

2002

THE LEGISLATIVE ASSEMBLY  
FOR THE AUSTRALIAN CAPITAL TERRITORY

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(As presented)

(Treasurer)

# Treasury Legislation Amendment Bill 2002

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# Treasury Legislation Amendment Bill 2002

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## A Bill for

An Act to amend certain laws relating to taxation, and for other purposes

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The Legislative Assembly for the Australian Capital Territory enacts as follows:

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1 **Part 1 Preliminary**

2 **1 Name of Act**

3 This Act is the *Treasury Legislation Amendment Act 2002*.

4 **2 Commencement**

5 (1) This Act, other than the provisions mentioned in subsections (2) to  
6 (4), commences on the day after its notification day.

7 (2) Part 2 and section 27 commence on 1 July 2002.

8 (3) Parts 3 and 4 and sections 26, 28 and 29 commence on 16 July  
9 2002.

10 (4) Part 5 is taken to have commenced on 1 September 2001.

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## Part 2                      Taxation Administration Act 1999

### **3      Act amended—pt 2**

This part amends the *Taxation Administration Act 1999*.

### **4      Definitions for Act Section 3, definition of *market rate component***

*substitute*

*market rate component*, in relation to interest for a day—see section 26 (2).

### **5      Interest rate Section 26 (2) and (3)**

*substitute*

(2) The market rate component for a day is—

- (a) if a determination of a rate is, under section 139 (1) (b) (Determination of amounts payable under tax laws), in force for this paragraph for the day—the determined rate; or
- (b) if paragraph (a) does not apply—the monthly 90-day bank bill rate worked out in accordance with the table and rounded to the 2nd decimal place (with 0.005 rounded to 0.01).

1 **Table**

If the day is....	the monthly 90-day bank bill rate is....
in the 1st 6 months of a year	(a) if, before 1 January of the year, the monthly 90-day bank bill rate for the previous November had been published—that rate;  <i>or</i>  (b) if paragraph (a) does not apply—the last monthly 90-day bank bill rate published before 1 January of the year.
in the 2nd 6 months of a year	(a) if, before 1 July of the year, the monthly 90-day bank bill rate for the previous May had been published—that rate;  <i>or</i>  (b) if paragraph (a) does not apply—the last monthly 90-day bank bill rate published before 1 July of the year.

2 **6 New section 26 (5)**3 *substitute*

4 (5) In this section:

5 ***monthly 90-day bank bill rate*** means the monthly average yield of  
6 90-day bank accepted bills published by the Reserve Bank of  
7 Australia for a particular month.



- 1 **7 Section 26**
- 2 *renumber subsections when Act next republished under the*
- 3 *Legislation Act 2001*

## Part 3 Rates and Land Tax Act 1926

### 8 Act amended—pt 3

This part amends the *Rates and Land Tax Act 1926*.

### 9 Section 22

*substitute*

### 22 Recovery of rates

(1) The following amounts are amounts owing to the Territory by the owner of a parcel:

- (a) the amount of unpaid overdue rates;
- (b) interest worked out in accordance with this section;
- (c) the costs and expenses reasonably incurred by the Territory in attempting to recover an amount payable under this subsection.

*Note* The *Legislation Act 2001*, s 177 (Recovery of amounts owing under laws) provides that an amount owing by a person to another person may be recovered as a debt in a court of competent jurisdiction.

(2) The interest payable is worked out—

- (a) for each month during which, or during a part of which, an amount mentioned in subsection (1) remains unpaid; and
- (b) on the first day of that month; and
- (c) at the interest rate applying to that day; and
- (d) on the total of the amounts mentioned in subsection (1) that are unpaid on a day when the interest is worked out.

(3) The Minister may, in writing, determine an interest rate for this section.

