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

RATES BILL 2003

EXPLANATORY STATEMENT

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Rates Bill 2003

Summary

The *Rates Bill 2003* (the Bill) is the result of splitting the *Rates and Land Tax Act 1926* (Rates and Land Tax Act) to separate the rates provisions from those applying to land tax. The Bill also incorporates the concessions from the *Rates and Land Rent (Relief) Act 1970* (the Rates Relief Act).

The Bill makes no significant policy changes to the effect of the legislation. It includes provisions in relation to the imposition of rates and its payment, and concessions, exceptions and exemptions from liability for rates. In line with the administration of other ACT tax legislation, this Bill will be administered under the *Taxation Administration Act 1999* (Taxation Administration Act) unless otherwise indicated.

Overview

The Rates and Land Tax Act was originally Commonwealth legislation, which began as an Ordinance in 1926. With the introduction of self government, this Ordinance, which had already been amended numerous times, became the *Rates and Land Tax Act 1926*. Over the years, large sections have been inserted into this Act and there have been frequent ad hoc amendments. The existing provisions are convoluted, inconsistent and outdated. They are presented in an illogical format and are difficult to follow.

Splitting the Rates and Land Tax Act and incorporating concession provisions from the Rates Relief Act will provide two new streamlined Acts (the *Rates Act 2003* and the *Land Tax Act 2003*) which reflect the current drafting practice and are consistent with other ACT legislation. The new Acts will be clear, logical and less complex. It is the nature of any rating system to require frequent amendment to maintain its relevance. This Bill will incorporate and rationalise the rating provisions of the Rates and Land Tax Act and will thus provide the basis to more easily address policy issues and implement any future amendments.

Another logical reason for splitting the Rates and Land Tax Act is the different policy basis for the two charges. Land tax is imposed on the basis of the use made of the property, or on an owner who is a corporation or trustee, while rates are imposed on property owners solely as a consequence of their ownership of a property. It is appropriate to include the Rates Relief Act provisions in this Bill as they relate to the deferral and rebate of rates charges for eligible persons and only apply to rates.

Commencement Date

This Bill will commence on 1 July 2004 to maintain rates as an annual charge assessed for a financial year.

Revenue Implications

This Bill is revenue neutral and has no direct or indirect revenue implications.

Details of the Bill

Included in this statement is a Comparative Sections Table showing every section in both the Rates and Land Tax Act and the Rates Relief Act with the appropriate corresponding provision in this Bill and/or the Taxation Administration Act, depending on which is relevant. For this reason, and because the policy behind the Rates Bill is unchanged, a clause-by-clause description of the Bill serves no useful purpose.

The details of this Explanatory Statement will be a summary of each Part of the Bill with detailed descriptions of Clauses limited to transitional provisions and the Schedule to the Bill. The intention and practical outcome of this Bill has been limited to modernising the language without changing the underlying legal position.

Details of the Bill are attached.



Details of the Rates Bill 2003

Part 1 Preliminary

Part 1 names the Act the *Rates Act 2003* and gives the commencement date as 1 July 2004. It also provides that the dictionary contains definitions of important terms used in the Act and all notes in this legislation are explanatory and not part of the Act. The *Criminal Code 2002* applies in relation to offences against this Act.

Administration under Taxation Administration Act 1999

It is noted in Clause 1 that the *Rates Act 2003* is a tax law under the *Taxation Administration Act 1999* and is subject to its provisions about the administration and enforcement of tax laws generally.

Where provisions in the Taxation Administration Act have the same function as those in the Rates and Land Tax Act and the Rates Relief Act, they have been omitted from the new Rates Act. The Comparative Sections Table at pages 9 to 17 indicates where specific sections have been omitted and the “*Taxation Administration Act 1999*-Section” column shows which sections replace the omitted provisions.

In line with the administration of the Territory’s other tax laws, Parts 1 and 2 of the Taxation Administration Act apply in general and the following provisions will apply to the stated matters from the Rates and Land Tax Act and the Rates Relief Act:

- Part 3 (Assessment of tax liability) - assessment of rates, the power to reassess and the issuing of a notice of assessment by the commissioner.
- Part 4 (Refunds of tax) - all refunds for overpayments.
- Section 26 (Interest rate) and section 28 (Interest rate to prevail over interest otherwise payable on a judgement debt) will apply.
- Part 7 (Collection of taxes) - this introduces a minor change to current payment and recovery arrangements whereby payment is now to the commissioner instead of to the Territory. It should be noted that section 53 (Duties of agents, trustees etc) of the Taxation Administration Act imposes responsibilities on agents that did not previously apply under the Rates and Land Tax Act. Agents may now be required to fulfil undischarged obligations of a taxpayer where they have control over and manage the taxpayer’s property.
- Part 8 (Record keeping and general offences). In most cases the offences carry equivalent penalties. Where there is no equivalent, some minor offences have been retained in the Rates Bill, and in the case of false or misleading information, the offence in the Taxation Administration Act carries higher, but appropriate, penalties.
- Part 9 (Tax officers, investigation and secrecy provisions). All investigative powers, including the power to seek further information, will apply, as will the provisions governing disclosure of information and those ensuring confidentiality of taxpayer information.
- Part 10 (Objections and appeals) maintains existing rights and as taxpayers may now object to the actual assessment of rates, introduces a right not previously available to ratepayers.
- Part 11 (Miscellaneous provisions) – particularly in relation to Division 11.3 (Payments), Division 11.4 (Notices and service of documents) and section 139

