Chapter 22: Companies	604
Chapter 23: Partnerships	670
Chapter 24: Trusts	684
Chapter 25: Special Entities	715
Chapter 26: Consolidated Groups	737

PART I: TAX INCENTIVES AND RELIEFS

Chapter 27: Investment Incentives	752
Chapter 28: Business and Entity Restructure Relief	779

PART J: FINANCIAL TRANSACTIONS

Chapter 29: Financial Transactions Regimes	796
--	-----

PART K: INTERNATIONAL TAXATION

Chapter 30: General Jurisdictional Rules	822
Chapter 31: International Exemptions, Offsets and Withholding Taxes	843
Chapter 32: Double Taxation Agreements	861
Chapter 33: Base Erosion and Profit Shifting and International Tax Enforcement	878
Chapter 34: Accruals Taxation	904
Chapter 35: Foreign Exchange	912

PART L: TAX AVOIDANCE

Chapter 36: Tax Avoidance	922
Chapter 37: General Anti-Avoidance Provisions	943

PART M: TAX ADMINISTRATION

Chapter 38: Income Tax Returns, Assessments, Rulings, Appeals and Audits	962
Chapter 39: Identification and Payment Systems	981
Chapter 40: Tax Record-Keeping, Reporting and Recovery	990
Chapter 41: Tax Penalties and Offences	1002

<i>Table of Cases</i>	1012
<i>Table of Legislation</i>	1031
<i>Index</i>	1062

PREFACE

AIMS AND OBJECTIVES

Taxation law is a vast and complex area of law that is continually evolving. As a consequence, it can be an overwhelming and challenging subject to study and research. The aim of this book is to provide a guide to the policy, principles and practice that underpin the Australian taxation system. The book focuses on the key components covered in many introductory and advanced taxation law courses studied at Australian universities. It is designed to be used by undergraduate and postgraduate students as well as students undertaking professional qualifications with accounting bodies, law societies and the Taxation Institute of Australia. The book is also intended to serve as a general reference guide for taxation academics and researchers, as well as practising lawyers and accountants who require a succinct and user-friendly explanation of fundamental taxation law concepts.

CONTENT AND STRUCTURE

The main emphasis of the book is on Commonwealth taxes, particularly income tax, goods and services tax, fringe benefits tax and superannuation taxes. It also examines various state and territory taxes, as well as a number of levies and charges. The book is divided into 13 parts containing 41 chapters. To make the book more accessible to readers, I have adopted the approach of focusing on general principles. My objective is to provide a broad overview of the foundations of the taxation system rather than an exhaustive explanation of all its intricate principles and exceptions. In this regard, I have been selective in the topics covered and have intentionally divided them into 'consumable chunks' that can be easily digested by a reader. At the same time, I have tried to ensure that the book addresses most areas of general importance and does not over-simplify the law or skirt around harder issues. The book is therefore more comprehensive than many other introductory guides and goes into deeper detail on several topics. I have purposely tackled difficult areas of law that I believe are of significant practical importance and are not always adequately covered in other general books. For instance, the book has detailed chapters dealing with topics such as superannuation, employee share schemes, consolidated groups, investment incentives, business restructures, international taxation, Double Taxation Agreements, base erosion and profit shifting, accruals taxation and the taxation of financial transactions. Although these areas are outside the scope of most basic tax courses, they are important for advanced courses and are critical for obtaining a broad understanding of the Australian taxation regime. They are also particularly important areas for academics and practitioners.

While the book does not purport to provide a complete picture of Australia's tax laws, it covers a lot of ground, including discussion of many hundreds of legislative provisions, cases and rulings. The discussion in the chapters should serve as a solid set of principles around which readers can progressively build their general understanding of the law. The discussion should also provide a useful road map for navigating the complex web of interconnected provisions in the tax legislation and for making sense of the extensive body of case law in the field. Hopefully, by using this

book, readers will be able to tread more confidently through the tax law maze and be able to better 'see the wood for the trees'.

