

**INCOME TAX (AMENDMENT) ACT 2009****An Act  
to amend the Income Tax Act 1961**

- 1 Title and Commencement**
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**1 Title and Commencement**

- (1) This is the Income Tax (Amendment) Act 2009.
- (2) This Act applies to all taxpayers commencing on 1 April 2009.

**2 Low income rebate**

- (1) Section 41A is repealed, and replaced by the following:

**"41A Low income rebate**

- "(1) This section applies to a person with assessable income of less than \$20,000 for an income year, other than an absentee or a company.
- "(2) The person is entitled to a rebate on the income tax payable by them, or that would otherwise be payable by them. The rate of the rebate is set out in Schedule 3.
- "(3) If a balance of the person's rebate remains after the calculation of their income tax liability for an income year, the person is entitled to a refund of the amount of the balance. The person must apply for the refund in their return of income for the income year. Subsection (4) overrides this subsection.
- "(4) Subsection (3) applies only to a person who is a full-time employee other than a self-employed person.
- "(5) For the purposes of this section, a full-time employee for an income year is a person who-
  - (a) for a week, is employed for 20 hours or more; and
  - (b) is employed for at least 40 weeks during the income year; and

- (c) receives income from a work activity for which they derive a source deduction payment or, in a case of incapacity for work, an amount of compensation in its place."

(2) Clause 4 applies for the 2009-10 and later income years.

**3 Rates of income tax**

(1) Schedule 1, Part B is repealed, and replaced by the following:

**"PART B**

| On so much income as-                               | The rate of tax for every dollar is- |
|---|--------------------------------------|
| is not more than \$10,000                           | 10 cents                             |
| Is more than \$10,000 but is not more than \$20,000 | 20 cents                             |
| is more than \$20,000                               | 30 cents                             |

(2) In Schedule 1, after Part B, the following is added:

**"PART C**

In the case of an employee to whom the tax code "SEC" under section 113D applies, the rate of withholding from the salary or wages or other source deduction payment of the employee arising from an employment other than the employee's primary employment is 10 cents in every dollar."

(3) Clause 5 applies for the 2009-10 and later income years.

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