



Overview

1. The Board and its reinvention
2. The Board and the 2016-17 Budget
3. Other work of the Board
4. Tax system improvements; including Sounding Board



The Board and its reinvention

Board of Taxation 2017

Michael Andrew AO (VIC)



Chair

Former global chair, KPMG

John Emerson AM (VIC)



Deputy Chair

Consultant, Herbert Smith Freehills,
Not for profits

Mark Pizzacalla (VIC)



Partner-in-charge, Private
Clients, BDO

Karen Payne (NSW)



Board Member and CEO
Former Partner, Minter Ellison

Neville Mitchell (NSW)



CFO, Cochlear
President, G100



Craig Yaxley (WA)



Lead Tax Partner, WA
KPMG

Ann-Maree Wolff (QLD)



Asia Pacific Head of Tax
Rio Tinto

Peggy Lau Flux (SA)



Council member
Flinders University

John Fraser (ACT)



Treasury Secretary
(ex-officio)

Chris Jordan AO (NSW)

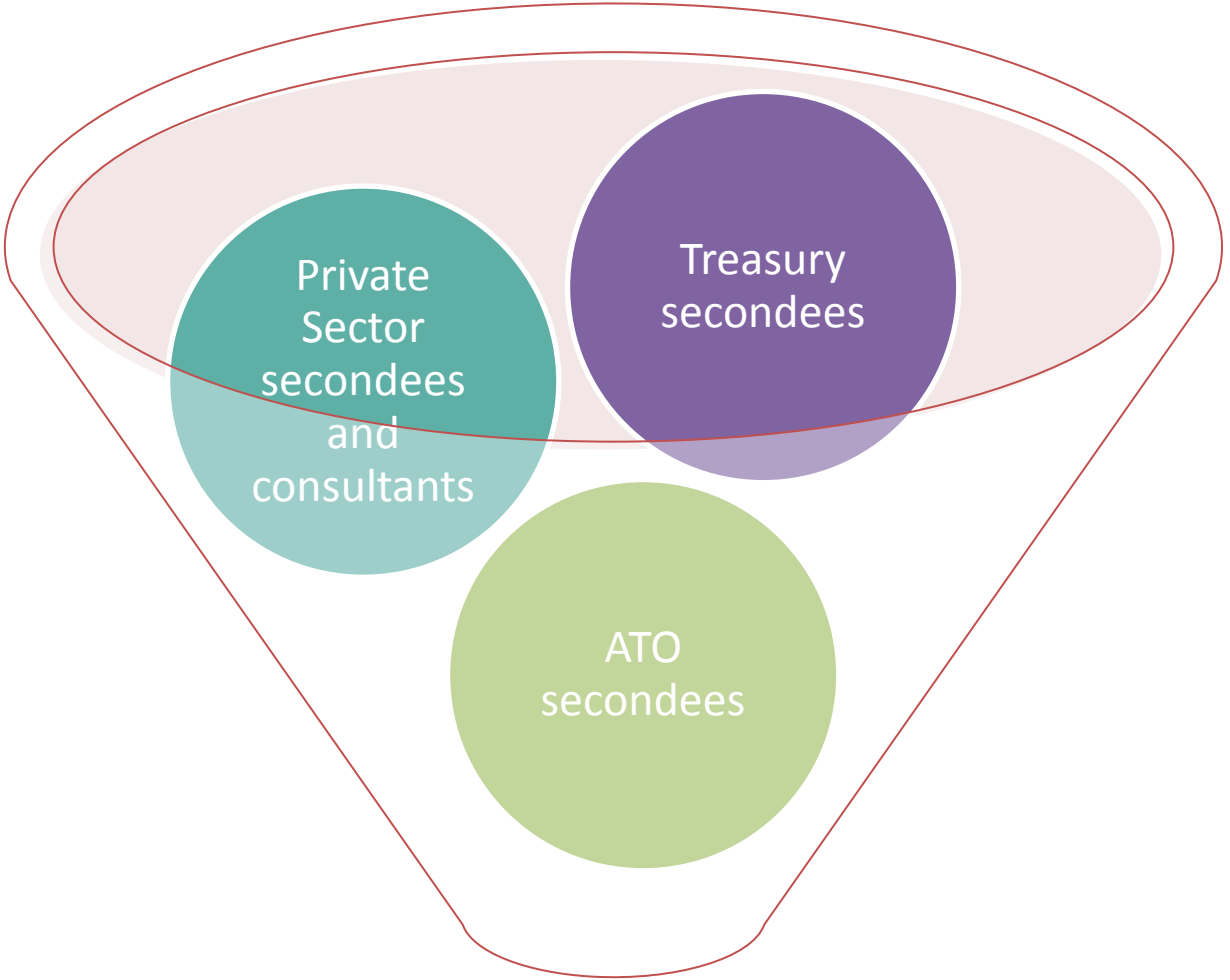


Commissioner of Taxation
(ex-officio)

