



Treasury Laws Amendment (Delivering Better Financial Outcomes and Other Measures) Act 2024

No. 67, 2024

An Act to amend the law relating to superannuation, taxation, corporations, financial services and multilateral development banks, and for related purposes

Note: An electronic version of this Act is available on the Federal Register of Legislation (<https://www.legislation.gov.au/>)

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An Act to amend the law relating to superannuation, taxation, corporations, financial services and multilateral development banks, and for related purposes

[Assented to 9 July 2024]

The Parliament of Australia enacts:

No. 67, 2024 Treasury Laws Amendment (Delivering Better Financial Outcomes and Other Measures) Act 2024 1

1 Short title

This Act is the *Treasury Laws Amendment (Delivering Better Financial Outcomes and Other Measures) Act 2024*.

2 Commencement

- (1) Each provision of this Act 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. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	9 July 2024
2. Schedule 1, Part 1, Division 1	The day after this Act receives the Royal Assent.	10 July 2024
3. Schedule 1, Part 1, Division 2	The first 1 January, 1 April, 1 July or 1 October to occur after the day this Act receives the Royal Assent.	1 October 2024
4. Schedule 1, Parts 2 and 3	The day after this Act receives the Royal Assent.	10 July 2024
5. Schedule 1, Part 4	Immediately after the commencement of the provisions covered by table item 4.	10 July 2024
6. Schedule 1, Part 5	The day after the end of the period of 12 months beginning on the day this Act receives the Royal Assent.	9 July 2025
7. Schedules 2 and 3	The first 1 January, 1 April, 1 July or 1 October to occur after the day this Act receives the Royal Assent.	1 October 2024
8. Schedule 4	The day after this Act receives the Royal Assent.	10 July 2024
9. Schedule 5, Part 1	The day after this Act receives the Royal Assent.	10 July 2024

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
10. Schedule 5, Part 2	The first 1 January, 1 April, 1 July or 1 October to occur after the day this Act receives the Royal Assent.	1 October 2024
11. Schedule 5, Part 3	A single day to be fixed by Proclamation. However, if the provisions do not commence within the period of 6 months beginning on the day this Act receives the Royal Assent, they commence on the day after the end of that period.	
12. Schedule 6	The first 1 January, 1 April, 1 July or 1 October to occur after the day this Act receives the Royal Assent.	1 October 2024

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

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

3 Schedules

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

Schedule 6—Location offset and producer offset for films

Part 1—Location offset amount

Income Tax Assessment Act 1997

1 Paragraph 376-2(3)(b)

Omit “16.5%”, substitute “30%”.

2 Section 376-15

Omit “16.5%”, substitute “30%”.

3 Application provision—films

The amendments made by this Part apply in relation to a film for which:

- (a) for a film that is predominantly a digital animation or other animation—the making of the film; or
- (b) otherwise—the principal photography for the film;

commenced on or after 1 July 2023.

Part 2—Location offset conditions

Division 1—Amendments

Income Tax Assessment Act 1997

4 Section 376-1

Omit “media”.

5 Subsection 376-20(1)

Omit “and (5)”, substitute “, (5), (7) and (8)”.

6 At the end of subsection 376-20(1)

Add:

Note: The Minister may require the company to provide information to the Minister before issuing the certificate: see section 376-32.

7 Paragraph 376-20(3)(c)

Omit “\$1 million”, substitute “\$1.5 million”.

8 Paragraph 376-20(5)(a)

Omit “\$15 million”, substitute “\$20 million”.

9 At the end of section 376-20

Add:

Use of resident entities for post, digital and visual effects production

(7) The condition in this subsection is that:

- (a) the company has entered into a contract for the provision of some or all of the *post, digital and visual effects production for the *film with an entity that:
 - (i) is an Australian resident; or
 - (ii) is a foreign resident but does have a *permanent establishment in Australia and does have an *ABN; and

- (b) all or part of the post, digital and visual effects production (the *contracted post, digital and visual effects production*) to which that contract relates has, under the contract, been provided by the entity to the company; and
- (c) if the entity is a foreign resident—all or part of the contracted post, digital and visual effects production that has been provided by the entity to the company was provided at or through the entity's permanent establishment in Australia; and
- (d) all or part of the company's expenditure on the contracted post, digital and visual effects production is *qualifying Australian production expenditure of the company on the film.

