

2019-2020

The Parliament of the  
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

*Presented and read a first time*

**Social Services and Other Legislation  
Amendment (Simplifying Income  
Reporting and Other Measures) Bill 2020**

**No.     , 2020**

*(Social Services)*

**A Bill for an Act to amend the law relating to social  
security, family assistance, student assistance and  
veterans' entitlements, and for related purposes**

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1 **A Bill for an Act to amend the law relating to social**  
2 **security, family assistance, student assistance and**  
3 **veterans' entitlements, and for related purposes**

4 The Parliament of Australia enacts:

5 **1 Short title**

6 This Act is the *Social Services and Other Legislation Amendment*  
7 *(Simplifying Income Reporting and Other Measures) Act 2020*.

8 **2 Commencement**

9 (1) Each provision of this Act specified in column 1 of the table  
10 commences, or is taken to have commenced, in accordance with

1 column 2 of the table. Any other statement in column 2 has effect  
2 according to its terms.

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**Commencement information**

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Provisions</b>	<b>Commencement</b>	<b>Date/Details</b>
1. The whole of this Act	As follows: (a) if this Act receives the Royal Assent before 15 May 2020—1 July 2020; (b) if this Act receives the Royal Assent on or after 15 May 2020—the first day of the first calendar month that occurs after the end of the period of 2 months beginning on the day this Act receives the Royal Assent.	

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

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

10 **3 Schedules**

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12 repealed as set out in the applicable items in the Schedule  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

1 **Schedule 1—Amendments**

2 **Part 1—Simplifying income reporting**

3 *Social Security Act 1991*

4 **1 Paragraph 8(1A)(a)**

5 Omit “earned, derived or received, or that is taken to have been earned,  
6 derived or received, by the person from remunerative work undertaken  
7 by”, substitute “for remunerative work of”.

8 **2 Subparagraph 8(1A)(b)(i)**

9 Omit “that are so earned, derived or received or taken to have been so  
10 earned, derived or received”.

11 **3 Paragraph 8(1B)(a)**

12 Repeal the paragraph, substitute:

- 13 (a) a person is treated, for the purposes of working out the  
14 person’s ordinary income, as having ordinary income of the  
15 person’s partner; and

16 **4 Paragraph 23(4A)(d)**

17 Omit “earns, derives or receives, or is taken to earn, derive or receive,  
18 employment income”, substitute “has employment income”.

19 **5 After subsection 93H(2)**

20 Insert:

- 21 (2A) The annual pension rate is to be worked out under subsection (2)  
22 by disregarding the amendments made by Part 1 of Schedule 1 to  
23 the *Social Services and Other Legislation Amendment (Simplifying*  
24 *Income Reporting and Other Measures) Act 2020*.

25 **6 Paragraph 1061Q(3C)(b)**

26 Omit “earns, derives or receives, or is taken to earn, derive or receive,  
27 employment income”, substitute “has employment income”.

1 **7 Paragraph 1061Q(3F)(b)**

2 Omit “earns, derives or receives, or is taken to earn, derive or receive,  
3 employment income”, substitute “has employment income”.

4 **8 Paragraph 1061Q(3G)(b)**

5 Omit “earns, derives or receives, or is taken to earn, derive or receive,  
6 employment income”, substitute “has employment income”.

7 **9 Paragraph 1061ZEA(2)(e)**

8 Omit “earns, derives or receives, or is taken to earn, derive or receive,  
9 employment income”, substitute “has employment income”.

10 **10 Paragraph 1061ZMA(2)(e)**

11 Omit “earns, derives or receives, or is taken to earn, derive or receive,  
12 employment income”, substitute “has employment income”.

13 **11 Point 1067G-H23**

14 After “ordinary income”, insert “(except employment income)”.

15 **12 At the end of point 1067G-H23**

16 Add:

17 Note: See Division 1AA of Part 3.10 for the treatment of employment  
18 income.

19 **13 After paragraph 1067G-H23A(c)**

20 Insert:  
21 and (d) is not employment income;

22 **14 After subparagraph 1067G-H23B(b)(iii)**

23 Insert:  
24 and (iv) is not employment income;

25 **15 Paragraph 1067G-H24(a)**

26 Omit “ordinary income payments”, substitute “payments of ordinary  
27 income (except employment income)”.

1 **16 Point 1067L-D19**

2 After “ordinary income”, insert “(except employment income)”.

3 **17 At the end of point 1067L-D19**

4 Add:

5 Note: See Division 1AA of Part 3.10 for the treatment of employment  
6 income.

7 **18 After paragraph 1067L-D20(c)**

8 Insert:

9 and (d) is not employment income;

10 **19 After subparagraph 1067L-D21(b)(iii)**

11 Insert:

12 and (iv) is not employment income;

13 **20 Paragraph 1067L-D23(a)**

14 Omit “ordinary income payments”, substitute “payments of ordinary  
15 income (except employment income)”.

16 **21 Point 1068-G7A**

17 After “ordinary income”, insert “(except employment income)”.

18 **22 At the end of point 1068-G7A**

19 Add:

20 Note: See Division 1AA of Part 3.10 for the treatment of employment  
21 income.

22 **23 After paragraph 1068-G7B(c)**

23 Insert:

24 and (d) is not employment income;

25 **24 After subparagraph 1068-G7C(b)(iii)**

26 Insert:

27 and (iv) is not employment income;

