

1997

THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY

DEBITS TAX BILL 1997

SUPPLEMENTARY EXPLANATORY MEMORANDUM

Amendments to be moved on behalf of the Government

Circulated by the authority of the Chief Minister and Treasurer

Kate Carnell MLA

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Debits Tax Bill 1997

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Summary

The Debits Tax Bill 1997 (the Bill) provides for the imposition of a tax on all debits of \$1 or more (other than debits specifically exempted) made to the customer cheque accounts and accounts having cheque facilities of banks, building societies and credit unions (financial institutions), from 1 July 1997.

The Bill also provides for a rebate scheme for certain categories of pensioners.

These amendments moved by the Government will extend the rebate scheme to include persons who have been registered as unemployed and have been receiving social security benefits for a period of in excess of 12 months, and increase the period pensioners and unemployed persons may apply for a rebate from 3 to 12 months after the end of the financial year.

Financial implications

The extension of the rebate scheme to include long term unemployed persons is expected to cost an additional \$180,000 annually.

Details of the amendment sheet to the Bill follow.



Debits Tax Bill 1997

Details of the amendment sheet to the Bill.

Amendment No. 1

Subclause 16(1) of the Debits Tax Bill 1997 (the Bill) is amended by including at the end of the subclause a definition for "unemployed person".

Amendment No. 2

The amendment of subclause 16(2) has the effect of:

- a) allowing unemployed persons (as defined) to apply for a rebate;
- b) ensuring that only residents of the ACT are eligible to apply; and
- c) extending the period for pensioners and unemployed persons to apply for a rebate from 3 to 12 months.

Amendment No. 3

Subclause 16(3) of the Bill is amended to allow the Commissioner for ACT Revenue to approve applications made after the 12 month period.

Amendment No. 4

Subclause 16(9) is amended to allow an unemployed person to claim a prorata rebate, where they are eligible to do so, during part of a financial year.

Amendment No. 5

Subclause 16(10) is amended to include unemployed persons.