Peter Quiggin PSM (ACT)

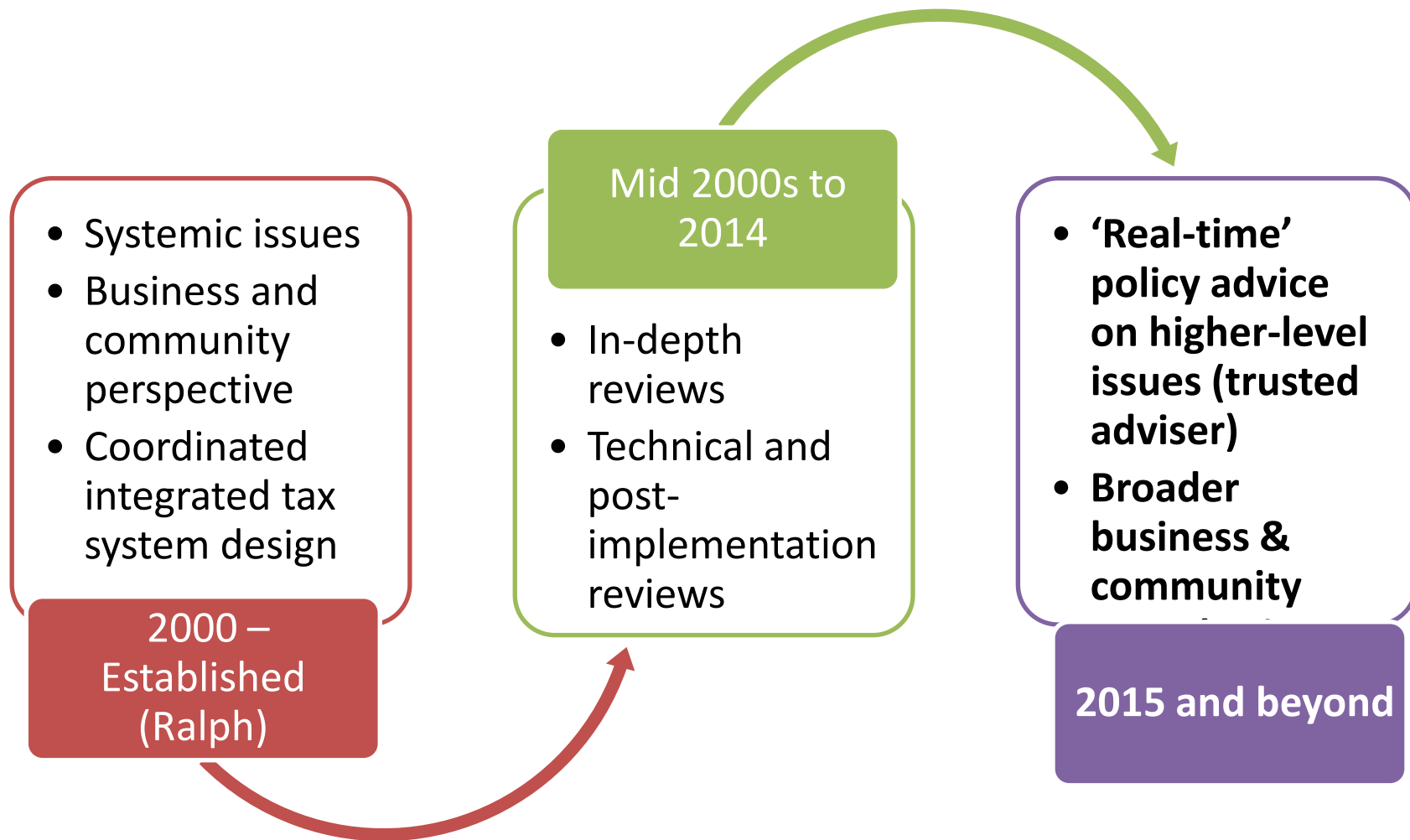


First Parliamentary Counsel
(ex-officio)