(Determination of amounts payable under tax laws). In line with other tax laws, the amounts and percentages used to work out rates and rebates will now be determined by disallowable instrument. This removes the necessity to amend the Act every year to update the variable factors, while still allowing the Assembly to scrutinise any changes.

Another change consistent with administration under the Taxation Administration Act is that the commissioner now exercises functions from the Rates Relief Act that were previously exercised by the Minister. The Minister exercised powers in relation to deferment of rates and this power historically related to the remission of rates, a provision that was removed from that Act in 1997. Now that there is no decision required for the Territory to forgo revenue, this Bill reflects a more appropriate level of approval with the commissioner.

Where Taxation Administration Act 1999 does not apply

The method of payment of rates by instalments is unique to the Rates Act and the right to pay by instalments continues even if a payment is received late. This right would be removed if the Taxation Administration Act applied to instalments, and Clause 19 (3) of the Bill disapplies section 52 (4) of the Taxation Administration Act.

In line with current practice, all provisions relating to the calculation or remission of interest will remain with the Rates Act. Any change to the method of interest calculation would represent a change in policy and would have a revenue impact. As rates are not strictly a tax, the late payment of rates is not a 'tax default' and there is no subsequent penalty tax. Penalty interest is charged on unpaid and overdue rates but is calculated on a monthly compounding basis. This precludes the operation of Taxation Administration Act Division 5.2 (Penalty tax), section 25 (Interest in relation to tax defaults) and section 110 (Interest payable on amounts to be paid by taxpayer) as stated in Clause 20 of the Bill.

Current provisions relating to objections to unimproved value are specific. An objection must be lodged within 60 days after the commissioner gives notice of the unimproved value (with no discretion to extend this time) and, for a unit subdivision, the objection may only be lodged by the owners corporation, not the unit owner. To continue this policy, where objection relates to valuation, Clause 71 states that Taxation Administration Act section 103 (Objections lodged out of time) does not apply and Clause 72 states that Taxation Administration Act section 100 (1) (Objection) does not apply to a unit owner.

Clause 74 (Working out amounts with fractions for the Act) continues the existing practice of rounding amounts to the nearest fraction of a cent with half a cent disregarded, and for average unimproved value, disregarding any fraction of a dollar. Taxation Administration Act section 123 (Adjustments of amounts) does not apply as it would change this practice.

Part 2 Unimproved value of rateable land

Part 2 introduces provisions equivalent in effect to the Rates and Land Tax Act identifying which land in the ACT is rateable and defining the unimproved value of a parcel of land held under a lease. It allows for the first determination of unimproved

value when land becomes rateable, any subsequent determinations required at that time, and sets out when the determinations apply. There is also a provision for the annual redetermination of unimproved value and redetermination of unimproved value where there is an error or change in circumstances. The commissioner must record all determinations and notify the owner of the parcel of the amount determined as the unimproved value.

As Clause 9 now includes as many determinations as required at the same time as the first determination, section 15A of the Rates and Land Tax is no longer required and has been omitted.

Part 3 Imposition and payment of rates

Part 3 is subject to Part 5 (Unit subdivisions): that is, rates on units or proposed unit subdivisions are also imposed under this Part.

Rates continue to be imposed on commercial, residential and rural land using the same principles and equations as under the Rates and Land Tax Act. Part 3 stipulates that rates are payable to the commissioner by the person who is the owner of the parcel of land, whether the amount became payable before or after the person became the owner, if those rates have not been paid. The effect is unchanged from the Rates and Land Tax Act requirement that the unpaid rates must be paid by the “owner for the time being”. The requirement in the omitted Rates and Land Tax section 15A to send notices to different owners is not needed as the debt is a charge on the land (if it has been advised at conveyancing) and the current owner is responsible for payment of any unpaid rates.

This Part duplicates the previous provisions relating to the date for payment in the assessment notice, how a person may pay the rates to qualify for the discount and also how payments can be made without rates falling into arrears. The discount rate will continue to be determined by disallowable instrument, but under the Taxation Administration Act. The payment dates and requirements are unchanged. Provisions for when a parcel is rateable for only part of a year are also unchanged in effect.

