

**2007**

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

**TAXATION (GOVERNMENT BUSINESS ENTERPRISES) AMENDMENT  
REGULATION 2007 (No 1)**

**SL2007-9**

**EXPLANATORY STATEMENT**

Circulated by authority of  
Jon Stanhope MLA  
Treasurer

## **Taxation (Government Business Enterprises) Amendment Regulation 2007 (No 1)**

### **Background**

In the ACT, the *Taxation (Government Business Enterprises) Act 2003* (the Act) subjects prescribed ACT government entities to tax equivalents. This Act gives effect to the ACT's national commitment to competitive neutrality principles, by ensuring that Government-owned businesses do not have a competitive advantage over their private counterparts, by virtue of their government ownership.

Regulations created under section 11 of the Act list those Territory entities that are to be subject to the Act. The current list of entities prescribed under this section through the *Taxation (Government Business Enterprises) Regulation 2003* (the Regulation) needs to be updated to reflect the structural changes within Government arising from the 2006-07 Budget. These changes are specified in this amendment regulation and are summarised below.

#### *Removal of the Australian Capital Tourism Corporation*

- The Australian Capital Tourism Corporation no longer exists as a commercial entity in competition with the private sector and as such should not be subject to competitive neutrality principles. It is therefore being removed from section 4 of the Regulation through this amendment regulation.

#### *Amendments to entities' names as a result of structural changes within Government*

- "ACTION Authority" under section 3 and section 4 of the Regulation is amended to "ACTION" reflecting that it is no longer an authority of the Government, having been subsumed into TaMS.
- "Stadiums Authority" under section 4 of the Regulation is amended to "Territory Venues and Events, Department of Territory and Municipal Services" reflecting that it is no longer an authority of the Government, having been subsumed into TaMS.
- "DUS Facilities Management" under section 4 of the Regulation is amended to "Property Branch, Department of Territory and Municipal Services" reflecting structural changes within TaMS.

*Minor amendments*

By way of minor amendment to the Regulations, the following incorrect names under section 4 of the Regulation are also amended:

- “National Exhibition Centre Trust” is amended to “Exhibition Park Corporation”.
- “CIT Solutions” is amended to “CIT Solutions Pty Limited.”
- “Australian Capital Territory Public Cemeteries Board” is amended to “Australian Capital Territory Public Cemeteries Authority”.

Lastly, “land development agency” is amended to provide for appropriate capitalisation.

## OUTLINE OF PROVISIONS

### PART 1      PRELIMINARY

#### **Section 1 – Name of regulation**

Specifies the name of the Regulation – Taxation (Government Business Enterprises) Amendment Regulation 2007 (No 1).

#### **Section 2 – Commencement**

States that the Regulation commences on the day after it is notified on the ACT Legislation Register.

#### **Section 3 – Legislation amended**

This regulation amends the *Taxation (Government Business Enterprises) Amendment Regulation 2003*.

#### **Section 4 – Section 3**

Section 4 amends section 3 of the *Taxation (Government Business Enterprises) Act 2003* by omitting ACTION Authority and replacing it with ACTION.

#### **Section 5 – Section 4**

Section 5 amends section 4 of the *Taxation (Government Business Enterprises) Act 2003* by substituting a new section 4 into the Regulation. Section 4 of the Regulation is amended such that the list of entities subject to Territory taxes and charges is:

- ACTEW China Pty Limited;
- ACTEW Corporation Limited;
- ACTEW Distribution Limited;

- ACTEW Retail Limited;
- ACTION;
- ACTTAB Limited;
- Australian Capital Territory Public Cemeteries Authority;
- Capital Linen Service;
- CIT Solutions Pty Limited;
- Cultural Facilities Corporation;
- Exhibition Park Corporation;
- Land Development Agency;
- Property Branch, Department of Territory and Municipal Services;
- Rhodium Asset Solutions Limited;
- Territory Venues and Events, Department of Territory and Municipal Services; and
- Yarralumla Nursery.

## **Regulatory Impact Statement**

A Regulatory Impact Statement was not required for the *Taxation (Government Business Enterprises) Amendment Regulation 2007 (No 1)* as it does not impose an appreciable cost on the community.