The book is the product of many years of researching, practising and lecturing in the field of taxation law, and it undoubtedly demonstrates my own biases about what I think is important for students, academics and practitioners to understand about the subject. I have tried to blend policy issues, taxation theory, technical 'black letter law' and commercial practice into a succinct, principled text. Although the book is primarily a legal text, it does not focus exclusively on legal issues. The discussion also touches on a wide range of social, economic, political and international comparative issues. Taxation law, perhaps more than any other area of law, is affected by these broader considerations, and I firmly believe that it needs to be approached with these perspectives in mind.

In writing the book, I have been conscious of the pressures placed on students and practitioners who have to grapple with large amounts of complex information located in different places in short time frames. For this reason, I have endeavoured to develop topics in a logical and structured order and clearly signpost and break up core concepts into their constituent elements. I have also extensively cross-referenced the discussion to specific legislative provisions and cases so that readers are able to easily find the source of the law. The book is peppered with examples, diagrams and tables that condense the law and help clarify difficult concepts.

QUESTIONS, ONLINE RESOURCES AND LECTURER SLIDES

To assist students with their exam preparation, the book contains a set of questions at the end of each chapter that are linked to the topics covered in that chapter. The questions test fundamental issues that students need to understand in order to properly grasp key concepts. They can also be used by lecturers as a basis for tutorial discussions. The questions have been designed in such a way that they examine core issues from both a practical (calculation and problem-based) perspective as well as a conceptual (theoretical and policy-based) perspective.

Online resources are available on the Cambridge University Press Higher Education website at www.cambridge.org/highereducation/isbn/9781009458832/resources. Student resources are freely available and include a list of references to selected government reports, taxation rulings, books and articles for those interested in conducting further research. The list of references should be particularly useful to students conducting research for their assignments. Lecturers can also gain access to a set of over 1,000 PowerPoint slides that are directly cross-referenced to topics covered in the chapters. The slides are designed as a handy teaching aid and can be obtained once your account is granted access.

CHANGES IN THE 15TH EDITION

This book has evolved considerably over the years. The 15th edition has undergone considerable restructuring and has been substantially revised to take account of many important legislative reforms, case law developments, administrative changes and policy announcements that have occurred over the last 24 months. It contains extensive analysis of the March and October 2022 and May 2023 Budget measures as well as discussion of many important new developments, such as the introduction of the new corporate collective investment vehicle regime, the skills and training and technology investment boosts and the digital games tax offset. There is also detailed discussion of the proposed new tax on earnings on superannuation balances over \$3m and the proposed share buy-back reforms. The new ATO Charter, which replaces the Taxpayers' Charter, is examined as well as various land tax, payroll tax and stamp duty changes.

Special attention has been devoted to a number of significant international tax developments, including the ATO's new ruling on residency tests for individuals and the OECD's landmark two-pillar solution on global tax reform. There is also discussion of the proposed multinational tax transparency reporting and public beneficial ownership register requirements as well as the proposed anti-avoidance rule that denies significant global entities deductions for payments to associates for intangibles in low corporate tax jurisdictions.

The book contains discussion of dozens of additional cases, including recent decisions, such as *Adcon Resources Vic Pty Ltd v FC of T*; *Aurizon Holdings Ltd v FC of T*; *FC of T v Balasubramaniyan*; *B&F Investments Pty Ltd v FC of T*; *Bosanac v FC of T*; *FC of T v Carter & Ors*; *Cerrah v TPB Construction*; *Forestry, Maritime, Mining and Energy Union & Anor v Personnel Contracting Pty Ltd*; *Del Castillo v FC of T*; *Dua v FC of T*; *FFYS v FC of T*; *Hornsby Shire Council v Cth & Anor*; *Gough & Anor v TPB*; *FC of T v Guardian AIT Pty Ltd ATF Australian Investment Trust*; *Guttikonda & Anor v FC of T*; *H&B Auto Repair Centre Pty Ltd v FC of T*; *DFC of T v Huang*; *Hyder & Ors v FC of T*; *JHKW v FC of T*; *JMC Pty Ltd v FC of T*; *Kais Jewellery (Syd) Pty Ltd v FC of T*; *Khanna v FC of T*; *Lakes Oil NL v ISA*; *FC of T v Landcom*; *Logic Accountants & Tax Professionals Pty Ltd & Anor v TPB*; *Messenger Media and Information Technology Pty Ltd v FC of T*; *Plaskitt v TPB*; *FC of T v PricewaterhouseCoopers*; *Shaw v FC of T*; *Stark v FC of T*; *Thanabalasingam v TPB*; *Tomkinson v TPB*; *TPB v Ordiales*; *TPB v Williams*; *FC of T v Virgin Australia Airlines Pty Ltd*; *R v Willmott*; *Wood v FC of T*; *Worsley v TPB* and *YDXM v FC of T*.