- 
- 1       (4) A determination under subsection (3) is a disallowable instrument.
- 2           *Note*     A disallowable instrument must be notified, and presented to the  
3                   Legislative Assembly, under the *Legislation Act 2001*.
- 4       (5) For subsection (2) (c), the interest rate applying to a day is—
- 5           (a) if a determination under subsection (3) provides for an interest  
6               rate for the day—the rate provided under the determination for  
7               the day; or
- 8           (b) if paragraph (a) does not apply—the interest rate applying  
9               under the *Taxation Administration Act 1999*, division 5.1  
10              (Interest) to the day.
- 11          *Note*     The *Taxation Administration Act 1999*, s 26 (Interest rate), sets out the  
12                   interest rate applying to any day for div 5.1 of that Act.
- 13       (6) If a court enters judgment for an amount of rates, whether the  
14       judgment is only for the amount of rates or includes other amounts,  
15       the rates do not cease, for this section, to be unpaid rates only  
16       because of the entry of the judgment.
- 17       (7) If interest is payable on a judgment debt for an amount of rates  
18       owing under subsection (1) (a), or for an amount that includes an  
19       amount of such rates, the amount of interest payable under  
20       subsection (1) (b) on those rates is reduced—
- 21           (a) for a judgment for an amount of rates—by the amount of  
22               interest payable on the judgment; or
- 23           (b) for a judgment for an amount that includes an amount of  
24               rates—by an amount equal to the proportion of the judgment  
25               interest attributable to the rates.
- 26       (8) If an amount worked out under this section contains a fraction of a  
27       cent, the amount must be rounded to the nearest cent, with 0.5 cent  
28       being disregarded.
- 29       (9) In this section:
-

Section 10

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1        *due date*, for rates for a parcel, means—

2        (a) the date specified in an assessment notice for the parcel as the  
3            date by which the rates may be paid in full; or

4        (b) an instalment day.

5        *Note*        Section 14 (Assessment of rates) deals with assessment notices.

6        *overdue rates*, for a parcel, means rates that have become payable,  
7            but have not been paid, by the due date.

8        *Note*        Section 15 (Payment of rates) deals with when rates become payable.

9        **10        Payment by ratepayer's debtor**  
10        **Section 22AAA (11), definition of *rates*, paragraph (a)**

11        *omit*

12        22 (3)

13        *substitute*

14        22 (1)

15        **11        Interest on refund**  
16        **New section 28B (3)**

17        *insert*

18        (3) If no rate is determined under subsection (1) (a) for a day for which  
19            a calculation is to be made under subsection (1) (b), the interest rate  
20            applying to the day is the market rate component applying under the  
21            *Taxation Administration Act 1999*, section 26 (Interest rate) to the  
22            day.

23        **12        Review of interest decision**  
24        **Section 30 (5) (a)**

25        *substitute*

- 1           (a) is worked out at the rate applying under section 28B (Interest  
2           on refund); and

1       **Part 4**                               **Rates and Land Rent (Relief)**  
2   **Act 1970**

3       **13    Act amended—pt 4**

4               This part amends the *Rates and Land Rent (Relief) Act 1970*.

5       **14    Interpretation for pt 2**  
6               **Section 2B (3)**

7               *omit*

8               under section 4 (3) or section 16.

9               *substitute*

10              under section 4 (Effect of making a determination) or 16 (Interest  
11              payable on amount after revocation of determination).

12       **15    Section 3 heading**

13              *substitute*

14       **3      Deferral of rent and rates**

15       **16    Effect of making a determination**  
16              **Section 4 (3)**

17              *substitute*

18              (3) A person whose obligation to pay an amount is deferred because of  
19              the making of a determination must pay interest on the amount at  
20              the rate applying under section 23 (Interest rate).

21              (4) Interest is payable on an amount from the date of deferral of the  
22              obligation to pay the amount until the day when the amount is paid  
23              or the determination is revoked.

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**17 Section 4 (4)**

*omit everything before paragraph (a), substitute*

- (5) For subsection (4), the date of deferral of an amount of rent or rates is—

**18 Section 16**

*substitute*

**16 Interest payable on amount after revocation of determination**

If, on the revocation of a determination, a person to whom a determination relates does not pay an amount owing to the Territory under this Act, the person must pay to the Territory interest on the unpaid part of the amount at the rate applying under section 23 (Interest rate).

