

# Taxation Administration (Amounts Payable – Duty) Determination 2006 (No 1)

## Disallowable Instrument DI2006—109

made under the

**Taxation Administration Act 1999, s 139 (Determination of amounts payable under tax laws)**

### EXPLANATORY STATEMENT

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1. The *Taxation Administration Act 1999* deals with the administration of various tax laws relating to the imposition and collection of certain taxes, duties and levies. These tax laws are specified in section 4 of the *Taxation Administration Act 1999* and include the *Duties Act 1999* which imposes duty on a range of transactions at determined rates. Section 139 of the *Taxation Administration Act 1999* empowers the Minister to determine amounts for taxes, duties and levies.
2. This Instrument commences on 1 July 2006. Its purpose is to:
  - (a) revoke Disallowable Instrument No 170 of 2003, made under section 139 of the *Taxation Administration Act 1999* and notified in the Legislation Register on 27 June 2003; and
  - (b) determine, under section 139 of the *Taxation Administration Act 1999*, rates of duty payable under various provisions of the *Duties Act 1999* by specifying:
    - (i) the ranges of **dutiable amounts** of dutiable transactions and the corresponding rates of duty payable for each range;
    - (ii) the ranges of **dutiable amounts** of the cost or unencumbered value of a lease and the corresponding rates of duty payable for each cost or unencumbered value range; and
    - (iii) the rates of duty payable on the **relevant amount** of certain other specified dutiable transactions.
3. The changes in this instrument are required after the commencement of the *Duties Amendment Act 2006* on 1 July 2006. This amending Act abolished duty on transactions involving business taxes and franchise arrangements (other than long-term franchise arrangements). All other rates of duty have been re-determined without change, and, for ease of reference, paragraph 5 of the revoked instrument has been converted to Table 2 in the new instrument. The changes are:
  - (a) the rate of duty for franchise arrangements is now determined under section 141A as the redundant section 141A (2) has been omitted; and
  - (b) paragraphs 5 (c) and (e) (ii) of the revoked instrument have been omitted and sections 33 (1) (c) and (e) (i) have been renumbered to new sections 33 (1) (a) and (b) respectively as reflected in Item 2 of Table 2.

4. The changes from the previous instrument are tabled as follows:

Revoked Instrument DI2003-170 & Duties Act Provision/s	New Instrument & Duties Act Provision/s
Paragraphs 2 & 3, Table 1 – for section 31	Paragraph 3 & Table 1 - for section 31
Paragraph 4, Table 2 – for sections 141 & 141A (2) (a)	Paragraph 3 & Table 1 – for sections 141 & 141A
Paragraph 5 (a)	Table 2 Item 1 – for section 32 (1)
Paragraph 5 (b) – for section 33 (1) for property to which sections 33 (1) (c) and 33 (1) (e) applied	Table 2 Item 2 – for sections 33 (1) for property to which sections 33 (1) (a) and 33 (1) (b) as renumbered apply
Paragraph 5 (c)	Redundant
Paragraph 5 (d)	Table 2 Item 3 – for section 140
Paragraph 5 (e)	Redundant
Paragraph 5 (f)	Table 2 Item 4 – for section 159 (1)
Paragraph 5 (g)	Table 2 Item 5 – for section 159 (2)
Paragraph 5 (h)	Table 2 Item 6 – for section 178
Paragraph 5 (i)	Table 2 Item 7 – for section 185 (1)
Paragraph 5 (j)	Table 2 Item 8 – for section 185 (2)
Paragraph 5 (k)	Table 2 Item 9 – for section 185 (3)
Paragraph 5 (l)	Table 2 Item 10 – for section 185 (4)
Paragraph 5 (m)	Table 2 Item 11 – for section 208 (1)
Paragraph 5 (n)	Table 2 Item 12 – for section 208 (2)

5. For a dutiable transaction: The ranges of **dutiable amounts** and rates of duty for the purposes of section 31 (the general rate) of the *Duties Act 1999* are unchanged from the revoked instrument and paragraph 3 of the instrument re-determines these ranges of amounts and rates of duty in Table 1. Paragraph 3 (a) defines **dutiable amount** in relation to a dutiable transaction as the dutiable value of the dutiable property.
6. For a lease: The ranges of **dutiable amounts** and rates of duty for the purposes of section 141 (in respect of a long-term lease) and section 141A (in respect of a long-term franchise arrangement) of the *Duties Act 1999* are unchanged and paragraph 3 of the instrument re-determines these ranges of **dutiable amounts** and rates of duty in Table 1. Paragraph 3 (b) defines **dutiable amount** in relation to a lease as the cost or unencumbered value of a lease.
7. For various sections: Table 2 column 2 states the provision of the *Duties Act 1999* and column 3 states the rate of duty charged on the **relevant amount**. The **relevant amount** varies for different provisions and is defined in paragraph 4 of the new instrument as that mentioned in column 3 of Table 2 as follows:
- **dutiable value** for marketable securities or motor vehicles;
  - **cost or value** for a lease;
  - **total amount of the hiring charges** of equipment financing arrangements and the ordinary hire of goods;
  - **premium** for general insurance; or
  - **sum insured** for life insurance.

Authorised by the Treasurer, Jon Stanhope MLA