Board of Taxation Secretariat

The Board's Current Approach



The Board's consultation model



- Advisory Panel
- Professional bodies
- Taxpayers
- Industry groups



The Board and the 2016-17 Budget



2016-17 Budget

Superannuation Reform Package

- \$1.6 million superannuation transfer balance
- Allow catch-up concessional superannuation contributions
- Clear objective
- Low Income Superannuation Tax Offset

Tax Integrity Package

- Diverted Profits Tax
- OECD hybrids mismatch arrangement rules
- Tax transparency code
- Tax Avoidance Taskforce
- Deferred tax liabilities

Other Key Themes

- Less red tape for business (Div7A)
- Improved system governance

Ten Year Enterprise Tax Plan

- Targeted personal income tax relief
- Reducing the company tax rate to 25% by 2026-27
- Increase small business entity turnover threshold
- Increase unincorporated small business tax discount

Making it easier to invest

- Collective Investment Vehicle (CIV)
- Limited Partnership CIV
- Asset Backed Financing



The Board and the 2016-17 Budget

- Designated Regulatory Reform Bills
- Sounding Board
- Timely guidance on the meaning of tax laws

Other measures



- Collective Investment Vehicles
- Consolidation - deductible liabilities
- Asset backed financing
- Division 7A
- Small business entity turnover threshold
- Unincorporated small tax discount

Ten Year Enterprise Tax Plan



- OECD hybrid mismatch arrangement
- Diverted profits tax
- Tax transparency code

Tax Integrity Package



- Consulted on measures

Superannuation Reform package

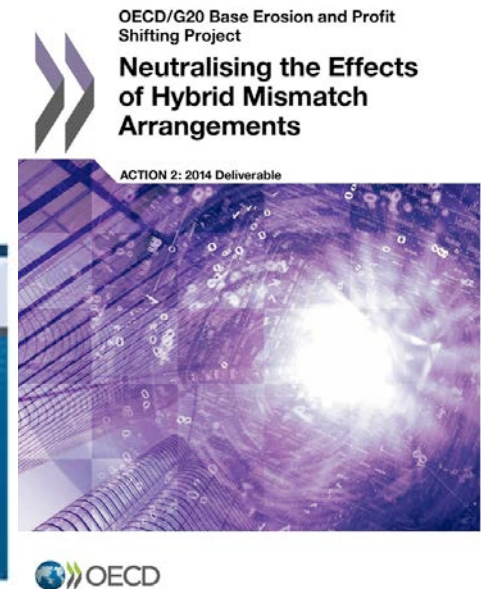


Anti-hybrid rules

- Rules aim to eliminate double non-taxation and neutralise hybrid mismatch tax outcomes

Budget 2016-17

- Implementation to take into account Board's first report
- The Board asked to provide second report on hybrid regulatory capital



Voluntary tax transparency code

- 2016 report
- Annual turnover \geq 100 million
- Greater content by businesses with an annual turnover \geq 500 million
- Audience is the 'person in the street'



Catalogue of signatories

Organisation	Financial Year ending for Tax Transparency Report
AGL Energy Ltd	30 June 2016
AMCIL Investments Limited	30 June 2016 (Published)
AMP Limited	31 December 2015 (Published)
ANZ	30 September 2016 (Published)
APA Group	30 June 2016 (Published)
ASX Limited	30 June 2017
Aurizon Holdings Limited	30 June 2016 (Published)
Ausdrill Ltd	30 June 2016 (Published)
AusNet Services Ltd	31 March 2017
Australian Foundation Investment Company Ltd	30 June 2016 (Published)
Australian Postal Corporation	Progressive implementation starting FYE 30 June 2016 and fully compliant FYE 30 June 2017
Australian Unity Limited	30 June 2017
AWE Ltd	30 June 2016 (Published)
Bank of Queensland Limited	31 August 2016
Bendigo and Adelaide Bank Limited	30 June 2016
BHP	30 June 2016 (Published)
Blackmores Ltd	30 June 2016 (Published)
BP Australia	31 December 2016
BT Investment Management Limited	30 September 2016 (Published)