1 **25 Paragraph 1068-G8(a)**

2 Omit “ordinary income payments”, substitute “payments of ordinary  
3 income (except employment income)”.

4 **26 Point 1068-G8 (example)**

5 Repeal the example.

6 **27 Point 1068B-D19**

7 After “ordinary income”, insert “(except employment income)”.

8 **28 Point 1068B-D19 (note)**

9 Omit “Note”, substitute “Note 1”.

10 **29 At the end of point 1068B-D19 (after the note)**

11 Add:

12 Note 2: See Division 1AA of Part 3.10 for the treatment of employment  
13 income.

14 **30 Point 1068B-D20**

15 After “ordinary income”, insert “(except employment income)”.

16 **31 Subsection 1073AA(2) (examples 1 and 2)**

17 Omit “earns”, substitute “has”.

18 **32 Subsection 1073AA(4) (example)**

19 Omit “earns”, substitute “has”.

20 **33 Subsection 1073AA(4A) (example)**

21 Omit “earns”, substitute “has”.

22 **34 Paragraph 1073AA(4BA)(a)**

23 After “employment income”, insert “taken, in accordance with  
24 Division 1AA, to have been received”.

25 **35 Subsection 1073AA(5)**

26 Repeal the subsection (not including the heading).



1 **36 Subsection 1073AB(2) (example)**

2 Omit “earns”, substitute “has”.

3 **37 Sections 1073A and 1073B**

4 Repeal the sections, substitute:

5 **1073A Attribution of employment income paid in respect of a**  
6 **particular period or periods**

7 (1) This section applies if:

- 8 (a) a person is receiving a social security pension or a social  
9 security benefit; and  
10 (b) the person’s rate of payment of the pension or benefit is  
11 worked out with regard to the income test module of a rate  
12 calculator in this Chapter; and  
13 (c) one or more amounts of employment income, each of which  
14 is in respect of a particular period or periods (each period is  
15 an *employment period*), are paid in an instalment period of  
16 the person to or for the benefit of the person by the same  
17 employer.

18 Note 1: If the person has multiple employers, this section applies separately in  
19 relation to each employer.

20 Note 2: If a person is receiving a social security pension and is paid  
21 employment income monthly, section 1073B may apply to that  
22 income instead of this section.

23 Note 3: Section 1073BA deals with the payment of employment income that is  
24 not in respect of a particular period.

25 (2) The person is taken to have received the employment income over  
26 a period (the *assessment period*) that consists of the number of  
27 days that is equal to the sum of the number of days in each  
28 employment period, where the assessment period begins on the  
29 first day of the instalment period in which the amounts of  
30 employment income are paid.

31 Example: On 3 June a person is paid \$756 employment income for work the  
32 person performed in the period beginning on 9 May and ending at the  
33 end of 29 May. The number of days in the employment period is 21.  
34 Assume the instalment period begins on 1 June. The person is taken to  
35 have received the \$756 over the period beginning on 1 June and  
36 ending at the end of 21 June (a period of 21 days).

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1 (3) Subject to subsection (4), for each day in the assessment period,  
2 the person is taken to have received an amount of employment  
3 income worked out by dividing the total amount of the  
4 employment income covered by paragraph (1)(c) by the number of  
5 days in the assessment period.

6 Example: To continue the example in subsection (2), the person is taken to have  
7 received \$36 ( $\$756/21$ ) on each of the days in the period beginning on  
8 1 June and ending at the end of 21 June.

9 (4) If the person is taken, under subsection (3), to have received  
10 employment income (the *attributed employment income*) during a  
11 part, but not the whole, of a particular instalment period, the person  
12 is taken to receive on each day in that instalment period an amount  
13 of employment income worked out by dividing the total amount of  
14 the attributed employment income by the number of days in the  
15 instalment period.

16 Example: To continue the example in subsection (2), for the instalment period  
17 beginning on 15 June and ending at the end of 28 June the person is  
18 taken, under subsection (3), to have received employment income  
19 during a part of that instalment period (15 June to 21 June). The  
20 person is taken to have received \$252 ( $\$36 \times 7$ ).

21 Under subsection (4), the person is taken to receive on each day in that  
22 instalment period an amount of employment income of \$18 ( $\$252/14$ ).

### 23 *Interpretation*

24 (5) This section applies in relation to an amount of employment  
25 income paid on a day in an instalment period, whether or not the  
26 amount is received on that day.

27 (6) In applying subsection (2) in relation to one or more amounts of  
28 employment income paid by a particular employer in an instalment  
29 period, in working out the sum of the number of days in each  
30 employment period, if a day in an employment period overlaps  
31 with a day in another employment period, that day must only be  
32 counted once.

### 33 **1073B Attribution of employment income paid monthly**

34 (1) This section applies if:  
35 (a) a person is receiving a social security pension; and

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- 1 (b) the person's rate of payment of the pension is worked out  
2 with regard to the income test module of a rate calculator in  
3 this Chapter; and  
4 (c) an amount (the **initial amount**) of employment income, in  
5 respect of a period of 1 month, is paid on a day in a calendar  
6 month (the **initial calendar month**) to or for the benefit of the  
7 person by the person's employer; and  
8 (d) the Secretary is satisfied that, for the reasonably foreseeable  
9 future, an amount of employment income, in respect of a  
10 period of 1 month, equal to the initial amount will be paid to  
11 or for the benefit of the person by that employer on the  
12 following:  
13 (i) the corresponding day in each calendar month (a **later**  
14 **calendar month**) after the initial calendar month;  
15 (ii) if there is no such day in a later calendar month  
16 month—the last day of the later calendar month.

