



Insurance Council
of Australia

27 October 2023

Alan Raine
Committee Secretary
The Senate Economics Legislation Committee

By email: Economics.Sen@aph.gov.au

Dear Mr Raine,

Taxation of general insurers – Aligning tax treatment of contracts with AASB 17

The Insurance Council of Australia (Insurance Council) welcomed the recent opportunity to contribute to the alignment of the tax treatment of insurance contracts with Australian Accounting Standards Board Accounting Standard 17 (AASB 17). Given the feedback provided through that consultation, we now offer this submission on the draft bill *Treasury Laws Amendment (Support for Small Business and Charities and Other Measures) Bill 2023, schedule: Amending existing income tax law with respect to general insurance to align the law with the new AASB 17* (the Bill) and the Bill's explanatory memorandum.

The Insurance Council is supportive of the Amendments in the Bill. Our members consider the Bill to be sound, and the consultation process with Treasury allowed for ventilation and explanation of the challenges in aligning to international standards.

The Insurance Council recommends the swift passage of the Bill to allow for certainty in tax treatment for insurers going forward.

Thank you for the opportunity to comment. Should you have any queries in relation to this matter, please contact Mr Luke Whitcher, Senior Policy Advisor, Regulatory & Consumer Policy, at lwhitcher@insurancecouncil.com.au or 0481 008 730.

Regards

A handwritten signature in blue ink, appearing to read 'Andrew Hall'.

Andrew Hall

CEO and Managing Director