



Australian Government  
Australian Taxation Office

# MEDIA RELEASE

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## ATO provides advice on MRRT repeal

The ATO has published further advice for taxpayers after the Minerals Resource Rent Tax Repeal and Other Measures Bill 2014 received Royal Assent.

The Bill contains measures which will see the repeal of the company loss carry-back provisions, reduction of the instant asset write-off, abolition of the accelerated depreciation for motor vehicles and abolition of geothermal energy concessions.

Small businesses can call the ATO for advice about the changes on 13 28 66. The ATO will be working closely with tax practitioners and industry on the administrative changes so they can provide assistance and advice to their clients.

To ensure taxpayers were aware of the likely changes, the ATO in November 2013 published advice that the Government was intending to abolish these measures. [Links](#) to information.

The ATO understands that the Government intends to recommend to the Governor-General, His Excellency General the Honourable Sir Peter Cosgrove AK MC (Ret'd) to fix 30 September 2014 as the commencement date for Schedules 1 to 5 to the *Minerals Resource Rent Tax Repeal and Other Measures Act 2014*. As a result the following are the dates of effect for most taxpayers <sup>1</sup>:

- Schedule 1 – Abolition of the mining tax from 1 October 2014 (with taxpayers final MRRT year (even if it is a part year) ending on 30 September 2014);
- Schedule 2 – Abolition of the company loss carry-back from 1 July 2013;
- Schedule 3 - Reduction of the instant asset write-off from 1 January 2014;
- Schedule 4 - Abolition of accelerated depreciation for motor vehicles from 1 January 2014; and
- Schedule 5 - Abolition of geothermal energy concessions from 1 July 2014.

The repeal of the MRRT will be prospective. The effect of the repeal is that entities will not accrue further MRRT liabilities from 1 October 2014. The ATO will be consulting with industry to implement the administrative approach.

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<sup>1</sup> Taxpayers with a substituted accounting period may have a different date of effect.

The repeal of the company loss carry-back provisions applies from 1 July 2013 for most taxpayers. Companies who have claimed the offset and are now no longer eligible will be contacted by the ATO about their circumstances. The ATO will amend the affected assessments and taxpayers will not be subject to penalties and interest if payment is made within a reasonable time.

The repeal of the provisions allowing small businesses asset write-off concessions apply from 1 January 2014 for most taxpayers. Those taxpayers who have lodged their 2013/14 income year return under the previous law should now seek amendments to reduce their depreciation claim. The ATO does not intend to apply penalties or the shortfall interest charge if taxpayers request amend their assessments within a reasonable period of time.

The [Minerals Resource Rent Tax Repeal and Other Measures Act 2014](#) contains the repeal of other related measures and taxpayers should see the ATO advice on the [New Legislation webpage](#) for more information.