Part 4 Enforcement

Interest on overdue rates is calculated monthly as explained in the example in Clause 21 (2) of the Bill. The interest rate applying to a day is determined under section 26 of the Taxation Administration Act, and, if required, the Minister retains the power to determine different rates of interest for this purpose under section 139 (Determination of amounts payable under tax laws) of the Taxation Administration Act.

The provisions that give the commissioner the power to let or sell a parcel of land for nonpayment of rates are reworded in Clauses 23, 24, 25, 26 and 27 but are unchanged in effect from those in the Rates and Land Tax Act sections 17, 18, 19, 20 and 21.

Rates payable in relation to a parcel continue to be a charge on the interest held by the owner of the parcel. This charge still takes priority over a sale, conveyance, transfer, mortgage, charge, lien, or encumbrance in relation to the parcel.

Part 5 Unit subdivisions

Part 5 deals with the application of the Act to unit subdivisions and to certain proposed unit subdivisions.

For the calculation of rates (and land tax) on units, the *Revenue Legislation Amendment Bill 2003 (No 3)* recently substituted a new section 24A of the Rates and Land Tax Act. The provisions in this new section 24A have been duplicated in effect in this Bill.

For the calculation of rates on certain proposed unit subdivisions, the provisions from the Rates and Land Tax Act have been duplicated in effect in this Bill. New, is that the variable factors and the amounts and percentages used to calculate rates will now be determined by disallowable instrument under the Taxation Administration Act.

Part 6 Exemptions, remissions and certain interest payments

The Minister's powers to exempt an owner of a parcel of land from the payment of rates, or to remit rates payable to the owner, have been copied in the Bill at Clauses 41 and 42 with an additional provision that the Minister may make guidelines (a disallowable instrument) for the exercise of both of these functions.

Clause 43 deals with the remission of interest where the commissioner is satisfied that it is fair and reasonable having regard to the circumstance which contributed to the delay in payment, or any other relevant matter. Again, a provision has been introduced to allow the Minister to make guidelines (a disallowable instrument) for the exercise of this function. Clause 43 also applies to the remission of interest on an amount deferred under Division 7.2 of this Bill.

Clause 44 applies where a person has overpaid rates for a parcel of land because of an administrative error and interest on the refund is worked out using the market rate component determined under the Taxation Administration Act section 26 (Interest rate). Clause 44 is required to maintain current practice as section 111 (Interest payable on refunds) of the Taxation Administration Act applies to a refund after a successful objection or review, but does not apply in the case of administrative error.

Part 7 Deferral and rebates

The applicable definitions from the Rates Relief Act have been placed in Division 7.1.

The definition of "pensioner" in the Rates Relief Act was stated in terms of specific sections of the *Social Security Act 1991* (Cwlth). As the Commonwealth Act is continually changing it is difficult to keep this definition up to date in its current format. Consequently, a new generic definition with the same effect has been introduced which covers anyone in receipt of a pension, allowance or benefit under the *Social Security Act 1991* who has also been given a pensioner concession card by the Commonwealth. The part of the definition of "pensioner" which refers to the *Veterans' Entitlements Act 1986* (Cwlth) is unchanged.

Proposed changes to be introduced by the *Sexuality Discrimination Legislation Amendment Bill 2003* have been included in the definition of "pensioner" as it is expected to be introduced before this Bill. These provisions are in line with

Government policy to amend the law to remove discrimination relating to sexuality and marriage status.

The deferment and rebate provisions from the Rates Relief Act have otherwise been duplicated in effect in this Bill. The only change is that the rebate cap will now be determined under section 139 of the Taxation Administration Act.

Part 8 Miscellaneous

Clause 70 (Objections) of the Bill prescribes decisions for the Taxation Administration Act section 100 (Objection). This is necessary as they do not fall under the Taxation Administration Act section 100 (1) (a) which deals with objection to assessment. See Schedule 1 to this Bill for the amendment to section 100 of the Taxation Administration Act.

Clause 71 (Objections relating to valuation – general) applies to an objection to an assessment if it relates to the valuation on which the assessment is based. The Taxation Administration Act section 103 (Objections lodged out of time) does not apply in this case. Section 129 (Service of documents by commissioner) of the Taxation Administration Act governs the service of notices. This maintains the timeframe allowed under section 29 (Objections to determinations) of the Rates and Land Tax Act and prevents objection to old valuations.

Clause 72 (Objection relating to valuations – unit owners). An objection, which relates to valuation for a parcel of land that is a unit subdivision may only be lodged by the owners corporation. This maintains the existing rights under the Rates and Land Tax Act.

Clause 73 (Review by AAT) applies to a determination by the commissioner of an objection to a decision in Clause 70. This is prescribed for the Taxation Administration Act section 107 (Right of appeal to tribunal). See Schedule 1 to this Bill for the amendment to section 107 of the Taxation Administration Act.