There is also expanded policy and technical discussion of several areas of law as well as many new and updated examples, questions and diagrams. Certain topics have been consolidated and the chapter order has been reorganised and streamlined. Unless otherwise stated, the discussion in the book is generally based on the law in force as at July 2023.

ACKNOWLEDGEMENTS

I would like to thank my copyeditor, Ellie Gleeson, and the production, editorial and marketing staff at Cambridge University Press, especially Lucy Russell, Jodie Fitzsimmons and Alison Dean, for their valuable input into this new edition. I would also like to acknowledge the student research assistants who helped with previous editions of this book, especially from Sylvester Urban (third edition), Tamara Wilkinson (fifth edition), Jonathan Bisset and Antony Berger (ninth edition) and Radomir Jovanovic (11th edition). My special thanks are also extended to my former lecturer, the Hon Tony Pagone AM KC, for the lessons I learned from him and for taking the time to write the foreword to the first edition of this book. Most importantly, however, I would like to recognise the support of my family, for whom this book has been written.

Stephen Barkoczy
 November 2023

ABOUT THE AUTHOR

Stephen Barkoczy, BA, LLB, M Tax Law, PhD

Stephen Barkoczy is a Professor in the Faculty of Law at Monash University and Chair of the Innovation Investment Committee of Industry Innovation and Science Australia. He is also a member of the International Faculty of the Institute for Austrian and International Tax Law at the Vienna University of Economics and Business. Stephen has published, practised and lectured widely in the areas of taxation, superannuation and venture capital investment law. He is the author/co-author of many books and the recipient of numerous teaching awards, including the 2008 Prime Minister's Award for Australian University Teacher of the Year.

KEY TO ABBREVIATIONS

A\$	Australian dollars
AASB	Australian Accounting Standards Board
AAT	Administrative Appeals Tribunal
AATA	<i>Administrative Appeals Tribunal Act 1975</i>
ABA	Additional Benefits Agreement
ABN	Australian Business Number
ABS	Australian Bureau of Statistics
AC	Appeal Cases (House of Lords)
ACA	Allocable cost amount
ACC	Australian Crime Commission
ACCC	Australian Competition and Consumer Commission
ACCU	Australian carbon credit unit
ACNC	Australian Charities and Not-for-profits Commission
ACT	Australian Capital Territory
ADF	Approved deposit fund
ADI	Authorised deposit-taking institution
ADJRA	<i>Administrative Decisions (Judicial Review) Act 1977</i>
AFC	Applicable functional currency
AFCA	Australian Financial Complaints Authority
AFM	Available fraction method
AFOF	Australian fund of funds
AFP	Australian Federal Police
AFSL	Australian financial services licence
AFTS	Australia’s Future Tax System
AGD	Attorney-General’s Department
AGS	Australian Government Solicitor
All ER	All England Law Reports
AMIT	Attribution managed investment trusts
AMLCTFA	<i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006</i>
AMLCTFR	<i>Anti-Money Laundering and Counter-Terrorism Financing Rules</i>
ANTS	A New Tax System
APA	Advance pricing arrangement
APRA	Australian Prudential Regulation Authority
ARFN	Australian registered fund number
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
AT	Australian Tax
ATC	Australian Tax Cases
ATD	Australian Tax Decisions
ATI	Adjusted tainted income