Minimum training expenditure requirement

- (8) The condition in this subsection is that the company:
 - (a) satisfies the minimum training expenditure requirement for the *film under subsection 376-27(1); or
 - (b) is exempt from that requirement for the film under:
 - (i) section 376-28 (the permanent film infrastructure exemption); or
 - (ii) section 376-29 (the training programs exemption).

10 After section 376-25

Insert:

376-27 Minimum training expenditure requirement

- (1) A company satisfies the minimum training expenditure requirement for a *film under this subsection if the company incurs expenditure (the *training expenditure*) that satisfies the conditions in subsections (2), (3) and (5).
- (2) The amount of the training expenditure must be at least the *minimum training expenditure amount for the *film.
- (3) Each part of the training expenditure must be:
 - (a) expenditure that is both:

- (i) *qualifying Australian production expenditure of the company on the *film; and
 - (ii) incurred for, or reasonably attributable to, eligible training that is provided to an individual that has worked on, or is working on, the *making of the film; or
- (b) expenditure that consists of payments made (for any purpose) to an eligible provider (other than an eligible provider that is an *associate of the company):
 - (i) after the production commencement day for the film; and
 - (ii) before either the making of the film ceases or the company's qualifying Australian production expenditure on the film ceases being incurred (whichever is earlier).
- (4) To avoid doubt, the expenditure referred to in paragraph (3)(b) need not be *qualifying Australian production expenditure of the company on the *film.
- (5) The amount of the training expenditure that is *qualifying Australian production expenditure of the company on the *film must be at least 50% of the *minimum training expenditure amount for the film.

Meaning of minimum training expenditure amount

- (6) The **minimum training expenditure amount** is:
 - (a) for a *film with a production commencement day that is on or after 1 July 2024 but before 1 July 2025—either:
 - (i) unless subparagraph (ii) applies—the lesser of \$250,000 and 0.5% of the company's total QAPE on the film; or
 - (ii) if regulations have been made for the purposes of subsection (7)—the lesser of the prescribed monetary amount and the prescribed percentage of the company's total QAPE on the film; or
 - (b) for a film with a production commencement day that is on or after 1 July 2025—either:
 - (i) unless subparagraph (ii) applies—the lesser of \$500,000 and 1% of the company's total QAPE on the film; or

- (ii) if regulations have been made for the purposes of subsection (7)—the lesser of the prescribed monetary amount and the prescribed percentage of the company's total QAPE on the film.

Prescribed amount and prescribed percentage

- (7) Subject to subsection (8), regulations made for the purposes of this subsection may prescribe:
 - (a) a monetary amount (the ***prescribed monetary amount***) not exceeding \$750,000; and
 - (b) a percentage (the ***prescribed percentage***) not exceeding 1%.
- (8) If the regulations prescribe a monetary amount or a percentage, the regulations must prescribe both a monetary amount and a percentage.

Definitions

- (9) In this section:

eligible provider means an entity that either:

- (a) offers *tertiary courses; or
- (b) is an NVR registered training organisation (within the meaning of the *National Vocational Education and Training Regulator Act 2011*) that offers VET accredited courses (within the meaning of that Act);

provided that one or more of those courses include eligible training.

eligible training means training or education provided in Australia that contributes to the knowledge, skills or experience of an individual in relation to the *making of *films.

prescribed monetary amount: see paragraph (7)(a).

prescribed percentage: see paragraph (7)(b).

production commencement day, for a *film, means the day that the following commenced:

- (a) for a film that is predominantly a digital animation or other animation—the *making of the film;

(b) otherwise—the principal photography for the film.

total QAPE, of a company on a *film, means the total of the company's *qualifying Australian production expenditure on the film (as determined by the *Arts Minister under section 376-30).