Clause 74 (Working out amounts with fractions for Act) applies in all cases where an amount worked out contains a fraction of a cent. The amount must be rounded to the nearest cent, with half a cent being disregarded. If an amount is part of the average unimproved value of a parcel of land any fraction of a dollar must be disregarded. This retains current practice, and the Taxation Administration Act section 123 (Adjustments of amounts) does not apply.

Clause 75 (Notice of transfer), Clause 76 (Certificate of land tax and other charges) and Clause 77 (Statement of amounts payable and payments made) are duplicated in effect from the Rates and Land Tax Act. The certificate and the statement may both include amounts under the *Land Tax Act 2003*.

Clause 78 (Determination of fees) and Clause 79 (Regulation-making power) are duplicated in effect from the Rates and Land Tax Act and Rates Relief Act.

Comparative Sections Table

<i>Rates & Land Tax Act 1926 - Section</i>	<i>Rates Bill 2003 - Section</i>	<i>Taxation Administration Act 1999 - Section</i>
	The <i>Rates Act 2003</i> is a tax law under <i>Taxation Administration Act 1999</i> subject to provisions about administration and enforcement generally.	4 will be amended to include <i>Rates Act 2003</i> and <i>Land Tax Act 2003</i> (see Rates Bill Schedule 1 Pt 1.2)
Part 1	Part 1	
1 Name of Act 4 Dictionary 4A Notes	1 Name of Act 2 Commencement 3 Dictionary – at end of Act 4 Notes 5 Offences against Act – application of Criminal Code etc	N/A
Part 2 – Unimproved value	Part 2 Unimproved value of rateable land	N/A
5 Unimproved value	6 Meaning of <i>unimproved value</i>	N/A
5A Unimproved value of land developed by private sector	7 Unimproved value of land developed under a development lease	N/A
6 Rateable lands	8 Meaning of <i>rateable land</i>	N/A
7 Initial valuation	9 First determination of unimproved value (1) and (2)	N/A
8 Automatic revaluations (1) (2)	81 Annual redetermination for 1991 – Transitional 10 Annual redeterminations	N/A
9 Determinations for 1995 and 1996	82 Determinations for 1995 and 1996 – Transitional	N/A
10 Revaluation following error or changed circumstances (1) (2) (3) and (4)	11 Redetermination – error or changed circumstances (1) and (2) (3) (5)	N/A
11 Application of determination or redetermination to rates (1) (2) (3) (4)	9 First determination of unimproved value (3) and (4) 9 (4) and 10 Annual redeterminations (2) 11 Redeterminations – error or changed circumstances (4) Not required	N/A
11A Unimproved values- 1995 and 1996	83 Unimproved values for 1995 and 1996 – Transitional	N/A
12 Recording and notification of unimproved value	12 Recording and notification of determinations	N/A
Part 3 – Rates		
Division 3.1 Imposition and payment	Part 3 Imposition and payment of rates	
12A Part subject to pt 4A	13 Pt 3 subject to pt 5 (Unit subdivisions) – deals with units and proposed subdivisions	N/A

<i>Rates & Land Tax Act 1926 - Section</i>	<i>Rates Bill 2003 - Section</i>	<i>Taxation Administration Act 1999 - Section</i>
13 Imposition (1) (2), (3), (4) and (5)	Included in 13 Pt 3 subject to pt 5 14 Imposition of rates (1), (2), (3) and (4)	139 Determination of amounts payable under tax laws
14 Assessment of rates (1) (2) (a) (2) (b) (3) (4)	N/A 17 When are rates payable? (1) 17 (3) and 19 Payment of rates by instalments N/A N/A	Part 3 Assessment of tax liability 7 General power to make assessment (1), (2) and 14 Notice of assessment, reassessment or withdrawal of assessment (1) 51 Time for payment of tax (a) 51 (a) 9 Reassessment Not required
15 Payment of rates (1) and (2) (3) (4) (4) (a) Note after (4) (a) (4) (b) (4) (c) (4) (d) (5) (6) (7) (8) (9) (10) (11) (12) (13)	16 Owner to pay rates [now payable to the commissioner rather than territory] (1) and (2) 17 When are rates payable? (1) and (2) 18 How may rates be paid? (1) 18 (1) (a) 18 (3) 18 (1) (b) 18 (1) (c) 18 (1) (d) 74 Working our amounts with fractions for Act 18 (2) 19 Payment of rates by instalments (1) 15 Rates for part of year (1) and (2) 15 (3) 15 (4) N/A 18 (3) Not required	N/A N/A N/A N/A N/A N/A N/A N/A 123 Adjustment of amounts does not apply N/A 52 Arrangements for payment of tax (4) does not apply N/A N/A N/A Part 4 Refunds of tax 139 Determination of amounts payable under tax laws 139
15A Land not previously valued	Not required - s9 First determination of unimproved value – has been extended to cover <i>any</i> relevant date where value not yet determined	N/A
Division 3.2 – Enforcement	Part 4 Enforcement	
17 Notice of rates in arrears	23 Notice of rates in arrears	Written notice covered under 129 Service of documents by commissioner
18 Unoccupied land – letting for nonpayment of rates (1) to (4) (5) to (7)	24 Unoccupied land – letting for unpaid rates 25 Entitlement to possession of land held by commissioner	N/A

