

Taxation Administration (Amounts payable – Duty) Determination 2003 (No 1)

Disallowable instrument DI2003—170

made under the

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

EXPLANATORY STATEMENT

The *Taxation Administration Act 1999* (Taxation Administration Act) deals with the administration of various tax laws relating to the imposition and collection of certain taxes, duties and levies. These tax laws are specified in section 4 of the Taxation Administration Act, and include the *Duties Act 1999* (the Duties Act). Section 139 of the Taxation Administration Act empowers the Minister to determine taxes, duties and levies. The Duties Act imposes duty on a range of transactions at determined rates.

This Determination is effective on and from 1 July 2003, and has the purpose of:

- (a) revoking Instrument No 95 of 2002, made under section 139 of the *Taxation Administration Act 1999* and notified in the Legislation Register on 26 June 2002; and
- (b) determining, under section 139 of the *Taxation Administration Act 1999*, rates of duty payable under various provisions of the Duties Act by specifying:
 - (a) the ranges of dutiable amounts of dutiable transactions and the corresponding rates of duty payable for each range;
 - (b) the ranges of cost or unencumbered value of a lease and the corresponding rates of duty payable for each cost or unencumbered value range; and
 - (c) the rates of duty payable on certain other specified dutiable transactions.

Paragraph 2 of this Instrument. The rates of duty for the purposes of section 31 of the Duties Act are unchanged from the revoked Instrument and this Instrument re-determines those rates.

Paragraph 3 of this Instrument is unchanged.

Paragraph 4 of this Instrument. The rates of duty for the purposes of section 141 and section 141A (2) (a) of the Duties Act are unchanged from the revoked Instrument and this Instrument re-determines those rates.

Paragraph 5 of this Instrument. This paragraph has been amended to include new rates of duty on the transfer of business assets with a dutiable value in excess of \$1m which commenced on 1 July 2003.

Paragraph 5 (b) redetermines the existing rate of 60 cents per \$100, or part of \$100, for the purposes of section 31 (1) (c) and (e).

Paragraph 5 (c) determines the new rate of duty for the purposes of section 31 (1) (a), (b) and (d) (that is, the acquisition of business assets under sections 10 (1) (g), (h) and (j)) which is now 60 cents per \$100, or part of \$100, for dutiable value up to \$1m, and \$5.50 per \$100, or part of \$100, for dutiable value in excess of \$1m.

Paragraph 5 has been renumbered (a) to (n) to accommodate these changes, and all other rates have been re-determined without change.

Revoked Paragraph 5. For ease of reference, and for comparison purposes, **paragraph 5** of the revoked Instrument No 95 of 2002, follows:

For the purposes of the provisions of the Duties Act as specified in paragraphs (a) through (m) hereunder, the following rates of duty are chargeable:

- (a) the rate of 60 cents for every \$100, or part of \$100, of the dutiable value of the marketable securities for the purposes of section 32 (1);
- (b) the rate of 60 cents for every \$100, or part of \$100, of the dutiable value of the property the subject of the transaction, insofar as it is property to which section 33 (1) applies, for the purposes of section 33 (1);
- (c) the rate of 50 cents for every \$100, or part of \$100, of the cost or value of the lease for the purposes of section 140;
- (d) the rate of 50 cents for every \$100, or part of \$100, of the cost of the lease for the purposes of section 141A (2) (b);
- (e) the rate of 0.75% of the total amount of the hiring charges of the equipment financing arrangement for the purposes of section 159 (1);
- (f) the rate of 1.5% of the total amount of the hiring charges of the ordinary hire of goods for the purposes of section 159 (2);

- (g) the rate of 10% of the amount of the premium paid in relation to a contract of general insurance for the purposes of section 178;
- (h) the rate of—
 - (i) \$1 on the first \$2,000, or part of \$2,000, of the sum insured; and
 - (ii) 20 cents for every \$200, or part of \$200, in excess of the first \$2,000 of the sum insured;for the purposes of section 185 (1);
- (i) the rate of 5% of the first year's premium for the temporary or term insurance policy for the purposes of section 185 (2);
- (j) the rate of 5% of the first year's premium for the rider for the purposes of section 185 (3);
- (k) the rate of 10% of the premium paid to effect the insurance for the purposes of section 185 (4);
- (l) the rate of \$3 for every \$100, or part of \$100, of the dutiable value of the motor vehicle for the purposes of section 208 (1); and
- (m) the amount of \$1,350 plus \$5 for every \$100, or part of \$100, of the dutiable value of the motor vehicle in excess of \$45,000 for the purposes of section 208 (2).

Authorised by the Treasurer, Ted Quinlan MLA