17 Note: If the person has multiple employers, this section applies separately in  
18 relation to each employer.

- 19 (2) Subject to this section, for the day on which the initial amount is  
20 paid and for each day after that day, the person is taken to have  
21 received an amount of employment income worked out as follows:

$$\frac{\text{Initial amount} \times 12}{364}$$

22

- 23 (3) If, after the day on which the initial amount is paid, the Secretary  
24 ceases to be satisfied as mentioned in paragraph (1)(d) in relation  
25 to the person and the person's employer, then subsection (2) ceases  
26 to apply in relation to the person and the person's employer at the  
27 end of the period of 1 month beginning on the last payment day.

- 28 (4) For the purposes of this section, a **payment day** is:  
29 (a) the day in the calendar month on which the initial amount is  
30 paid by the person's employer; or  
31 (b) the following on which an amount of employment income  
32 equal to the initial amount is paid to or for the benefit of the  
33 person by that employer:  
34 (i) a corresponding day in a later calendar month;

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1 (ii) if there is no such day in a later calendar month—the  
2 last day of the later calendar month.

3 (5) If the person is taken, under this section, to have received  
4 employment income (the *attributed employment income*) during a  
5 part, but not the whole, of a particular instalment period, the person  
6 is taken to receive on each day in that instalment period an amount  
7 of employment income worked out by dividing the total amount of  
8 the attributed employment income by the number of days in the  
9 instalment period.

10 (6) Section 1073A does not apply to an amount of employment income  
11 covered by paragraph (4)(a) or (b).

12 *Interpretation*

13 (7) This section applies in relation to an amount of employment  
14 income paid on a day in a calendar month, whether or not the  
15 amount is received on that day.

16 (8) Subsection (3) does not prevent a later application of this section in  
17 relation to the person, whether in connection with the same  
18 employer or another employer.

19 **1073BA Attribution of employment income paid not in respect of a**  
20 **particular period**

21 (1) This section applies if:

- 22 (a) a person is receiving a social security pension or a social  
23 security benefit; and  
24 (b) the person's rate of payment of the pension or benefit is  
25 worked out with regard to the income test module of a rate  
26 calculator in this Chapter; and  
27 (c) an amount of employment income is paid on a day to or for  
28 the benefit of the person; and  
29 (d) the employment income is not in respect of a particular  
30 period.

31 (2) The person is taken to have received that employment income over  
32 such period, not exceeding 52 weeks, as the Secretary determines.

- 1 (3) The period determined by the Secretary must begin on the first day  
2 of the instalment period in which the amount of employment  
3 income is paid.
- 4 (4) Subject to subsection (5), for each day in the period determined by  
5 the Secretary, the person is taken to have received an amount of  
6 employment income worked out by dividing the amount of  
7 employment income covered by paragraph (1)(c) by the number of  
8 days in that period.
- 9 (5) If the person is taken, under subsection (4), to have received  
10 employment income (the *attributed employment income*) during a  
11 part, but not the whole, of a particular instalment period, the person  
12 is taken to receive on each day in that instalment period an amount  
13 of employment income worked out by dividing the total amount of  
14 the attributed employment income by the number of days in the  
15 instalment period.

16 *Interpretation*

- 17 (6) This section applies in relation to an amount of employment  
18 income paid on a day, whether or not the amount is received on  
19 that day.

20 **1073BB Anti-avoidance**

- 21 (1) This section applies if:
- 22 (a) a person (the *relevant person*) is receiving a social security  
23 pension or a social security benefit; and
- 24 (b) the relevant person earns or derives employment income  
25 during the whole or a part of an instalment period of the  
26 person; and
- 27 (c) one or more entities (who may be, or may include, the  
28 relevant person) enter into, commence to carry out, or carry  
29 out, a scheme to defer the payment of that employment  
30 income; and
- 31 (d) it would be concluded that the entity, or any of the entities,  
32 who entered into, commenced to carry out, or carried out, the  
33 scheme did so for the sole or dominant purpose of obtaining a  
34 social security advantage for a person (who may be the  
35 relevant person or may be the entity or one of the entities).

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- 1 (2) The Secretary may determine that the relevant person is taken to  
2 have received an amount of employment income, equal to the  
3 amount of employment income referred to in paragraph (1)(b),  
4 over the period determined by the Secretary.
- 5 (3) The period determined by the Secretary must begin on the first day  
6 of the instalment period referred to in paragraph (1)(b).
- 7 (4) Subject to subsection (5), for each day in the period determined by  
8 the Secretary, the relevant person is taken to have received an  
9 amount of employment income worked out by dividing the total  
10 amount of the employment income referred to in paragraph (1)(b)  
11 by the number of days in that period.
- 12 (5) If the relevant person is taken, under subsection (4), to have  
13 received employment income (the *attributed employment income*)  
14 during a part, but not the whole, of a particular instalment period,  
15 the relevant person is taken to receive on each day in that  
16 instalment period an amount of employment income worked out by  
17 dividing the total amount of the attributed employment income by  
18 the number of days in the instalment period.
- 19 (6) Sections 1073A, 1073B and 1073BA do not apply in relation to the  
20 payment of the employment income referred to in paragraph (1)(b).
- 21 (7) A determination under subsection (2) has effect accordingly.

22 *Obtaining a social security advantage*

- 23 (8) For the purposes of this section, an entity has a purpose of  
24 obtaining a social security advantage for a person (who may be the  
25 entity) if the entity has a purpose of:
- 26 (a) enabling the person to obtain any of the following:
- 27 (i) a social security pension;
- 28 (ii) a social security benefit;
- 29 (iii) a service pension;
- 30 (iv) income support supplement;
- 31 (v) a veteran payment;
- 32 (vi) a payment under the ABSTUDY Scheme; or
- 33 (b) enabling the person to obtain any of the following at a higher  
34 rate than would otherwise have been payable:

- 1 (i) a social security pension;
- 2 (ii) a social security benefit;
- 3 (iii) a service pension;
- 4 (iv) income support supplement;
- 5 (v) a veteran payment;
- 6 (vi) a payment under the ABSTUDY Scheme.