<i>Rates & Land Tax Act 1926 - Section</i>	<i>Rates Bill 2003 - Section</i>	<i>Taxation Administration Act 1999 - Section</i>
19 Sale of land for nonpayment of rates (1) to (4) (5)	26 Sale of land for nonpayment of rates (1) to (4) (6)	N/A
20 Owner of land entitled to surplus on giving up title	26 Sale of land for nonpayment of rates (5)	N/A
21 Properties in a declaration may be included in single application	27 Application may relate to more than 1 parcel. [Can include rates and land tax]	N/A
21A Charge of rates and land tax on rateable land (1) (2)	22 Charge of rates on land (1) and (2) and Dictionary [Rates includes...] (3)	N/A
22 Recovery of rates (1) (2) (a) to (d) (3) and (4) (5) (6) (7) (8) (9)	21 Interest payable on overdue rates [Note that new s21 (2) clarifies that interest payable for whole month] N/A 21 (1) (a) to (d) Note in (1) N/A N/A Not required 74 Working out amounts with fractions for Act 17 When are rates payable? and 19 Payment of rates by instalments	48 Tax payable to the commissioner and 49 Costs of recovery are payable to the commissioner Div 5.2 (Penalty tax), s 25 (Interest in relation to tax defaults) and s 110 (Interest payable on amounts to be paid by taxpayer) do not apply. 139 Determination of amounts payable under tax laws 26 Interest rate [more than one rate can be determined if required] 28 Interest rate to prevail over interest otherwise payable on a judgement debt N/A 123 Adjustments of amounts does not apply N/A 52 Arrangements for payment of tax (4) does not apply
22AAA Payment by ratepayer's debtor	N/A	54 Collection of tax from third parties
22AA Remission of penalty	43 Remission of interest – by commissioner with Ministerial guidelines/disallowable instrument	N/A
Part 4 Land Tax	None of Rates and Land Tax Act Part 4 is applicable to rates	
Part 4A Certain parcels of land intended to be subdivided under Unit Titles Act	Part 5 Unit subdivisions Division 5.2 Certain proposed unit subdivisions	
22GJ Definitions for pt 4A	30 Definitions for div 5.2	N/A

<i>Rates & Land Tax Act 1926 - Section</i>	<i>Rates Bill 2003 - Section</i>	<i>Taxation Administration Act 1999 - Section</i>
22GK Application by owner of eligible parcel of land (1) and (2) (3) to (5)	31 Application by owner of eligible parcel of land (1) and (2) N/A	N/A 82 Power to require information, instruments or records or attendance for examination
22GL Determination of percentages of non-residential and residential components of intended development (1) (a) and (b) (1) (c) and (d) (2) (3) (4) (a) and (b) (4) (c) (4) (d) (5) (6) (7) (8) (9)	32 Determination of percentages of residential and commercial parts of development 32 (1) 32 (2) 32 (3) 32 (4) 33 Variation of lease or change of intention (1) 33 (2) 33 (3) and (4) 33 (7) 33 (5) and (6) N/A 32 (5) 32 (6)	N/A N/A N/A N/A N/A N/A N/A N/A 82 Power to require information, instruments or records or attendance for examination (1) N/A N/A
22GM Imposition and assessment of rates – certain qualifying parcels of land (1) and (2) (3) and (4)	34 Imposition of rates – qualifying parcels of land (1) to (3) N/A	N/A Part 3 Assessment of tax liability – 7 General powers to make assessment, 14 Notice of assessment, reassessment or withdrawal of assessment and 51 Time for payment of tax
22GN Imposition and assessment of land tax	N/A	N/A
22GO When pt 4A begins, and ceases, to apply to parcel of land (1) (2) (3) (4)	35 When div 5.2 applies to parcel of land 36 End of application of div 5.2 37 Notice of end of application of div 5.2 (1) – (3) and (6) 37 (4) offence New 37 (5) – strict liability offence	N/A

