

EXPOSURE DRAFT



EXPOSURE DRAFT

Income Tax Assessment (1997 Act) Amendment (Term Subordinated Note) Regulations 2025

I, the Honourable Sam Mostyn AC, Governor-General of the Commonwealth of Australia,
acting with the advice of the Federal Executive Council, make the following regulations.

Dated 2025

Sam Mostyn AC
Governor-General

By Her Excellency's Command

Dr Jim Chalmers [**DRAFT ONLY—NOT FOR SIGNATURE**]
Treasurer

EXPOSURE DRAFT

EXPOSURE DRAFT

Contents

1	Name.....	1
2	Commencement	1
3	Authority.....	1
4	Schedules	1
Schedule 1—Amendments		2
	<i>Income Tax Assessment (1997 Act) Regulations 2021</i>	<i>2</i>

EXPOSURE DRAFT

1 Name

This instrument is the *Income Tax Assessment (1997 Act) Amendment (Term Subordinated Note) Regulations 2025*.

2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this instrument	The day after this instrument is registered.	

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under the *Income Tax Assessment Act 1997*.

4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

EXPOSURE DRAFT

Schedule 1 Amendments

Schedule 1—Amendments

Income Tax Assessment (1997 Act) Regulations 2021

1 Paragraph 974-135.05(3)(a)

Repeal the paragraph, substitute:

(a) the note is issued by:

- (i) an entity regulated for prudential purposes by APRA or a comparable foreign regulator; or
- (ii) a subsidiary of an entity that is regulated for prudential purposes by APRA or a comparable foreign regulator; and

2 In the appropriate position in Chapter 7

Insert:

Part 1000-8—Transitional matters relating to the Income Tax Assessment (1997 Act) Amendment (Term Subordinated Note) Regulations 2025

1000-8.01 Application of amendments

The amendment made by Schedule 1 to the *Income Tax Assessment (1997 Act) Amendment (Term Subordinated Note) Regulations 2025* applies to an obligation to pay the principal or interest on a relevant term subordinated note at a particular time on or after 12 December 2012.