7 *Definitions*

8 (9) In this section:

9 **entity** means any of the following:

- 10 (a) an individual;
- 11 (b) a company within the meaning of the *Income Tax Assessment*
- 12 *Act 1997*;
- 13 (c) a trust;
- 14 (d) a partnership within the meaning of the *Income Tax*
- 15 *Assessment Act 1997*;
- 16 (e) any other unincorporated association or body of persons;
- 17 (f) a corporation sole;
- 18 (g) a body politic.

19 **scheme** means:

- 20 (a) any agreement, arrangement, understanding, promise or
- 21 undertaking, whether express or implied and whether or not
- 22 enforceable, or intended to be enforceable, by legal
- 23 proceedings; or
- 24 (b) any scheme, plan, proposal, action, course of action or course
- 25 of conduct, whether there are 2 or more parties or only one
- 26 party involved.

27 **1073BC Exclusion of certain payments**

28 Sections 1073A, 1073B, 1073BA and 1073BB do not apply in

29 relation to the following:

- 30 (a) a payment in respect of which a person is taken to have
- 31 received ordinary income for a period under point 1064-F4,
- 32 1066A-G4, 1067G-H11, 1067L-D5, 1068-G7AG, 1068A-E3
- 33 or 1068B-D9;

- 1 (b) a payment in respect of which a person is taken to receive an  
2 amount under point 1064-F10, 1066A-G10, 1067G-H15,  
3 1067L-D11 or 1068-G7AL;  
4 (c) an amount that a person's ordinary income is taken to include  
5 under point 1067G-H5 or 1068-G7AA.

6 **1073BD Daily attribution of employment income for amounts not**  
7 **elsewhere covered in this Division**

8 If:

- 9 (a) a person is receiving a social security pension or a social  
10 security benefit; and  
11 (b) the person's rate of payment of the pension or benefit is  
12 worked out with regard to the income test module of a rate  
13 calculator in this Chapter; and  
14 (c) the person is taken, under a provision of this Act (except  
15 section 1073A, 1073B, 1073BA or 1073BB), to receive  
16 employment income during the whole or a part of a particular  
17 instalment period of the person;  
18 the person is taken to receive, on each day in that instalment  
19 period, an amount of employment income worked out by dividing  
20 the total amount of the employment income referred to in  
21 paragraph (c) by the number of days in the instalment period.

22 **38 Section 1073C**

23 Omit "section 1073B, a person is taken to earn, derive or receive",  
24 substitute "section 1073A, 1073B, 1073BA, 1073BB or 1073BD, a  
25 person is taken to receive".

26 **39 Section 1073F (method statement, step 1)**

27 Repeal the step, substitute:

28 

Step 1. Work out the amount (including a nil amount) of the 29 participant's employment income taken, in accordance 30 with Division 1AA, to have been received on that day.
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31 **40 Section 1073H (method statement, step 1)**

32 Repeal the step, substitute:

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1 Step 1. Work out the amount (including a nil amount) of the  
2 participant's employment income taken, in accordance  
3 with Division 1AA, to have been received on that day.

4 **41 Subparagraph 1073J(b)(i)**

5 Omit "earn, derive or receive, or to be taken to earn, derive or receive,"  
6 substitute "be taken, under a provision of this Act, to receive".

7 **42 Subparagraph 1073J(b)(ii)**

8 Omit "earned, derived or received, or taken to be earned, derived or  
9 received," substitute "taken, under a provision of this Act, to be  
10 received".

11 ***Social Security (Administration) Act 1999***

12 **43 Paragraph 96(3)(a)**

13 Omit "the income, or increased income, earned by the person from his  
14 or her employment", substitute "employment income of the person".

15 **44 Paragraph 96(3)(b)**

16 Omit "income or increased income", substitute "employment income".

17 **45 Paragraph 97(3)(a)**

18 Omit "the income, or increased income, earned by the person from his  
19 or her employment", substitute "employment income of the person".

20 **46 Paragraph 97(3)(b)**

21 Omit "income earned by the person from his or her employment",  
22 substitute "employment income of the person".

23 **47 Paragraph 97B(1)(a)**

24 Omit "the income, or increased income, earned by the person from his  
25 or her employment", substitute "employment income of the person".

26 **48 Paragraph 97B(1)(b)**

27 Omit "income or increased income", substitute "employment income".

1 **49 Paragraph 97B(1)(d)**

2 Omit “income the person earned from his or her employment”,  
3 substitute “employment income of the person”.

4 **50 Subparagraph 110(1A)(b)(i)**

5 Omit “employment income that is earned, derived or received, or that is  
6 taken to have been earned, derived or received, by the person”,  
7 substitute “the person’s employment income taken, in accordance with  
8 Division 1AA of Part 3.10 of the 1991 Act, to have been received by the  
9 person”.

10 **51 Subparagraph 110(1A)(b)(ii)**

11 Omit “ceased to earn, derive or receive, or to be taken to earn, derive or  
12 receive, employment income”, substitute “ceased to be taken, in  
13 accordance with that Division, to have received employment income”.

14 **52 Subparagraph 110(2A)(b)(i)**

15 Omit “employment income that is earned, derived or received, or that is  
16 taken to have been earned, derived or received, by the person”,  
17 substitute “the person’s employment income taken, in accordance with  
18 Division 1AA of Part 3.10 of the 1991 Act, to have been received by the  
19 person”.