Rates & Land Tax Act 1926 - Section	Rates Bill 2003 - Section	Taxation Administration Act 1999 - Section
22GP Transfer of lease (1) (2) (3) (4) to (6) (7)	38 Transfer of lease (1) and (5) (2) (3) offence New (4) – strict liability offence N/A (6)	N/A N/A N/A 82 Power to require information, instruments or records or attendance for examination (1) N/A
22GQ Reassessment – completion of development (1) (2)	39 Reassessment – completion of development N/A	N/A
22GR Reassessment – noncompletion of development (1) (a) and (b) (1) (c) and (d) (2)	40 Reassessment – noncompletion of development (1) 40 (2) N/A	N/A
22GS Assessment under pt 4A in relation to period replaces previous assessment in relation to that period	N/A	9 Reassessment
22GT Refund or credit for certain excess payments	N/A	Part 4 Refunds of tax
22GU Assessment of rates or of land tax	14 Imposition of rates	14 Notice of assessment, reassessment or withdrawal of assessment
22GV Objections	N/A	Division 10.1 Objections, s 100 Objection (1) (a)
22GW Review of determination or decision	N/A	Division 10.2 Appeals to tribunal, s 107 Right of appeal to tribunal
22GX Offence – false or misleading statement	N/A	66 Giving false or misleading information
Part 5 Miscellaneous		
22H References to <i>owner</i> of land	Not required – Rates and Land Tax Act s15A to which it refers has been omitted.	N/A
22HA Delegation	N/A	78 Delegation by commissioner
23 Notice of transfer (1) and (2) (3)	75 Notice of transfer (1) and (2) (3) offence New (4) strict liability offence	N/A
24 Joint owners, lessees and licensee	N/A	50 Joint and several liability

<i>Rates & Land Tax Act 1926 - Section</i>	<i>Rates Bill 2003 - Section</i>	<i>Taxation Administration Act 1999 - Section</i>
24A Unit subdivisions as amended by <i>the Revenue Legislation Amendment Bill 2003 (No 3)</i> (1) (2) (3) (4) (5) (6) (7) (8) (9) (10) (11)	Part 5 Unit subdivisions Division 5.1 Application of Act to unit subdivisions 28 Unit subdivisions (1) 28 (1) example 28 (2) 29 Unit subdivisions – rates (2) 29 (3) 29 (4) N/A N/A 29 (5) 74 Working our amounts with fractions for Act Dictionary	N/A N/A N/A N/A N/A N/A N/A N/A N/A 123 Adjustments of amounts does not apply N/A
25 Application of amendments of s24A as inserted by the <i>Revenue Legislation Amendment Bill 2003 (No 3)</i> [Expires after 1 year]	N/A	N/A
26 Service of notices	N/A	129 Service of documents by commissioner
28 Exemption from rates or land tax (1) (2) (3)	41 Exemption from rates (1) N/A (2) New (3) and (4) – Ministerial guidelines/disallowable instrument	N/A
28A Refund or remission of rates or land tax	42 Remission of rates (1) New (2) and (3) – Ministerial guidelines/disallowable instrument	Part 4 – Refunds of tax
28B Interest on refund	44 Interest on refund By commissioner if an administrative error caused overpayment	26 Interest rate – market rate component [111 Interest payable on refunds – only applies to successful objection or review]
28C Review of decision that land rateable	N/A	Division 10.1 Objections
29 Objections to determinations	71 Objections relating to valuations – general 72 Objections relating to valuations – unit owners	Division 10.1 Objections 103 Objections lodged out of time does not apply 100 Objection (1) does not apply to unit owners
30 Review of interest decision	70 Objections	Division 10.1
31 Review of decisions	73 Review by AAT	Division 10.2 Appeals to tribunal
32 Notification of decisions	N/A	105 Notice of determination
32A Contents of notice	N/A	Comes under <i>Administrative Appeals Tribunal Act 1989</i> 25B Code of practice (1)

<i>Rates & Land Tax Act 1926 - Section</i>	<i>Rates Bill 2003 - Section</i>	<i>Taxation Administration Act 1999 - Section</i>
33 Giving effect to tribunal's decisions	N/A	109 Giving effect to decision on appeal
34 Effect of pending objection, review or appeal	N/A	106 Recovery of tax pending objection or appeal
34A Reduction of amounts payable	N/A	Part 3 Assessment of tax liability
34B Certificate of rates, land tax and other charges	76 Certificate of rates and other charges. [Can be same certificate with rates and land tax]	97 Permitted disclosures to particular persons (c) – allows information
34C Statement of amounts payable and payments made	77 Statement of amounts payable and payments made. [Can be same statement with rates and land tax]	Note that Division 9.4 Secrecy will apply.
35 Documentary evidence	N/A	136 Certificate evidence
36 Determination of fees	78 Determination of fees	N/A
37 Refund of certain fees	N/A	100 Objection (3)
38 Approved forms	N/A	139C Approved forms
39 Regulation-making power	79 Regulation-making power	N/A
Dictionary	Dictionary	Dictionary

