

2000

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

DUTIES AMENDMENT BILL 2000 (NO. 2)

EXPLANATORY MEMORANDUM

Circulated by the authority of the Treasurer

Gary Humphries MLA

Duties Amendment Bill 2000 (No. 2)

Summary

As one revenue initiative for the 2000-01 Budget, the ACT Government agreed to a reduction in duty to \$20 for hospitals, schools and charitable organisations for the following:

- Establishment of a trust relating to unidentified property and non-dutiable property – current duty is \$200;
- Transfer of property from one superannuation fund to another – currently ad valorem (minimum of \$20) or \$200 whichever is lesser; and
- Transfer to trustees or custodians of superannuation funds - currently ad valorem or \$200 whichever is lesser.

This Bill gives effect to that decision and provides for a more consistent tax treatment of hospitals, schools and charitable organisations under the Duties Act 1999.

Revenue/Cost Implications

Revenue or cost implications are negligible.

Details of the Bill are attached.



Details of the Duties Amendment Bill 2000 (No. 2)

Name of Act

Clause 1 is a formal requirement. It refers to the title of the Act as the *Duties Amendment Act 2000 (No. 2)*.

Commencement

Clause 2 is a formal requirement. It refers to the commencement date of the Act as 1 July 2000.

Act amended

Clause 3 identifies the *Duties Act 1999* as the Act amended.

Establishment of a trust relating to unidentifiable property and non-dutiable property

Clause 4(a) amends Section 59 by inserting after subsection (1) a new subsection (1A) which provides that duty of \$20 only is chargeable in respect of the establishment of trust, relating to non-dutiable property, by a hospital, school or charitable organisation.

Clause 4(b) amends Section 59 by inserting after subsection (2) a new subsection (2A) which provides that duty of \$20 only is chargeable in respect of the establishment of a trust, relating to unidentifiable property, by a hospital, school or charitable organisation.

Transfer of property from one superannuation fund to another

Clause 5 amends Section 62 by inserting after subsection (3) a new subsection (3A) which provides that that duty of \$20 only is chargeable in respect of a transfer to which the section applies from one superannuation fund established for the benefit of the employees of a hospital, school or charitable organisation to another superannuation fund established for the same employees.

Transfers to trustees or custodians of superannuation funds or trusts

Clause 6 amends Section 63 by adding a new subsection (4) which provides that duty of \$20 only is chargeable in respect of a transfer to which the section applies by a hospital, school or charitable organisation.