ATO	Australian Taxation Office
AUSTRAC	Australian Transaction Reports and Analysis Centre
BAS	Business Activity Statement
BCT	Business continuity test
BEPS	Base erosion and profit shifting
BTO	Beneficiary tax offset
BTWG	Business Tax Working Group
CA	<i>Customs Act 1901</i>
CCIV	Corporate collective investment vehicle
CFC	Controlled foreign corporation
CFE	Controlled foreign entity
CGC	Commonwealth Grants Commission
CGT	Capital gains tax
CLR	Commonwealth Law Reports
COAG	Council of Australian Governments
COT	Continuity of ownership test
CPB	Capital protected borrowing
CPI	Consumer Price Index
CR	Class Ruling
CRS	Common reporting standard
CSF	Crowd source funding
CTA	<i>Customs Tariff Act 1995</i>
DA	<i>Domicile Act 1982</i>
DASP	Departing Australia superannuation payment
DBTP	Death benefit termination payment
DGTO	Digital games tax offset
DICTO	Dependant invalid and carer tax offset
DIS	Decision Impact Statement
DPP	Director of Public Prosecutions
DPT	Diverted profits tax
DTA	Double Taxation Agreement
EA	<i>Excise Act 1901</i>
ECCT	Excess concessional contributions tax
EDCI	Eligible designated concession income
ENCCT	Excess non-concessional contributions tax
ERF	Emissions Reduction Fund
ESIC	Early stage innovation company
ESS	Employee share scheme
ESVCLP	Early stage venture capital limited partnership
ETA	<i>Excise Tariff Act 1921</i>
ETBT	Excess transfer balance tax
ETP	Employment termination payment
ETS	Emissions trading scheme
EU	European Union
EVCI	Eligible venture capital investment
FATCA	<i>Foreign Account Tax Compliance Act</i>
FBT	Fringe benefits tax
FBTA	<i>Fringe Benefits Tax Act 1986</i>

FBTAA	<i>Fringe Benefits Tax Assessment Act 1986</i>
FBTACA	<i>Fringe Benefits Tax (Application to the Commonwealth) Act 1986</i>
FC of T	Federal Commissioner of Taxation
FCR	Federal Court Reports
FDT	Franking deficit tax
FIF	Foreign investment fund
FITO	Foreign income tax offset
FLA	<i>Family Law Act 1975</i>
FLP	Foreign life assurance policy
FMD	Farm Management Deposit
FRE	Forex realisation event
FRG	Forex realisation gain
FRL	Forex realisation loss
FTC	Foreign tax credit
G20	Group of 20 Finance Ministers and Central Bank Governors
GDP	Gross domestic product
GFC	Global financial crisis
GIC	General interest charge
GloBE	Global anti-base erosion
GST	Goods and services tax
GST Regs	<i>A New Tax System (Goods and Services Tax) Regulations 2019</i>
GSTA	<i>A New Tax System (Goods and Services Tax) Act 1999</i>
GSTD	Goods and Services Tax Determination
GSTICA	<i>A New Tax System (Goods and Services Tax Imposition—Customs) Act 1999</i>
GSTIEA	<i>A New Tax System (Goods and Services Tax Imposition—Excise) Act 1999</i>
GSTIGA	<i>A New Tax System (Goods and Services Tax Imposition—General) Act 1999</i>
GSTR	Goods and Services Tax Ruling
GSTTA	<i>A New Tax System (Goods and Services Tax Transition) Act 1999</i>
HELP	Higher Education Loans Program
HESA	<i>Higher Education Support Act 2003</i>
HFE	Horizontal fiscal equalisation
IAS	Instalment Activity Statement
ICIJ	International Consortium of Investigative Journalists
ID	Interpretative Decision
IGT	Inspector-General of Taxation
IGTO	Inspector-General of Taxation and Taxation Ombudsman
IIR	Income inclusion rule
IISA	Industry Innovation and Science Australia
IMF	International Monetary Fund
IMR	Investment manager regime
IPO	Initial public offering
IRDA	<i>Industry Research and Development Act 1986</i>
IRS	Internal Revenue Service
ISA	Innovation and Science Australia
IT	Income Tax Ruling
ITA	<i>Income Tax Act 1986</i>
ITAA22	<i>Income Tax Assessment Act 1922</i>
ITAA36	<i>Income Tax Assessment Act 1936</i>