<i>Rates & Land Rent (Relief) Act 1970 - Section</i>	<i>Rates Bill 2003 Section</i>	<i>Taxation Administration Act 1999 - Section</i>
1 Name of Act	1 Name of Act	
2 Definitions for Act	45 Definitions for pt 7 [Includes new provisions from <i>Sexuality Discrimination Legislation Amendment Bill 2003</i>]	N/A
2AA Persons taken to be pensioners	No longer required under new definition of pensioner	N/A
2A Application of Act	No longer applicable as Rates and Land Tax Act repealed	N/A
Part 2 Determinations		
2B Interpretation for pt 2	Not required	N/A
3 Deferral of rent and rates (1)	46 Application for deferral determination (1) and 47 Determination for deferral of rates (1)	N/A
(1) (a) to (d)	47 (1) (a) to (d)	
(1) (e)	Not required	
(2)	47 (2)	
(2) (a)	47 (2) (a) and (4) (a)	
(2) (a) (i)	Not required	
(2) (a) (ii)	47 (2) (a) and (b)	
(2) (b)	47 (2) (a) and (b) and (4) (b)	
(3)	47 (3)	
(4)	47 (4)	
(4) (a) and (b)	47 (4) (a) (i) and (ii)	
(5)	47 (4)	
(5) (a) and (b)	47 (4) (b) (i) and (ii)	
(6)	47 (5)	
(6) (a)	47 (5) (a)	
(6) (b)	47 (5)	
(6) (c)	47 (5) (b)	
(7)	46 (2)	

<i>Rates & Land Rent (Relief) Act 1970 - Section</i>	<i>Rates Bill 2003 Section</i>	<i>Taxation Administration Act 1999 - Section</i>
4 Effect of making a determination (1) (a) (1) (b) (1) (c) (2) (a) (2) (b) (2) (c) (3) (4) (5) (a) (5) (b)	Not required 48 Effect of deferral determination (1) (a) and (b) Not required Not required 48 (2) (a) and (b) Not required 48 (3) 48 (4) 48 (5) (a) 48 (5) (b)	N/A
6 Deferred amounts not recoverable while determination is in force	49 Deferred amount not recoverable if determination in force	N/A
7 Variation of determination	50 Amendment of deferral determination	N/A
8 Effect of variation of determination under s 7	50 Amendment of deferral determination (1)	N/A
9 Revocation of determinations on discharge of debt and on request	51 Revocation of deferral determination – payment of debt and on request	N/A
10 Notice of proposed revocation of determination on prescribed grounds (1) (2) to (4) (5)	52 Additional grounds for revocation of deferral determination 53 Notice of proposed revocation on additional grounds N/A	N/A
11 Revocation of determination on prescribed grounds	54 Revocation of deferral determination on grounds	N/A
15 Recovery of deferred amounts (1) (2) and (3) (4) and (5)	55 Recovery of deferred amounts (1) and (2) (3) and (4) N/A	N/A N/A 50 Joint and several liability
16 Interest payable on amount after revocation of determination	56 Interest payable after revocation of deferral determination (1) and (2) New (3)	N/A 25 Interest in relation to tax defaults does not apply
17 Remission of interest	43 Remission of interest	N/A
18 Memorandum in relation to registered notice of determination	57 Memorandum of discharge	N/A
19 Information relating to determination	58 Information about deferral determination	N/A
20 Notice of revocation to be given	59 Notice of revocation	N/A
Part 3 Rebate for pensioners	Division 7.3 Rebate of rates	

<i>Rates & Land Rent (Relief) Act 1970 - Section</i>	<i>Rates Bill 2003 Section</i>	<i>Taxation Administration Act 1999 - Section</i>
21A Interpretation for pt 3 (1) (2) to (4)	45 Definitions for pt 7 60 Meaning of <i>liability for rates</i> for div 7.3	N/A
21C Rebates of land rates – uncapped	63 Rebate of rates – uncapped	N/A
21D Rebates of land rates – capped	64 Rebate of rates – capped	Rebate cap determined under 139 Determination of amounts payable under tax laws
21E Rebates and deferred liability	65 Rebates and deferred liability	N/A
21F Application for rebates	61 Application for rebate	
21G Non-eligibility for past years	62 No entitlement for past years	N/A
21H Joint and several liability for rates	66 Joint and several liability for rates	50 Joint and several liability applies
21J Notice of change in circumstances (1) to (4)	67 Change in circumstances (1) to (3) and (5) New (4) strict liability offence	N/A
21JA Adjustment of liability for rates	68 Adjustment of liability for rates	N/A
21JB Cessation and resumption of entitlement	69 Break in entitlement	N/A
Part 6 Miscellaneous		
21K Information relating to application	61 Application for rebate (3) and (4)	N/A
23 Interest rate (1) (a) (1) (b) (2) to (4)	48 Effect of deferral determination (3) 56 Interest payable after revocation of deferral determination (1) N/A	26 Interest rate applies 25 Interest in relation to tax defaults does not apply 26
23A Notification of decisions	N/A	Division 10.1 Objections
23B Objections	70 Objections	Division 10.1 Objections
23C Review of decisions	73 Review by AAT	Division 10.2 Appeals to tribunal
23D Effect of pending objection or review	N/A	106 Recovery of tax pending objection or appeal
24 Regulation-making power	79 Regulation-making power	N/A

Part 9 Transitional

Clause 80 (Meaning of *repealed Rates Act* and *repealed Rates Relief Act* for pt 9) defines the two repealed Acts for Part 9.