20 **53 Subparagraph 110(2A)(b)(ii)**

21 Omit “ceased to earn, derive or receive, or to be taken to earn, derive or  
22 receive, employment income”, substitute “ceased to be taken, in  
23 accordance with that Division, to have received employment income”.

24 **54 Subparagraph 110(3A)(g)(i)**

25 Omit “employment income that is earned, derived or received, or that is  
26 taken to have been earned, derived or received, by the partner”,  
27 substitute “the partner’s employment income taken, in accordance with  
28 Division 1AA of Part 3.10 of the 1991 Act, to have been received by the  
29 partner”.

1 **55 Subparagraph 110(3A)(g)(ii)**

2 Omit “ceased to earn, derive or receive, or to be taken to earn, derive or  
3 receive, employment income”, substitute “ceased to be taken, in  
4 accordance with that Division, to have received employment income”.

5 **56 Paragraph 118(2A)(b)**

6 Omit “earns, derives or receives, or is taken to earn, derive or receive,”,  
7 substitute “is taken, in accordance with Division 1AA of Part 3.10 of  
8 the 1991 Act, to have received”.

9 **57 Subparagraph 118(2B)(b)(ii)**

10 Omit “earns, derives or receives, or is taken to earn, derive or receive,”,  
11 substitute “is taken, in accordance with Division 1AA of Part 3.10 of  
12 the 1991 Act, to have received”.

13 **58 Paragraph 118(5A)(b)**

14 Omit “earns, derives or receives, or is taken to earn, derive or receive,”,  
15 substitute “is taken, in accordance with Division 1AA of Part 3.10 of  
16 the 1991 Act, to have received”.

17 **59 Subparagraph 118(5B)(b)(ii)**

18 Omit “earns, derives or receives, or is taken to earn, derive or receive,”,  
19 substitute “is taken, in accordance with Division 1AA of Part 3.10 of  
20 the 1991 Act, to have received”.

21 **60 Paragraph 118(6A)(g)**

22 Omit “earns, derives or receives, or is taken to earn, derive or receive,”,  
23 substitute “is taken, in accordance with Division 1AA of Part 3.10 of  
24 the 1991 Act, to have received”.

25 **61 Subparagraph 118(6B)(g)(ii)**

26 Omit “earns, derives or receives, or is taken to earn, derive or receive,”,  
27 substitute “is taken, in accordance with Division 1AA of Part 3.10 of  
28 the 1991 Act, to have received”.

1 ***Veterans' Entitlements Act 1986***

2 **62 Section 45UF**

3 Before "For the purposes of", insert "(1)".

4 **63 At the end of section 45UF**

5 Add:

6 (2) The annual pension rate is to be worked out under subsection (1)  
7 by disregarding the amendments made by Part 1 of Schedule 1 to  
8 the *Social Services and Other Legislation Amendment (Simplifying*  
9 *Income Reporting and Other Measures) Act 2020*.

10 **64 Subsection 46AA(2) (examples 1 and 2)**

11 Omit "earns", substitute "has".

12 **65 Subsection 46AA(4) (example)**

13 Omit "earns", substitute "has".

14 **66 Subsection 46AA(4A) (example)**

15 Omit "earns", substitute "has".

16 **67 Paragraph 46AA(4BA)(a)**

17 Omit "for", substitute "received in".

18 **68 Paragraph 46AB(1)(a)**

19 Omit "earned, derived or received, or that is taken to have been earned,  
20 derived or received, by the person from remunerative work undertaken  
21 by", substitute "for remunerative work of".

22 **69 Subparagraph 46AB(1)(b)(i)**

23 Omit "that are so earned, derived or received or taken to have been so  
24 earned, derived or received".

25 **70 Subsection 46AC(2) (example)**

26 Omit "earns", substitute "has".

1 **71 Subsection 46AD(3) (example)**

2 Omit “earns”, substitute “has”.

3 **72 Application and saving provisions—social security**  
4 **legislation**

5 (1) The amendments made by items 4, 6 to 11, 15, 16, 20, 21, 25, 27, 30,  
6 34, 35, 37 (to the extent that it substitutes sections 1073A, 1073B and  
7 1073BA of the *Social Security Act 1991*) and 38 to 42 apply in relation  
8 to an amount of employment income paid to or for the benefit of a  
9 person:

10 (a) on or after the commencement of this item; and

11 (b) if the person has a transitional instalment period—after the  
12 beginning of that period and before this item commences.

13 (2) Subitem (1) does not apply in relation to an amount of employment  
14 income to the extent that the amount:

15 (a) was earned or derived before the commencement of this item;  
16 and

17 (b) has been taken into account in working out the person’s rate  
18 of social security pension or social security benefit.

19 (3) Subitem (1) does not apply in relation to a lump sum amount paid to a  
20 person, or a partner of a person, after the beginning of a transitional  
21 instalment period of the person and before this item commences, where  
22 the lump sum amount is covered by point 1067G-H23A, 1067G-H23B,  
23 1067L-D20, 1067L-D21, 1068-G7B or 1068-G7C of the *Social Security*  
24 *Act 1991*.

25 (4) Subitem (1) does not apply in relation to a lump sum amount of  
26 employment income in respect of which paragraphs 1073A(1)(a) and  
27 (b) of the *Social Security Act 1991* are satisfied before the  
28 commencement of this item. Section 1073A of that Act, as in force  
29 immediately before that commencement, continues to apply in relation  
30 to that amount on and after that commencement.