Catalogue of signatories

Organisation	Financial Year ending for Tax Transparency Report
Caltex Australia Limited	31 December 2016
Cleanaway Waste Management Ltd	30 June 2016
Coca Cola Amatil Limited	31 December 2016
Cochlear	30 June 2016 (Published)
Commonwealth Bank of Australia	30 June 2016
CSL Limited	30 June 2017
Djerriwarrh Investments Ltd	30 June 2016 (Published)
Downer EDI Limited	30 June 2016 (Published)
Dulux Group Limited	30 September 2017
EnergyAustralia	31 December 2016
Evolution Mining Limited	30 June 2016 (Published)
Fairfax Media Limited	30 June 2016 (Published)
Fortescue Metals Group Limited	30 June 2017
Healthscope Limited	30 June 2017
Iluka Resources Limited	31 December 2015 (Published)
Lendlease Corporation Limited	30 June 2017
Lion	30 September 2016
Macquarie Group Limited	31 March 2017
Medibank Private Limited	30 June 2016
Mirrabooka Investments Ltd	30 June 2016 (Published)

Catalogue of signatories

Organisation	Financial Year ending for Tax Transparency Report
Mirvac	30 June 2016 (Published)
MYOB Group Limited	31 December 2016
NAB	30 September 2016
National Pharmacies	30 June 2016
Newcrest Mining Ltd	30 June 2016
Orica Limited	30 September 2016 (Published)
Origin Energy Limited	30 June 2016
Perpetual Limited	30 June 2016 (Published)
PMP Limited	30 June 2016 (Published)
Qantas Group	30 June 2016 (Published)
Rio Tinto	31 December 2015 (Published)
Sandvik Australia Holdings Pty Ltd	31 December 2016
SEEK Limited Group	30 June 2016 (Published)
Shell Australia Group	31 December 2016
South32	30 June 2016 (Published)
Stockland	All key elements of the Code have been adopted with the exception of the tax contribution summary of corporate taxes paid. The summary of all corporate taxes paid will be implemented from the 2017 financial year onward.
Suncorp Group Limited	30 June 2016
Sydney Airport Limited	31 December 2016