ITAA97	<i>Income Tax Assessment Act 1997</i>
ITAR15	<i>Income Tax Assessment (1936 Act) Regulation 2015</i>
ITAR21	<i>Income Tax Assessment (1997 Act) Regulations 2021</i>
ITC	Input tax credit
ITDIRWTA	<i>Income Tax (Dividends, Interest and Royalties Withholding Tax) Act 1974</i>
ITRA	<i>Income Tax Rates Act 1986</i>
ITTPA	<i>Income Tax (Transitional Provisions) Act 1997</i>
ITZ	Indirect tax zone
JITSIC	Joint International Tax Shelter Information Centre
LBTP	Life benefit termination payment
LCBTO	Loss carry back tax offset
LCR	Law Companion Ruling
LCT	Luxury car tax
LCTA	<i>New Tax System (Luxury Car Tax) Act 1999</i>
LCTICA	<i>A New Tax System (Luxury Car Tax Imposition—Customs) Act 1999</i>
LCTIEA	<i>A New Tax System (Luxury Car Tax Imposition—Excise) Act 1999</i>
LCTIGA	<i>A New Tax System (Luxury Car Tax Imposition—General) Act 1999</i>
LIC	Listed investment company
LITO	Low-income tax offset
LLC	Limited liability company
LTBR	Long-term bond rate
MAP	Mutual agreement procedure
MBLA	<i>Major Bank Levy Act 2017</i>
MEC	Multi-entry consolidated
MIS	Managed investment scheme
MIT	Managed investment trust
ML	Medicare levy
MLA	<i>Medicare Levy Act 1986</i>
MLI	<i>Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting</i>
MLS	Medicare levy surcharge
MLSFBA	<i>A New Tax System (Medicare Levy Surcharge—Fringe Benefits) Act 1999</i>
MNE	Multinational enterprise
MRRT	Minerals resource rent tax
MRRTA	<i>Minerals Resource Rent Tax Act 2012</i>
MT	Miscellaneous Taxation Ruling
NAI	Notional attributable income
NFRC	National Federation Reform Council
NRAS	National Rental Affordability Scheme
NSW	New South Wales
NT	Northern Territory
NZLR	New Zealand Law Reports
OBU	Offshore banking unit
OECD	Organisation for Economic Cooperation and Development
OECD MTC	<i>OECD Model Tax Convention on Income and on Capital</i>
PAYG	Pay As You Go
PDF	Pooled development fund
PDV	Post, digital and visual

PE	Permanent establishment
PR	Product Ruling
PRRT	Petroleum resource rent tax
PRRTAA	<i>Petroleum Resource Rent Tax Assessment Act 1987</i>
PRRTICA	<i>Petroleum Resource Rent Tax (Imposition—Customs) Act 2012</i>
PRRTIEA	<i>Petroleum Resource Rent Tax (Imposition—Excise) Act 2012</i>
PRRTIGA	<i>Petroleum Resource Rent Tax (Imposition—General) Act 2012</i>
PS LA	Practice Statement Law Administration
PSB	Personal services business
PSE	Personal services entity
PSI	Personal services income
PST	Pooled superannuation trust
PTG	Policy Transition Group
QAPE	Qualifying Australian production expenditure
QFA	Qualifying forex account
R&D	Research and development
RBA	Running balance account
RBL	Reasonable benefit limit
RBT	Review of Business Taxation
RPS	Redeemable preference shares
RSA	Retirement savings account
RSAA	<i>Retirement Savings Accounts Act 1997</i>
RSAR	<i>Retirement Savings Account Regulations 1997</i>
RSE	Registrable superannuation entity
RSPT	Resource super profits tax
SAM	Simplified accounting method
SAPTO	Seniors and pensioners tax offset
SBE	Small business entity
SBSCH	Small Business Superannuation Clearing House
SBT	Same business test
SCD	Superannuation Contributions Determination
SCR	Superannuation Contributions Ruling
SENCCTA	<i>Superannuation (Excess Non-Concessional Contributions Tax) Act 2007</i>
SETBTIA	<i>Superannuation (Excess Transfer Balance Tax) Imposition Act 2016</i>
SG	Superannuation guarantee
SGAA	<i>Superannuation Guarantee (Administration) Act 1992</i>
SGC	Superannuation guarantee charge
SGCA	<i>Superannuation Guarantee Charge Act 1992</i>
SGCLIEA	<i>Superannuation (Government Co-contribution for Low Income Earners) Act 2003</i>
SGD	Superannuation Guarantee Determination
SGR	Superannuation Guarantee Ruling
SHASA	Superannuation Holding Account Special Account
SISA	<i>Superannuation Industry (Supervision) Act 1993</i>
SISR	<i>Superannuation Industry (Supervision) Regulations</i>
SME	Small and medium sized enterprise
SMSF	Self managed superannuation fund
SMSFR	Self Managed Superannuation Funds Ruling
SR (NSW)	State Reports (New South Wales)