31 (5) The amendments made by items 13, 14, 18, 19, 23 and 24 apply in  
32 relation to a lump sum amount that is paid on or after the  
33 commencement of this item.

**Schedule 1** Amendments

**Part 1** Simplifying income reporting

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- 1 (6) Section 1073BB of the *Social Security Act 1991*, as substituted by this  
2 Part, applies in relation to an amount of employment income referred to  
3 in paragraph 1073BB(1)(b) of that Act that is earned or derived on or  
4 after the commencement of this item, whether:
- 5 (a) the instalment period referred to in that paragraph begins  
6 before, on or after that commencement; or
- 7 (b) the scheme was entered into, or commenced to be carried out,  
8 before, on or after that commencement.
- 9 (7) Paragraph 1073BD(c) of the *Social Security Act 1991*, as substituted by  
10 this Part, applies in relation to an amount of employment income that,  
11 on or after the commencement of this item, a person is taken to receive,  
12 whether the instalment period referred to in that paragraph begins  
13 before, on or after that commencement.
- 14 (8) The amendments of sections 96, 97 and 97B of the *Social Security*  
15 *(Administration) Act 1999* made by this Part apply in relation to an  
16 amount of employment income paid on or after the commencement of  
17 this item.
- 18 (9) Sections 96, 97 and 97B of the *Social Security (Administration) Act*  
19 *1999*, as in force immediately before the commencement of this item,  
20 continue to apply on and after that commencement in relation to  
21 income, or increased income, earned by a person before that  
22 commencement from the person's employment.
- 23 (10) The amendments of sections 110 and 118 of the *Social Security*  
24 *(Administration) Act 1999* made by this Part apply in relation to:
- 25 (a) an instalment period of a person that begins on or after the  
26 commencement of this item; and
- 27 (b) a transitional instalment period of a person.
- 28 (11) In this item:
- 29 ***transitional instalment period***, of a person, means an instalment period  
30 that begins before the day on which this item commences and includes  
31 that day.

32 **73 Application provision—veterans' entitlements legislation**

33 The amendment made by item 67 applies in respect of a pension period  
34 that includes the day on which this item commences and later pension  
35 periods.

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1 **Part 2—Exchange of information relating to taxation**  
2 **information**

3 *A New Tax System (Family Assistance) (Administration) Act*  
4 *1999*

5 **74 After section 161**

6 Insert:

7 **161A Definitions**

8 In this Division:

9 *taxation information* means information (including protected  
10 information within the meaning of subsection 355-30(1) in  
11 Schedule 1 to the *Taxation Administration Act 1953* but not  
12 including a tax file number) that is held by a taxation officer.

13 *taxation officer* means the following:

- 14 (a) a person who is a taxation officer within the meaning of  
15 subsection 355-30(2) in Schedule 1 to the *Taxation*  
16 *Administration Act 1953*;  
17 (b) an entity covered by section 355-15 in that Schedule.

18 **75 Section 162 (heading)**

19 Repeal the heading, substitute:

20 **162 Permitted obtaining of, making a record of, disclosure of or use**  
21 **of protected information**

22 **76 At the end of subsection 162(1)**

23 Add:

24 Note: For an example of obtaining protected information for the purposes of  
25 the family assistance law, see section 162A.

26 **77 At the end of subsection 162(2)**

27 Add:

1 Note: For an example of a disclosure of, making a record of or the use of  
2 protected information for the purposes of the family assistance law,  
3 see section 162A.

4 **78 After section 162**

5 Insert:

6 **162A Obtaining of, making a record of, disclosure of or use of**  
7 **protected information relating to taxation information**

8 *Disclosure to taxation officers for matching against taxation*  
9 *information*

- 10 (1) A disclosure of protected information by an officer is made for the  
11 purposes of the family assistance law if:  
12 (a) the disclosure is to a taxation officer; and  
13 (b) the disclosure is for the purposes of a taxation officer  
14 matching that information against taxation information to  
15 facilitate the performance of functions, or the exercise of  
16 powers, under the family assistance law.
- 17 (2) The obtaining of, making of a record of or the use of protected  
18 information by an officer is for the purposes of the family  
19 assistance law if the obtaining of, making of the record of or the  
20 use of the protected information is in connection with a disclosure  
21 referred to in subsection (1).

22 *Authorised collection of personal information that is taxation*  
23 *information*

- 24 (3) The collection of personal information about a person is authorised  
25 by this Act for the purposes of the *Privacy Act 1988* if:  
26 (a) the personal information is taxation information; and  
27 (b) the collection is from a taxation officer; and  
28 (c) the collection is for the purposes of the family assistance law.

29 *Obtaining of taxation information*

- 30 (4) If an officer obtains personal information about a person in the  
31 circumstances referred to in subsection (3), then the officer has  
32 obtained the information under the family assistance law.



1 *Interpretation*

2 (5) This section does not limit section 162.

3 **79 Section 163 (heading)**

4 Repeal the heading, substitute:

5 **163 Offence—unauthorised obtaining of protected information**

6 **80 Section 164 (heading)**

7 Repeal the heading, substitute:

8 **164 Offence—unauthorised making a record of, disclosure of or use**  
9 **of protected information**

10 **81 Subsection 223(1)**

11 After “for which the Secretary”, insert “or any other officer”.

12 **82 At the end of subsection 223(1)**

13 Add:

14 Note: The definition of *decision* in subsection 3(1) covers the doing of any  
15 act or thing. This means, for example, that the doing of things under  
16 subsection 162(1) or (2) are decisions for the purposes of this section.

