

# EXPOSURE DRAFT

2008-2009

The Parliament of the  
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

**EXPOSURE DRAFT (12/05/2009)**

If you have any comments on this exposure draft, they should be sent to Greg Wood at the Treasury ([Greg.Wood@treasury.gov.au](mailto:Greg.Wood@treasury.gov.au)) by 18 May 2009.

## **Tax Laws Amendment (2009 Budget Measures No. 1) Bill 2009**

**No.     , 2009**

*(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 may be cited as the *Tax Laws Amendment (2009 Budget*  
6                     *Measures No. 1) Bill 2009*.

7     **2 Commencement**

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

10    **3 Schedule(s)**

11                    Each Act that is specified in a Schedule to this Act is amended or  
12                    repealed as set out in the applicable items in the Schedule

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1 concerned, and any other item in a Schedule to this Act has effect  
2 according to its terms.

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Exemption of income derived from foreign service **Schedule 1**

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1  
2 **Schedule 1—Exemption of income derived**  
3 **from foreign service**

4 *Income Tax Assessment Act 1936*

5 **1 After subsection 23AG(1)**

6 Insert:

- 7 (1AA) However, those foreign earnings are not exempt from tax under  
8 this section unless the foreign earnings are directly attributable to:  
9 (a) the delivery of Australian official development assistance by  
10 the person's employer; or  
11 (b) the activities of the person's employer in operating a public  
12 fund covered by item 9.1.1 or 9.1.2 of the table in subsection  
13 30-80(1) of the *Income Tax Assessment Act 1997*  
14 (international affairs deductible gift recipients); or  
15 (c) the person's deployment outside Australia as a member of a  
16 disciplined force by the Commonwealth, a State or a  
17 Territory (or an authority of the Commonwealth, a State or a  
18 Territory).

19 **2 Application**

20 The amendment made by this Schedule applies to income derived on or  
21 after 1 July 2009.