

2000

**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

DUTIES AMENDMENT BILL 2000

EXPLANATORY MEMORANDUM

Circulated by the authority of the Treasurer

Gary Humphries MLA

Duties Amendment Bill 2000

Summary

This is a Bill to amend the *Duties Act 1999*. It makes provisions to exempt from duty certain motor vehicle registration applications.

Duty is payable on registration of vehicles in the ACT. The duty is collected by the Department of Urban Services (DUS) on behalf of the Revenue Office when an application for new registration or registration transfer is made at the ACT Road Transport Authority.

Under section 204 of the *Duties Act 1999*, duty is payable on an application to register a motor vehicle if:

- the vehicle has not been previously registered; or
- the person in whose name the vehicle is to be registered differs from the previous registration.

The *Road Transport (Vehicle Registration) Act 1999* (the *Vehicle Registration Act*) was passed by the Assembly on 7 December 1999 with an expected implementation date of 1 March 2000.

Under the Vehicle Registration Act the following registration changes are anticipated:

- registered operator is to replace registered owner as the person accountable for a vehicle's use; and
- multiple owners/operators will be asked to nominate either 1 or 2 operators for heavy and light vehicles respectively.

The imposition of duty on registration changes which are required to comply with the Vehicle Registration Act would be contrary to the intention of the Act.

The legislation will ensure that only registration transfers that are a direct result of the Vehicle Registration Act, are exempt from duty and that the provisions cannot be used to avoid duty.

The amendment to the Act should occur to coincide with the introduction of the Vehicle Registration Act which is expected to be implemented by 1 March 2000.

The Bill will amend the *Duties Act 1999* to allow the Treasurer to prescribe circumstances by determination in which duty is not chargeable by the Commissioner for ACT Revenue.

Revenue/Cost Implications

The Bill has no direct revenue or cost implications.

The draft Bill is attached.

Details of the Duties Amendment Bill 2000

PART I - PRELIMINARY

Formal Clauses

Clauses 1 and 2 are formal requirements. They refer to the short title of the Act and the commencement date of the Act. Sections 1 and 2 of the Act commence on the day on which the Act is notified in the Gazette. The remaining provisions commence on 1 March 2000.

Clause 3 defines which Act is amended.

Clause 4 provides exemptions from duty for registration applications that result from differences between the Motor Traffic Act 1936 and the Vehicle Registration Act. This clause also allows specific situations to be prescribed in a disallowable instrument. Provisions of this clause cease 1 March 2002.

Clause 5 provides exemptions from duty for registration applications that are liable under section 224 for the "Rectification of errors in registration". The exemptions only apply where the rectification is being made to registrations that were made as a result of differences between the *Motor Traffic Act 1936* and the Vehicle Registration Act. Provisions of this clause cease 1 March 2002.

