

House of Representatives

Supplementary Order Paper

Tuesday, 15 March 2022

Taxation (Annual Rates for 2021-22, GST, and Remedial Matters) Bill

Proposed amendments

David Seymour, in Committee, to move the following amendments:

Clause 2

In *clause 2(28)*, before “**135(7)**,” (page 15, line 24), insert “**131A**,”

New clause 131A

After *clause 131* (page 135, after line 3), insert:

131A Schedule 1 amended (Basic tax rates: income tax, ESCT, RSCT, RWT, and attributed fringe benefits)

In Part A of Schedule 1, replace Table 1 in clause 1 with:

Table 1

Row	Range of dollar in taxable income	Tax rate
1	\$0 – \$14,000	0.105
2	\$14,001 – \$70,000	0.175
3	\$70,001 upwards	0.330

How to use this table:

Find the range in the second column for each dollar in the person’s taxable income, and apply the relevant rate for the dollar in the third column.

Explanatory note

This Supplementary Order Paper amends the Taxation (Annual Rates for 2021-22, GST, and Remedial Matters) Bill. The effect of the amendment would be to adjust the

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income tax brackets and rates set out in Schedule 1 of the Income Tax Act 2007 as follows:

- for the first bracket, for income to \$14,000, the rate would remain unchanged at 10.5%:
- two existing brackets would be combined, with the effect that, for income from \$14,001 to \$70,000, a rate of 17.5% would apply:
- the two remaining brackets would be combined into a single bracket for all income from \$70,001. A rate of 33% would apply to that bracket.

The adjusted rates would take effect from 1 April 2022.