376-28 Minimum training expenditure exemption—permanent film infrastructure

- (1) A company is exempt under this section from the minimum training expenditure requirement (see subsection 376-20(8) and section 376-27) for a *film if:
 - (a) the company has materially contributed to the establishment or upgrading of a piece of film infrastructure in Australia (whether or not the establishment or upgrading is complete); and
 - (b) the film infrastructure is or will be, or the upgrades are or will be:
 - (i) permanent; and
 - (ii) reasonable in scale and cost, having regard to the scale and cost of the film; and
 - (iii) reasonably located, having regard to the needs of the Australian screen industry; and
 - (c) the establishment or upgrading of the film infrastructure occurs wholly or partly after the commencement of:
 - (i) for a film that is predominantly a digital animation or other animation—the *making of the film; or
 - (ii) otherwise—the principal photography for the film; and
 - (d) if the establishment or upgrading of the film infrastructure is not complete—the establishment or upgrading will be completed within a reasonable period of time; and
 - (e) the film infrastructure has, or the upgrades have, materially contributed to alleviating capacity constraints in the Australian screen industry.
- (2) In this section, **film infrastructure** means buildings or other physical structures that can be used in the *making of *films.

376-29 Minimum training expenditure exemption—training programs

- (1) A company is exempt under this section from the minimum training expenditure requirement (see subsection 376-20(8) and section 376-27) for a *film (the *relevant film*) if:
 - (a) an individual (the *trainee*) that has worked on the *making of the relevant film has undertaken training under a training program; and
 - (b) all or part of that training was undertaken by the trainee during the period when the trainee worked on the making of the relevant film; and
 - (c) the company or an *associate of the company has incurred expenditure that is for, or that is reasonably attributable to, the training undertaken by the trainee; and
 - (d) the training program has materially contributed to the making of the relevant film; and
 - (e) the training program has materially contributed, or will materially contribute, to the making of at least 2 films, each of which satisfies or will satisfy subsection (2) (and one of which may be the relevant film); and
 - (f) the training program has materially contributed to alleviating capacity constraints in the Australian screen industry.
- (2) A *film satisfies this subsection if a substantial proportion of the activities involved in the *making of the film take place in Australia.
- (3) In determining whether a training program has contributed to a thing mentioned in paragraph (1)(f), the matters to which consideration may be given include, but are not limited to, the following:
 - (a) mentoring, industry partnerships and work experience placements facilitated by the training program;
 - (b) skills shortages in the Australian screen industry that are addressed by the training program;
 - (c) activities connected with the training program that contribute to improving health and safety, and diversity and inclusion, in the Australian screen industry;
 - (d) any matters specified in rules made under subsection (4).

- (4) Subject to subsection (5), the *Arts Minister may, by legislative instrument, make rules specifying matters for the purposes of paragraph (3)(d), including matters of a kind referred to in any of paragraphs (3)(a) to (c).
- (5) Before making rules under subsection (4), the *Arts Minister must consult the Minister.

11 After section 376-30

Insert:

376-32 Minister may require information

- (1) Either:
 - (a) before determining a company's *qualifying Australian production expenditure on a *film under subsection 376-30(1) for the purposes of the location offset; or
 - (b) before issuing a certificate to the company for the film under section 376-20 (certificate for the location offset);the *Arts Minister may, by written notice given to the company, require that the company provide to the Arts Minister information specified in the notice.
- (2) The information specified in the notice must be information that the *Arts Minister considers relevant to:
 - (a) determining the company's *qualifying Australian production expenditure or issuing the certificate to the company; or
 - (b) assessing the benefit of the film to the Australian screen industry.
- (3) The notice must specify the time by which the information is to be provided (which must be at least 30 business days after the notice is given).
- (4) The *Arts Minister may, on request by the company, extend the time by written notice given to the company.
- (5) If the information is not provided by the specified time (including any extensions), the *Arts Minister may refuse to determine the

company's *qualifying Australian production expenditure or issue the certificate to the company.

12 After paragraph 376-247(2)(b)

Insert:

- (ba) section 376-32 (power to require information for the purposes of the location offset);

13 Subsection 995-1(1)

Insert:

minimum training expenditure amount has the meaning given by subsection 376-27(6).

