



29 September, 2020

**File:** OBPR ID 42594

Mr Jason Lange  
Executive Director  
Office of Best Practice Regulation  
Department of the Prime Minister and Cabinet  
1 National Circuit  
BARTON ACT 2600

Email: [helpdesk-OBPR@pmc.gov.au](mailto:helpdesk-OBPR@pmc.gov.au)

Dear Mr Lange

**REGULATION IMPACT STATEMENT – TEMPORARY LOSS CARRY-BACK – SECOND PASS FINAL ASSESSMENT**

I am writing in relation to the attached Regulation Impact Statement (RIS) prepared to introduce a temporary loss carry-back.

I am satisfied that the RIS addresses the concerns raised in your letter of 25 September 2020. Specifically, the RIS provides:

- a more comprehensive explanation of the options and how they might operate, including hypothetical examples;
- additional detail on the anticipated impacts for each option on corporate taxpayers as well as the fiscal and broader economic impacts;
- further explanation of the impact each option may have on tax integrity; and
- a better description of recent consultation and outcomes, as well as some assertion of the currency in relation to historically-held stakeholder views.

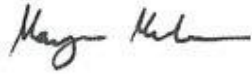
I note the economic analysis included in this RIS was made available to decision makers prior to a final decision being made. This RIS was finalised as part of the preparation of legislation after the final policy decision was made.

The regulatory costs for this proposal are estimated at \$20 million per year. A regulatory offset has not been identified. However, Treasury is seeking to pursue net reductions in compliance costs and will work with affected stakeholders and across government to identify regulatory burden reductions where appropriate.

Accordingly, I am satisfied that the RIS is now consistent with the six principles for Australian Government policy makers as specified in the *Australian Government Guide to Regulatory Impact Analysis*.

I submit the RIS to the Office of Best Practice Regulation for formal final assessment.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Maryanne Mrakovcic', written in a cursive style.

Maryanne Mrakovcic  
Deputy Secretary  
Revenue Group  
The Treasury