17 ***Social Security (Administration) Act 1999***

18 **83 Subsection 6A(1)**

19 After “for which the Secretary”, insert “or any other officer”.

20 **84 At the end of subsection 6A(1)**

21 Add:

22 Note: The definition of *decision* in the 1991 Act applies for the purposes of  
23 this section: see subsection 3(2) of this Act. That definition covers the  
24 doing of any act or thing. This means, for example, that the doing of  
25 things under subsection 202(1) or (2) of this Act are decisions for the  
26 purposes of this section.

1 **85 Section 201A (heading)**

2 Repeal the heading, substitute:

3 **201A Definitions**

4 **86 Section 201A**

5 Insert:

6 *taxation information* means information (including protected  
7 information within the meaning of subsection 355-30(1) in  
8 Schedule 1 to the *Taxation Administration Act 1953* but not  
9 including a tax file number) that is held by a taxation officer.

10 *taxation officer* means the following:

11 (a) a person who is a taxation officer within the meaning of  
12 subsection 355-30(2) in Schedule 1 to the *Taxation*  
13 *Administration Act 1953*;

14 (b) an entity covered by section 355-15 in that Schedule.

15 **87 Section 202 (heading)**

16 Repeal the heading, substitute:

17 **202 Permitted obtaining of, making a record of, disclosure of or use**  
18 **of protected information**

19 **88 At the end of subsection 202(1)**

20 Add:

21 Note: For an example of obtaining protected information for the purposes of  
22 the social security law, see section 202A.

23 **89 At the end of subsection 202(2)**

24 Add:

25 Note: For an example of a disclosure of, making a record of or the use of  
26 protected information for the purposes of the social security law, see  
27 section 202A.

28 **90 After section 202**

29 Insert:

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1 **202A Obtaining of, making a record of, disclosure of or use of**  
2 **protected information relating to taxation information**

3 *Disclosure to taxation officers for matching against taxation*  
4 *information*

- 5 (1) A disclosure of protected information by an officer is made for the  
6 purposes of the social security law if:  
7 (a) the disclosure is to a taxation officer; and  
8 (b) the disclosure is for the purposes of a taxation officer  
9 matching that information against taxation information to  
10 facilitate the performance of functions, or the exercise of  
11 powers, under the social security law.
- 12 (2) The obtaining of, making of a record of or the use of protected  
13 information by an officer is for the purposes of the social security  
14 law if the obtaining of, making of the record of or the use of the  
15 protected information is in connection with a disclosure referred to  
16 in subsection (1).

17 *Authorised collection of personal information that is taxation*  
18 *information*

- 19 (3) The collection of personal information about a person is authorised  
20 by this Act for the purposes of the *Privacy Act 1988* if:  
21 (a) the personal information is taxation information; and  
22 (b) the collection is from a taxation officer; and  
23 (c) the collection is for the purposes of the social security law.

24 *Obtaining of taxation information*

- 25 (4) If an officer obtains personal information about a person in the  
26 circumstances referred to in subsection (3), then the officer has  
27 obtained the information under the social security law.

28 *Interpretation*

- 29 (5) This section does not limit section 202.

30 **91 Section 203 (heading)**

31 Repeal the heading, substitute:

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1 **203 Offence—unauthorised obtaining of protected information**

2 **92 Section 204 (heading)**

3 Repeal the heading, substitute:

4 **204 Offence—unauthorised making a record of, disclosure of or use**  
5 **of protected information**

6 *Student Assistance Act 1973*

7 **93 After section 350**

8 Insert:

9 **350A Definitions**

10 In this Division:

11 *taxation information* means information (including protected  
12 information within the meaning of subsection 355-30(1) in  
13 Schedule 1 to the *Taxation Administration Act 1953* but not  
14 including a tax file number) that is held by a taxation officer.

15 *taxation officer* means the following:

- 16 (a) a person who is a taxation officer within the meaning of  
17 subsection 355-30(2) in Schedule 1 to the *Taxation*  
18 *Administration Act 1953*;  
19 (b) an entity covered by section 355-15 in that Schedule.

20 **94 Section 351 (heading)**

21 Repeal the heading, substitute:

22 **351 Permitted obtaining of, making a record of, disclosure of or use**  
23 **of protected information**

24 **95 At the end of subsection 351(1) (before the note)**

25 Add:

26 Note 1: For an example of obtaining protected information for the purposes of  
27 this Act (including the purposes of the administration of the  
28 ABSTUDY scheme), see section 351A.

1 **96 Subsection 351(1) (note)**

2 Omit “Note”, substitute “Note 2”.

3 **97 Subsection 351(2) (heading)**

4 Repeal the heading, substitute:

5 *Making a record of, disclosure of or use of protected information*

6 **98 At the end of subsection 351(2) (before the note)**

7 Add:

8 Note 1: For an example of a disclosure of, making a record of or the use of  
9 protected information for the purposes of this Act (including the  
10 purposes of the administration of the ABSTUDY scheme), see  
11 section 351A.

12 **99 Subsection 351(2) (note)**

13 Omit “Note”, substitute “Note 2”.

14 **100 After section 351**

15 Insert:

16 **351A Obtaining of, making a record of, disclosure of or use of**  
17 **protected information relating to taxation information**

18 *Disclosure to taxation officers for matching against taxation*  
19 *information*

20 (1) A disclosure of protected information by an officer is made for the  
21 purposes of this Act (including the purposes of the administration  
22 of the ABSTUDY scheme) if:

23 (a) the disclosure is to a taxation officer; and

24 (b) the disclosure is for the purposes of a taxation officer  
25 matching that information against taxation information to  
26 facilitate the performance of functions, or the exercise of  
27 powers, under this Act or the ABSTUDY scheme.

