

EXPOSURE DRAFT

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Inserts for
Treasury Laws Amendment Bill 2025:
Modernising trust administration
systems

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. Schedule [#]	The first 1 January, 1 April, 1 July or 1 October to occur after the day this Act receives the Royal Assent.	
2.		
3.		

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Schedule [#]—Modernising trust administration systems

Income Tax Assessment Act 1936

1 Section 202DP

Repeal the section, substitute:

202DP Trustee must report quoted tax file number

- (1) The trustee must report the beneficiary's tax file number to the Commissioner, in the approved form, if:
 - (a) the beneficiary is presently entitled, for the purposes of Division 6 of Part III, to a share of the income of the trust in respect of a year of income; and
 - (b) the beneficiary has quoted the beneficiary's tax file number to the trustee at any time before the trustee gives the Commissioner the trust's return of income for the year; and
 - (c) the trustee has not reported the beneficiary's tax file number to the Commissioner under Division 6D of Part III (about trustee beneficiary non-disclosure tax) in relation to the share of the income of the trust for the year.
- (2) The trustee must give the report to the Commissioner no later than the earlier of the following, or within such further time as the Commissioner allows:
 - (a) the time the trustee gives the Commissioner the return;
 - (b) the time the return is required to be given to the Commissioner.

Note: Refusal or failure to report to the Commissioner as required by this section is an offence under section 8C of the *Taxation Administration Act 1953*.

2 Subsections 202DR(1) and (2)

Repeal the subsections, substitute:

Commissioner may notify trustee of correct tax file number

- (1) The Commissioner may notify the trustee of the beneficiary's correct tax file number if the Commissioner is satisfied that:
 - (a) the tax file number quoted to the trustee:

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- 1 (i) has been cancelled or withdrawn since it was quoted; or
2 (ii) is otherwise wrong; and
3 (b) having regard to the information (if any) that the
4 Commissioner has recorded for the tax file number quoted to
5 the trustee, another number is the tax file number of the
6 beneficiary; and
7 (c) it is reasonable to notify the trustee of the correct tax file
8 number in the circumstances.
- 9 (2) The notice given under subsection (1) is taken to have taken effect
10 on the day on which the cancelled, withdrawn or otherwise wrong
11 tax file number was quoted to the trustee as mentioned in
12 paragraph (1)(a).

3 Subsection 202DR(4) (heading)

13 Omit “may”, substitute “must”.

4 Paragraph 202DR(4)(b)

14 Repeal the paragraph, substitute:

- 15 (b) the Commissioner is not satisfied that:
- 16 (i) having regard to the information (if any) that the
17 Commissioner has recorded for the tax file number
18 quoted to the trustee, that another number is the tax file
19 number of the beneficiary; or
20 (ii) it is reasonable to notify the trustee of the correct tax
21 file number under subsection (1); or
22 (iii) the beneficiary has a tax file number;

5 Transitional provisions

- 23 (1) Section 202DP of the *Income Tax Assessment Act 1936*, as substituted
24 by this Schedule, applies in relation to a year of income of a trust
25 starting on or after 1 July 2026.
- 26 (2) Section 202DP of the *Income Tax Assessment Act 1936*, as in force
27 immediately before the commencement of this Schedule, continues to
28 apply on and after that commencement to a quarter in relation to a trust
29 if the quarter commences in a year of income of the trust starting before
30 1 July 2026.
- 31 (3) The amendments of section 202DR of the *Income Tax Assessment Act*
32 *1936* made by this Schedule apply in relation to the giving of a notice to
33 the trustee of a trust on or after the later of:
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- 1 (a) the commencement of this Schedule; and
2 (b) the commencement of the first year of income of the trust to
3 start on or after 1 July 2026.
- 4 (4) A notice in effect under section 202DR of the *Income Tax Assessment*
5 *Act 1936* immediately before the commencement of this Schedule
6 continues in effect on and after that commencement.