

Australian Capital Territory

Independent Competition and Regulatory Commission (Utilities (Network Facilities Tax)) Declaration 2006 (No 1)

Disallowable instrument DI2006—272

made under the

Independent Competition and Regulatory Commission Act 1997, s4C(1)(a)
(Declared fees to be passed on to consumers)

EXPLANATORY STATEMENT

The *Utilities (Network Facilities Tax) Act 2006* imposes a tax on a network facility on land in the ACT. The rate of tax is determined by the Treasurer under section 139 of the *Taxation Administration Act 1999*.

A network facility is any part of the infrastructure of a utility network not fixed to land subject to a lease, a license granted by the Territory or any right prescribed by regulation.

Utility networks include networks for transmitting and distributing electricity, gas, sewerage, water and telecommunications.

Examples of a network facility include powerlines or pipes over or under land, and telecommunications cabling.

This Declaration is made under section 4C(1)(a) of the *Independent Competition and Regulatory Commission Act 1997*, which provides that a statutory fee that affects the cost of providing a utility service may be passed on in full to consumers of the service.

This Declaration provides that the statutory fee affecting the cost of utility services under the *Utilities (Network Facilities Tax) Act 2006*, the rate of which is determined by the Treasurer under section 139 of the *Taxation Administration Act 1999*, may be passed on in full to consumers by owners of network facilities.

Authorised by the Deputy Chief Minister
Katy Gallagher MLA