

Taxation Administration (Amounts Payable—Thresholds—Home Buyer Concession Scheme) Determination 2013 (No 2)

Disallowable instrument DI2013-319

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—Home Buyer Concession Scheme) Determination 2013 (No 2)*.
2. This instrument commences on 1 January 2014.
3. 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 home buyer under the Home Buyer Concession Scheme commencing on 1 January 2014. The duty is payable to the Territory.
4. 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

5. The property value threshold amounts applicable to the calculation of concessional duty for eligible property are as follows:
 - (a) the lower threshold is the highest sale price of the lowest 40 per cent 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 \$435,000, which is an increase of 2.3529 per cent from the previous threshold of \$425,000; and
 - (b) the upper threshold is the highest sale price of lowest 65 per cent for ACT residential properties for the 2 quarters between April 2013 and September 2013. The determined value for the upper threshold is \$535,000 which is an increase of 1.9048 per cent from the previous threshold of \$525,000.

6. The land value threshold amounts applicable to the calculation of concessional duty for an eligible vacant block have been determined using the same percentile values as those applying to the property value threshold for eligible property in paragraph 5. They are as follows:
 - (a) the lower threshold is determined at \$260,000. This figure is an increase of 4 per cent from the previous threshold of \$250,000; and
 - (b) the upper threshold is determined at \$290,000. This figure is unchanged from the previous threshold.
7. 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 upper threshold, where the concession is zero.
8. 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.

Application of this instrument and changes

9. This instrument revokes Disallowable Instrument DI2013-85. However, DI2013-85 continues to apply for transactions that occurred for the period 5 June 2013 to 31 December 2013 inclusive.

Authorised by Treasurer
Andrew Barr MLA
18 December 2013