28 (2) The obtaining of, making of a record of or the use of protected  
29 information by an officer is for the purposes of this Act (including  
30 the purposes of the administration of the ABSTUDY scheme) if the

1 obtaining of, making of the record of or the use of the protected  
2 information is in connection with a disclosure referred to in  
3 subsection (1).

4 *Authorised collection of personal information that is taxation*  
5 *information*

- 6 (3) The collection of personal information about a person is authorised  
7 by this Act for the purposes of the *Privacy Act 1988* if:  
8 (a) the personal information is taxation information; and  
9 (b) the collection is from a taxation officer; and  
10 (c) the collection is for the purposes of this Act (including the  
11 purposes of the administration of the ABSTUDY scheme).

12 *Interpretation*

- 13 (4) This section does not limit section 351.

14 **351B Secretary may arrange for use of computer programs to make**  
15 **decisions**

- 16 (1) The Secretary may arrange for the use, under the Secretary's  
17 control, of computer programs for any purposes for which an  
18 officer may make a decision that is the doing of a thing under  
19 subsection 351(1) or (2).  
20 (2) A decision made by the operation of a computer program under an  
21 arrangement made under subsection (1) is taken to be a decision  
22 made by the Secretary.

23 **101 Section 352 (heading)**

24 Repeal the heading, substitute:

25 **352 Offence—unauthorised obtaining of protected information**

26 **102 Section 353 (heading)**

27 Repeal the heading, substitute:

28 **353 Offence—unauthorised making a record of, disclosure of or use**  
29 **of protected information**

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1 **Part 3—Other amendments**

2 *Social Security Act 1991*

3 **103 Subsection 8(1) (note 3 to the definition of *ordinary***  
4 ***income*)**

5 Omit “sections 1072 and 1073 (ordinary income concept)”, substitute  
6 “Division 1 of Part 3.10 (ordinary income concept and treatment of  
7 certain income amounts)”.

8 **104 Point 1064-E1 (note 2)**

9 Omit “(sections 1072 and 1073)”, substitute “and the treatment of  
10 certain income amounts (Division 1 of Part 3.10)”.

11 **105 Point 1066-E1 (note 2)**

12 Omit “(sections 1072 and 1073)”, substitute “and the treatment of  
13 certain income amounts (Division 1 of Part 3.10)”.

14 **106 Point 1066A-F1 (note 2)**

15 Omit “(sections 1072 and 1073)”, substitute “and the treatment of  
16 certain income amounts (Division 1 of Part 3.10)”.

17 **107 Point 1067G-H1 (note 2)**

18 Omit “(sections 1072 and 1073)”, substitute “and the treatment of  
19 certain income amounts (Division 1 of Part 3.10)”.

20 **108 Point 1067G-H23**

21 Omit “section 1073”, substitute “sections 1072A and 1073”.

22 **109 Point 1067L-D1 (note 2)**

23 Omit “(sections 1072 and 1073)”, substitute “and the treatment of  
24 certain income amounts (Division 1 of Part 3.10)”.

25 **110 Point 1067L-D19**

26 Omit “section 1073”, substitute “sections 1072A and 1073”.

1 **111 Point 1068-G1 (note 3)**

2 Omit “(sections 1072 and 1073)”, substitute “and the treatment of  
3 certain income amounts (Division 1 of Part 3.10)”.

4 **112 Point 1068-G7A**

5 Omit “section 1073”, substitute “sections 1072A and 1073”.

6 **113 Point 1068A-E1 (note 2)**

7 Omit “(sections 1072 and 1073)”, substitute “and the treatment of  
8 certain income amounts (Division 1 of Part 3.10)”.

9 **114 Point 1068B-D1 (note 3)**

10 Omit “(sections 1072 and 1073)”, substitute “and the treatment of  
11 certain income amounts (Division 1 of Part 3.10)”.

12 **115 Division 1 of Part 3.10 of Chapter 3 (heading)**

13 Repeal the heading, substitute:

14 **Division 1—Ordinary income concept and treatment of**  
15 **certain income amounts**

16 **116 After section 1072**

17 Insert:

18 **1072A Treatment of certain lump sum payments**

19 (1) This section applies if:

- 20 (a) a person has claimed a social security pension or a social  
21 security benefit; and  
22 (b) on or after the first day of the period of 12 months ending at  
23 the end of the day the person made the claim, the person  
24 receives an amount of income in the form of a lump sum  
25 payment of arrears of periodic payments; and  
26 (c) the lump sum payment is not income within the meaning of  
27 Division 1B or 1C of this Part; and  
28 (d) the lump sum payment is not in relation to remunerative  
29 work undertaken by the person; and  
30 (e) the lump sum payment is not an exempt lump sum; and
-



- 1 (f) the lump sum payment is not a payment of compensation.
- 2 (2) The Secretary may determine that the person is taken to have  
3 received the lump sum payment over such period, not exceeding 52  
4 weeks, as the Secretary determines.
- 5 (3) The period determined by the Secretary must begin on the day on  
6 which the person received the lump sum payment.
- 7 (4) For each day in the period determined by the Secretary, the person  
8 is taken to have received an amount of ordinary income worked out  
9 by dividing the amount of the lump sum payment by the number of  
10 days in that period.

11 **117 Subsection 1228A(3)**

12 Omit “Section 1073 does”, substitute “Sections 1072A and 1073 do”.

13 **118 Application provision**

14 Section 1072A of the *Social Security Act 1991*, as inserted by this Part,  
15 applies in relation to a lump sum payment received on or after the  
16 commencement of this item.