

# House of Representatives

# Supplementary Order Paper

**Tuesday, 14 March 2023**

## **Taxation (Annual Rates for 2022–23, Platform Economy, and Remedial Matters) Bill (No 2)**

### *Proposed amendments*

Hon David Parker, in Committee, to move the following amendments:

#### *Clause 23 amended*

In *clause 23(1)* (page 25, line 6), replace “unless **section CX 19C** applies” with “unless **section CX 19C or CX 19D** applies”.

#### *Clause 27 amended*

Replace the heading to *clause 27* (page 25, line 28), with “**New sections CX 19C and CX 19D inserted**”.

In *clause 27*, after new section CX 19C (page 26, after line 28), insert:

#### **CX 19D Certain self-powered and low-powered vehicles and vehicle-share services**

##### *Self-powered or low-powered vehicles*

- (1) A vehicle that an employer provides to an employee for the main purpose of the employee travelling between their home and place of work is not a fringe benefit if the vehicle is:
- (a) a bicycle:
  - (b) an electric bicycle:
  - (c) a scooter:
  - (d) an electric scooter:
  - (e) any other vehicle declared under section 168A of the Land Transport Act 1998 to be—
    - (i) a mobility device; or

- (ii) not a motor vehicle.

*Payment of vehicle-share service costs*

- (2) A benefit that an employer provides to an employee in the form of assistance with the payment of the employee's costs of using a vehicle-share service for the main purpose of an employee travelling between their home and place of work is not a fringe benefit if the **vehicle-share service** provides use of 1 or more of the following vehicles to the employee:
- (a) a bicycle:
  - (b) an electric bicycle:
  - (c) a scooter:
  - (d) an electric scooter:
  - (e) any other vehicle declared under section 168A of the Land Transport Act 1998 to be—
    - (i) a mobility device; or
    - (ii) not a motor vehicle.

*Regulations*

- (3) For the purposes of **subsections (1) and (2)**, the Governor-General may, by Order in Council made on the recommendation of the Minister of Revenue, make regulations specifying—
- (a) the maximum allowable cost of the vehicle referred to in **subsection (1)**; and
  - (b) requirements for any vehicle referred to in **subsections (1) and (2)**.

*Meaning of vehicle-share service*

- (4) In this section, **vehicle-share service** means a transport service that allows users to hire a vehicle for a point-to-point trip through a mobile communication device.

Defined in this Act: employer, employee, fringe benefit

## Explanatory note

This Supplementary Order Paper amends the Taxation (Annual Rates for 2022–23, Platform Economy, and Remedial Matters) Bill (No 2). The effect of the amendment is to allow bicycles, electric bicycles, scooters, electric scooters, some vehicle-share services, and other low-powered vehicles to be exempt from fringe benefit tax where they are being used for travelling between an employee's home and place of work.