

House of Representatives

# Supplementary Order Paper

Tuesday, 21 June 2005

**Taxation (Depreciation, Payment Dates Alignment, FBT, and  
Miscellaneous Provisions) Bill**

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*Proposed amendments*

Hon Dr Michael Cullen, in Committee, to move the following:

*Clause 17*

To insert after paragraph (g) (page 16, after line 27), as subclauses (2) and (3), the following:

- (2) In section CF 1(1)(h), “pension.” is replaced by “pension; and” and the following is added:
  - “(i) a payment to a New Zealand resident wine producer of an Australian wine producer rebate.”
- (3) **Subsection (2)** applies to a producer rebate relating to wine exported from New Zealand on or after 1 July 2005.

*Clause 143*

To insert after subclause (1) (page 129, after line 12), the following:

- (1B) After the definition of **Australian imputation credit account company**, the following is inserted:

“**Australian wine producer rebate** means a producer rebate under Act No. 62 of 1999 of the parliament of the Commonwealth of Australia (*A New Tax System (Wine Equalisation Tax) Act 1999 (Commonwealth)*), as amended from time to time, and regulations made under that Act”.

*New clauses 163B and 163C*

To insert after clause 163 (page 156, after line 16), the following:

**163B Officers to maintain secrecy**

After section 81(4)(q), the following is inserted:

- “(r) communicating, for the purposes of **section 225B** and any regulations made under that section, information—
  - “(i) for the administration of the entitlements of New Zealand resident winemakers to Australian wine producer rebates; and
  - “(ii) to a person who is an officer, employee, or agent of the Australian Taxation Office or the New Zealand Customs Service and who is authorised to receive the information by the chief executive officer of that office or department.”

**163C Further secrecy requirements**

In section 87(5)(a)(i), “(i) and (q)” is replaced by “, (i), (q), and (r)”.

*New clause 189B*

To insert after clause 189 (page 174, after line 18), the following:

**189B New section 225B inserted**

After section 225A, the following is inserted:

**“225B Wine equalisation tax**

- “(1) For the purpose of enabling the Commissioner to administer the entitlement of New Zealand resident winemakers to Australian wine producer rebates in respect of wine produced in New Zealand, the Governor-General may from time to time, by Order in Council, make regulations relating to the—
  - “(a) application by New Zealand resident wine producers for payment of Australian wine producer rebates in respect of wine produced in New Zealand that is sold in Australia;
  - “(b) verification of the entitlement of New Zealand resident winemakers to payments of Australian wine producer rebates;
  - “(c) any matter necessary to give effect to the agreement for the time being in force between the Government of New Zealand and the Government of Australia for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.
- “(2) In this section,—
  - “**tax period** has the meaning given in Act No. 62 of 1999 of the parliament of the Commonwealth of Australia (*A New Tax System (Wine Equalisation Tax) Act 1999 (Commonwealth)*) as amended from time to time, and regulations made under that Act
  - “**wine** has the meaning given in section 31-1 of Act No. 62 of 1999 of the parliament of the Commonwealth of Australia (A

*New Tax System (Wine Equalisation Tax) Act 1999 (Commonwealth)*) as amended from time to time, and regulations made under that Act.

- “(3) An Order in Council under **subsection (1)**—
- “(a) may adopt a provision in the Tax Administration Act 1994, with or without amendment, for the purposes of the Order in Council:
  - “(b) has force and effect despite any provision in this Act or any other Inland Revenue Act or the Official Information Act 1982 or the Privacy Act 1993:
  - “(c) may come into effect on or after 1 July 2005:
  - “(d) may apply for tax periods that commence on or after 1 July 2005.”

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### Explanatory note

This Supplementary Order Paper amends the Taxation (Depreciation, Payment Dates Alignment, FBT, and Miscellaneous Provisions) Bill to enable the Inland Revenue Department to accept applications from New Zealand wine producers for producer rebates payable by the Government of Australia under the *A New Tax System (Wine Equalisation Tax) Act 1999 (Commonwealth)* and to undertake tasks associated with the verification of entitlement of claimants to those rebates. The Supplementary Order Paper also authorises the making of regulations on matters necessary to give effect to the agreement for the time being in force between the Government of New Zealand and the Government of Australia for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income. That agreement contains provisions relating to assistance between tax administration authorities that apply to the department’s role.

The amendment to *clause 17* inserts new *section CF 1(1)(i)* into the *Income Tax Act 2004*, so that a producer rebate is income for a New Zealand wine producer.

New *clause 163B* inserts new *section 81(4)(r)* into the *Tax Administration Act 1994*, so that the Commissioner is authorised to provide the Australian Tax Office and New Zealand Customs Service with information relating to the administration of the producer rebate system.

New *clause 163C* inserts a new cross-reference in *section 87(5)(a)(i)* of the *Tax Administration Act 1994*.

New *clause 189B* inserts new *section 225B* in the *Tax Administration Act 1994*, to authorise the making of Orders in Council.