

Taxation Administration (Amounts Payable—Thresholds—Pensioner Duty Concession Scheme) Determination 2013 (No 2)

Disallowable instrument DI2013-321

made under the

Taxation Administration Act 1999, s 139 (Determination of amounts payable under tax laws)

EXPLANATORY STATEMENT

Introduction

1. This instrument is the *Taxation Administration (Amounts Payable—Thresholds—Pensioner Duty Concession Scheme) Determination 2013 (No 2)*.
2. This instrument commences on 1 January 2014.
3. As part of recent reforms the ACT's taxation system, the Government expanded the property thresholds for the Pensioner Duty Concession Scheme. The property threshold amounts are determined by the 75th and 90th percentile values of all sales for ACT residential property, for the relevant period (April – September 2013). These reforms, first implemented in 2012, continue to apply with this instrument.
4. This instrument determines the property value thresholds for an eligible property and the land value thresholds for an eligible vacant block, for the purposes of the calculation of duty payable under section 31 of the *Duties Act 1999* (the Act) by an eligible pensioner under the Pensioner Duty Concession Scheme commencing on 1 January 2014. The duty is payable to the Territory.
5. Under section 139 of the *Taxation Administration Act 1999* the Minister has authority to determine, in writing by disallowable instrument, amounts payable under tax laws. The Act is a tax law specified in section 4 of the *Taxation Administration Act 1999*.

Thresholds and calculation

6. The property value threshold amounts for the calculation of concessional duty for eligible property are as follows:
 - i. the lower threshold is equal to the lowest sale price of the highest 25% of all sale prices for ACT residential properties for the 2 quarters between April 2013 and September 2013. The

- determined value for the lower threshold is \$580,900 which is an increase of 0.1552% from the previous threshold of \$580,000; and
- ii. the upper threshold is equal to the lowest sale price of the highest 10% of all sale prices for ACT residential properties for the 2 quarters between April 2013 and September 2013. The determined value for the upper threshold is \$742,000 which is an increase of 1.2278% from the previous threshold of \$733,000.
7. The land value threshold amounts for the calculation of concessional duty for an eligible vacant block are as follows:
 - i. the lower threshold is determined at \$308,600. It reflects a 2.1854% increase from the previous threshold of \$302,000; and
 - ii. the upper threshold is determined at \$360,000. It reflects a 2.9454% increase from the previous threshold of \$349,700.
 8. For eligible properties and eligible vacant blocks at or below the lower threshold, duty of \$20 is payable. The amount of the concession reduces for eligible properties and eligible vacant blocks up to the higher threshold where the concession is zero.
 9. This instrument does not determine the concessional rates, they are calculated using the formula in the eligibility Disallowable Instrument and are shown in this instrument for convenience.

Revocation

10. This instrument revokes Disallowable Instrument DI2013-173. However, DI2013-173 continues to apply to transactions that occurred for the period 1 July 2013 to 31 December 2013, inclusive.

Authorised by Treasurer
Andrew Barr MLA
18 December 2013