Catalogue of signatories

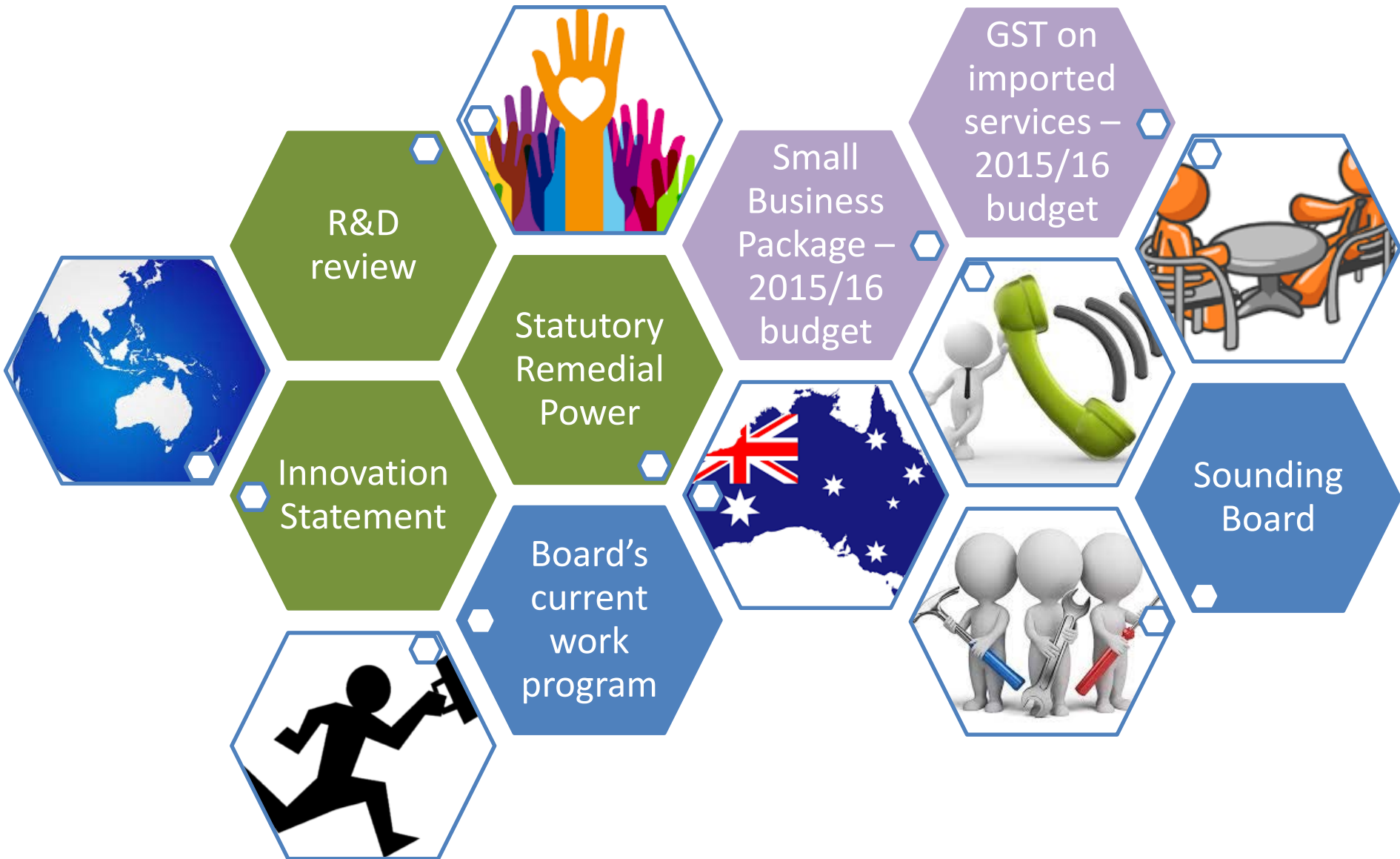
Organisation	Financial Year ending for Tax Transparency Report
Tabcorp Holdings Ltd	30 June 2016 (Published)
Telstra	Progressive implementation starting FYE 30 June 2016 – fully compliant FYE 30 June 2017
The Boston Consulting Group Pty Ltd	31 December 2016
The GPT Group	Progressive implementation, Tax Transparency Report for FYE 31 December 2016 and fully compliant by 30 June 2017
Transurban Limited	30 June 2016
Treasury Wines Estate Limited	30 June 2016
Vicinity Centres	30 June 2016 (Published)
Viva Energy Holding Pty Ltd	31 December 2016
Vodafone Hutchison Australia Pty Limited	31 December 2016
Wesfarmers Limited	30 June 2016 (Published)
Westpac	30 September 2016 (Published)
Woodside Petroleum Limited	31 December 2016
Woolworths Limited	30 June 2017
WSP Australia Holdings Pty Ltd	31 December 2016

Voluntary tax transparency code Register



- To indicate your organisation's intention to adopt the Code, simply contact the Board at **taxboard@treasury.gov.au**
- Also tell us the financial year ending from which you intend to adopt the Code

Other work of the Board



Board's current work program

- 2016-17 work program includes:
 - Alignment of tax and accounting concepts
 - Asset merger roll-over relief
 - Residency tests for High Wealth Individuals
 - ~~Review of the shadow economy~~
 - Targeted trust simplification
 - Tax and the sharing economy
 - The consistency of core concepts applied under State and Federal tax laws





Tax system improvement; including Sounding Board

Long-term Tax Improvement

2016-17 Budget

- Designated Regulatory Reform Bills
- Timely ATO public guidelines



Ministerial Advisory Council

- Tasked with reviewing the performance of regulators in the tax portfolio
- Focus on minimising compliance costs



Reducing red tape

- Progressing regulatory reform agenda.
- Dedicated Tax System Improvement Working Group.
- Received 170+ ideas to simplify the tax system.





Sounding Board

- Raise, debate and prioritise business and community sector ideas on how to improve the tax system
- Replaced TIES (open ideas moved to Sounding Board)
- Launched April 2016 – taxboard.ideascale.com
- Board to actively promote the inclusion of these ideas in designated regulatory reform bills.



Ideas for
better tax
regulation

We want to hear from you!

Online:

www.taxboard.gov.au

Sounding Board:

<https://taxboard.ideascale.com/>

Email:

TaxBoard@treasury.gov.au

Twitter:

@taxboard_au





Questions?