**19 Remission of interest  
Section 17**

*omit*

under section 4 (3) or section 16.

*substitute*

under section 4 (Effect of making a determination) or 16 (Interest payable on amount after revocation of determination).

**20 Section 23**

*substitute*

**23 Interest rate**

- (1) The Minister may, in writing, determine a rate at which interest is payable on an amount—

Section 21

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1 (a) deferred because of the making of a determination under  
2 section 3 (Deferral of rent and rates); or

3 (b) unpaid after the date of revocation of a determination.

4 (2) A determination under subsection (1) is a disallowable instrument.

5 *Note* A disallowable instrument must be notified, and presented to the  
6 Legislative Assembly, under the *Legislation Act 2001*.

7 (3) If, for a day for which interest is payable on an amount mentioned in  
8 subsection (1) (a), no interest rate has been determined under  
9 subsection (1), interest is payable on the amount for the day at the  
10 market rate component applying under the *Taxation Administration*  
11 *Act 1999*, section 26 (Interest rate) to the day.

12 (4) If, for a day for which interest is payable on an amount mentioned in  
13 subsection (1) (b), no interest rate has been determined under  
14 subsection (1), interest is payable on the amount for the day at a rate  
15 equal to the interest rate applying under the *Taxation Administration*  
16 *Act 1999*, division 5.1 (Interest) to the day.

17 *Note* The *Taxation Administration Act 1999*, s 26 (Interest rate), sets out the  
18 interest rate applying to any day for div 5.1 of that Act.

19 **21 Objections**  
20 **Section 23B (1) (b)**

21 *omit*

22 deferment

23 *substitute*

24 deferral



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## Part 5 Payroll Tax Act 1987

### 22 Act amended—pt 5

This part amends the *Payroll Tax Act 1987*.

### 23 Exemption from tax—new starters Section 9A (2) (a)

*substitute*

(a) recognised training; and

### 24 Section 9A (2), note

*omit*

### 25 Section 9A (6)

*substitute*

(6) The Minister may, in writing, declare that approved training is not recognised training.

(7) A declaration under subsection (6) is a disallowable instrument.

*Note* A disallowable instrument must be notified, and presented to the Legislative Assembly, under the *Legislation Act 2001*.

(8) In this section:

***approved training*** means—

(a) training that is approved training for the *Vocational Education and Training Act 1995*; or

(b) training for the purpose of enabling a person to become qualified in a vocation that is a prescribed vocation for the *Vocational Education and Training Act 1995*.

- 1           *Note*       The *Vocational Education and Training Act 1995*, s 4 (1), defines  
2                    *approved training* and *prescribed vocation* for that Act.  
3            *recognised training* means approved training other than training  
4            declared under subsection (6) not to be recognised training.

## Part 6 Repeals

### **26 Rates and Land Rent (Relief) Regulations 1985**

*repeal*

*Rates and Land Rent (Relief) Regulations 1985 No 16*

### **27 Instrument under Taxation Administration Act 1999**

*repeal*

*Taxation Administration Act (Interest Rates) Order 2001 (No 1)*  
NI No 65

### **28 Instruments under Rates and Land Tax Act 1926**

*repeal*

*Rates and Land Tax (Interest Rates) Determination 2001 (No 1)*  
DI No 342

*Rates and Land Tax (Interest Rates) Determination 2001 (No 2)*  
DI No 343

### **29 Instrument under Rates and Land Rent (Relief) Act 1970**

*repeal*

*Rates and Land Rent (Relief) (Interest Rates) Determination 2001*  
*(No 1) NI No 66*

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## Endnote

### Republications of amended laws

1 For the latest republications of amended laws, see [www.legislation.act.gov.au](http://www.legislation.act.gov.au).

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