Division 2—Application provisions

14 Application provision—films

- (1) Subject to subitems (2) and (3), the amendments made by this Part apply in relation to a film for which:
 - (a) for a film that is predominantly a digital animation or other animation—the making of the film; or
 - (b) otherwise—the principal photography for the film;commenced on or after 1 July 2023.
 - (2) Subsection 376-20(8) of the *Income Tax Assessment Act 1997*, as added by this Part, applies in relation to a film for which:
 - (a) for a film that is predominantly a digital animation or other animation—the making of the film; or
 - (b) otherwise—the principal photography for the film;commenced on or after 1 July 2024.
- Note: Subsection 376-20(8) deals with the minimum training expenditure requirement and exemptions from that requirement.
- (3) To avoid doubt, the reference to subsection 376-20(8) of the *Income Tax Assessment Act 1997* in subsection 376-20(1) of that Act (as amended by this Part) is to be disregarded for the purposes of applying subsection 376-20(1) of that Act in relation to a film for which the making of the film or the principal photography for the film (whichever applies) commenced on or after 1 July 2023 but before 1 July 2024.

15 Application provision—use of resident entities for post, digital and visual effects production

Subsection 376-20(7) of the *Income Tax Assessment Act 1997*, as added by this Part, applies in relation to post, digital and visual effects production provided under a contract on or after 1 July 2023, whether the contract was entered into before, on or after that date.

16 Application provision—minimum training expenditure requirement

Section 376-27 of the *Income Tax Assessment Act 1997*, as inserted by this Part, applies in relation to expenditure incurred before, on or after the commencement of this Part.

17 Application provision—infrastructure exemption

Section 376-28 of the *Income Tax Assessment Act 1997*, as inserted by this Part, applies in relation to film infrastructure for which the establishment or upgrading is completed on or after 1 July 2024.

18 Application provision—training programs exemption

- (1) Paragraphs 376-29(1)(a) and (b) of the *Income Tax Assessment Act 1997*, as inserted by this Part, apply in relation to the undertaking of training by an individual if the individual began to undertake the training on or after 1 July 2024.
- (2) Paragraph 376-29(1)(c) of the *Income Tax Assessment Act 1997*, as inserted by this Part, applies in relation to expenditure incurred before, on or after 1 July 2024.
- (3) Paragraphs 376-29(1)(d), (e) and (f) of the *Income Tax Assessment Act 1997*, as inserted by this Part, apply in relation to contributions made before, on or after 1 July 2024.

19 Application provision—power to request information

Section 376-32 of the *Income Tax Assessment Act 1997*, as inserted by this Part, applies in relation to information obtained by a company before, on or after the commencement of this Part.

Part 3—Producer offset

Income Tax Assessment Act 1997

20 Subsection 376-65(6)

Omit “The conditions”, substitute “Subject to subsection (6A), the conditions”.

21 Subsection 376-65(6) (after table item 7)

Insert:

7A	A *film where:	\$35 million	not applicable
	(a) the application for the certificate is for a season of a series; and		
	(b) the series is a drama series; and		
	(c) the series is not a *documentary; and		
	(d) the season meets the conditions in subsection (6B)		

22 After subsection 376-65(6)

Insert:

- (6A) A *film that is both of the type referred to in item 7, and of the type referred to in item 7A, of the table in subsection (6) meets the conditions in that subsection if the film meets the conditions set out in one or both of those items.
- (6B) The conditions in this subsection are that:
- (a) the season is made up of 2 or more episodes that are produced wholly or principally for exhibition together under a single title; and
 - (b) the season is produced for:

- (i) exhibition to the public by way of television broadcasting (including broadcasting by way of the delivery of a television program by a broadcasting service within the meaning of the *Broadcasting Services Act 1992*); or
- (ii) distribution to the public as a video recording (whether on video tapes, digital video disks or otherwise); and
- (c) either:
 - (i) for a season that is predominantly a digital animation or other animation—the *making of the season (other than a pilot episode, if any) takes place within a period of not longer than 36 months; or
 - (ii) otherwise—all principal photography for the season (other than a pilot episode, if any) takes place within a period of not longer than 12 months.

23 Application provision—films

The amendments made by this Part apply in relation to a film for which:

- (a) for a film that is predominantly a digital animation or other animation—the making of the film; or
 - (b) otherwise—the principal photography for the film;
- commenced on or after 1 July 2024.

[Minister's second reading speech made in—
House of Representatives on 27 March 2024
Senate on 24 June 2024]

(46/24)
