Draft Amendments to Australian Employee Share Scheme Tax Rules are Released

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The Australian government recently released drafts of amendments to the employee share scheme tax rules, proposed to take effect on or after July 1, 2015. The proposals would reverse some of the changes made in 2009 and provide some tax concessions for employees of certain small start-up companies. With respect to reversals of 2009 legislation, changes include permitting the deferral of taxation for share rights if the participant does not own or have voting rights of more than 10 percent of the company (rather than?Ã¡five percent) and permitting the deferral of taxation until the time of exercise of the share right (rather than vesting) or, in certain circumstances, up to 15 years from the date of acquisition of the share right (rather than seven).

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