Clause 81 (Annual redetermination for 1991), Clause 82 (Determinations for 1995 and 1996) and Clause 83 (Unimproved values for 1995 and 1996) are transitional provisions to ensure that the repealed Rates Act sections 8, 9 and 11A respectively continue to apply to a parcel of land.

Clause 84 (Determinations of unimproved value). A determination under the repealed Rates Act Part 2 in force immediately before 1 July 2004 is taken to have been made under Part 2 of this Act.

Clause 85 (Assessments). In this Act assessment of rates includes an assessment of rates made under the repealed Rates Act.

Clause 86 (Rates payable under repealed Rates Act). Rates (including interest) are taken to be payable under this Act if they were payable under the repealed Rates Act and were not paid before 1 July 2004.

Clause 87 (Land to which repeal Rates Act, pt 4A applied). If the repealed Rates Act Part 4A applied to a parcel of land the parcel is taken to be a qualifying parcel of land for Division 5.2 of this Act.

Clause 88 (Application under repealed Rates Act, pt 4A). If an application has been made under the repealed Rates Act section 22GK and it was not decided before 1 July 2004 the application is taken to have been made under section 31 of this Act.

Clause 89 (Right to object if no objection lodged) protects an owner's right to lodge an objection to a decision made immediately before 1 July 2004 so that the time allowed to lodge objections under the repealed Acts is also allowed under the new Act.

Clause 90 (Objections lodged under repealed Rates Act) protects an owner's objection and AAT review rights where an objection has been lodged but not decided before 1 July 2004.

Clause 91 (Applications for review if no application lodged) protects an owner's AAT review rights where an objection decision has been made and the time for applying for a review of the decision has not ended immediately before 1 July 2004.

Clause 92 (Application for review if application lodged) protects an applicant's right for review where an application has been lodged with the AAT but not decided before 1 July 2004.

Clause 93 (Notice of rates in arrears). A declaration under the repealed Rates Act section 17 (2) in relation to rates is taken to be a declaration under this Act section 22.

Clause 94 (Determination for deferral of rates) ensures that a determination deferring rates under the repealed Rates Relief Act section 3 continues in forces as if it were made under Division 7.2 of this Act.

Clause 95 (Application for determination for deferral of rates). If an application for deferral under the repealed Rates Relief Act section 3 has not been decided before 1 July 2004 it is taken to have been made under section 46 of this Act.

Clause 96 (Rebate of rates). A person who is entitled immediately before 1 July 2004 to a rebate of rates under the repealed Rates Relief Act Part 3 continues to be entitled to a rebate under Division 7.3 of this Act.

Clause 97 (Application for determination for rebate of rates). Where a person has applied under the repealed Rates Relief Act section 21F and the application has not been decided before 1 July 2004 the application is taken to have been made under section 61 of this Act.

Clause 98 (Statement under s 77). A reference in section 77 to an amount payable includes an amount payable under the repealed Act.

Clause 99 (Modification of pt 9's operation). The executive may make regulations to modify the operation of this Part for any matter not adequately dealt with in this Part.

Clause 100 (Expiry of pt 9). This part expires 1 July 2005.

Part 10 Consequential amendments and repeals

Clause 101 (Legislation amended or repealed – sch 1) amends or repeals the legislation mentioned in schedule 1.

Schedule 1 Consequential amendments and repeals

Part 1.1 Firearms Regulations 1997

[1.1] Regulation 6 (1) (a) (i) omits a reference to the *Rates and Land Tax Act 1926*.

Part 1.2 Taxation Administration Act 1999

[1.2] New section 4 (fa) - *Land Tax Act 2003* inserted as a tax law for this Act.

[1.3] New section 4 (ga) - *Rates Act 2003* inserted as a tax law for this Act.

[1.4] Section 4 renumbers paragraphs when next republished.

[1.5] Section 20 (1) - a reference to the *Rates and Land Tax Act 1926* is omitted.

[1.6] Section 100 (1) is substituted to extend the taxpayer's right to lodge an objection to include a decision under the tax law that is prescribed under the law for this section.

[1.7] Section 107 (1) is substituted to extend the taxpayer's right to apply to the tribunal for a review of a decision to those made under a tax law that is prescribed under the law for this section.

Part 1.3 Repeals

[1.8] Legislation repealed. Repeals the *Rates and Land Tax Act 1926*, *Rates and Land Rent (Relief) Act 1970*, *Rates and Land Tax Regulations 1992*, *Rates and Land Tax (Certificate and Statement of Fees) Determination 2003 (No 1)*, *Rates and Land Tax (Objection Fees) Determination 2002* and *Rates and Land Tax (Discount Rate) Determination 1999*.

Dictionary

Inserts dictionary.