SSA	<i>Social Security Act 1991</i>
SSSCCIA	<i>Superannuation (Sustaining the Superannuation Contribution Concession) Imposition Act 2013</i>
STP	Single touch payroll
STTR	Subject to tax rule
TAA	<i>Taxation Administration Act 1953</i>
TAR17	<i>Taxation Administration Regulations 2017</i>
TASA	<i>Tax Agent Services Act 2009</i>
TBRL	Temporary budget repair levy
TCSA	Tax cost setting amount
TD	Taxation Determination
TFN	Tax file number
TIEA	Tax Information Exchange Agreement
TLIP	Tax Law Improvement Project
TOFA	Taxation of financial arrangements
TPB	Tax Practitioners Board
TPRS	Taxable Payments Reporting System
TR	Taxation Ruling
TSA	Tax sharing agreement
UN	United Nations
UN MTC	United Nations <i>Model Tax Convention Between Developed and Developing Countries</i>
UPE	Ultimate parent entity
US MTC	United States <i>Model Income Tax Convention</i>
UTPR	Undertaxed payment rule
VAT	Value added tax
VCA	<i>Venture Capital Act 2002</i>
VCLP	Venture capital limited partnership
VCMP	Venture capital management partnership
WET	Wine equalisation tax
WETA	<i>New Tax System (Wine Equalisation Tax) Act 1999</i>
WETICA	<i>A New Tax System (Wine Equalisation Tax Imposition—Customs) Act 1999</i>
WETIEA	<i>A New Tax System (Wine Equalisation Tax Imposition—Excise) Act 1999</i>
WETIGA	<i>A New Tax System (Wine Equalisation Tax Imposition—General) Act 1999</i>

ACKNOWLEDGEMENTS

The author and Cambridge University Press would like to thank the following for permission to reproduce material in this book.

Images on pages 831 and 832 © Board of Taxation and reproduced with permission. The Board of Taxation's report was published (and therefore these recommendations were developed) prior to the onset of the COVID-19 pandemic, and the Board notes that the extent to which these recommendations will be reflected in the proposed legislation is as yet undetermined.

Extracts from *Commonwealth Law Reports* (CLR): Reproduced with permission of Thomson Reuters (Professional) Australia Limited, legal.thomsonreuters.com.au.

Extracts from *Australian Tax Cases* (ATC), *Australian Tax Decisions* (ATD): Reproduced with permission of Wolters Kluwer.

Extracts from Australian Taxation Office: © Australian Taxation Office for the Commonwealth of Australia.

Extracts from The Board of Taxation, *Reforming Individual Tax Residency Rules—A Model for Modernisation* (2019), <https://taxboard.gov.au/sites/taxboard.gov.au/files/migrated/2019/12/Tax-Residency-Report.pdf>: © Commonwealth of Australia 2019, reproduced under Creative Commons Attribution 3.0 Australia (CC BY 3.0 AU), <https://creativecommons.org/licenses/by/3.0/au/deed.en>.

Extracts from the Australian Government (The Treasury), *Black Economy Taskforce: Interim Report—March 2017* (2017), https://treasury.gov.au/sites/default/files/2019-03/BE_IR.pdf: © Commonwealth of Australia 2017, reproduced under Creative Commons Attribution 3.0 Australia (CC BY 3.0 AU), <https://creativecommons.org/licenses/by/3.0/au/deed.en>.

Extracts from Australian Commonwealth legislation: Sourced from the Federal Register of Legislation. Reproduced under Creative Commons Attribution 4.0 International. For the latest information on Australian Government law please go to <https://www.legislation.gov.au>.

Every effort has been made to trace and acknowledge copyright. The publisher apologises for any accidental infringement and welcomes information that would redress this situation.