First print

New South Wales

Treasury and Revenue Legislation Amendment Bill 2023

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

This Bill is cognate with the *Appropriation Bill 2023*.

Overview of Bill

The objects of this Bill are as follows—

(a) to increase the duty payable on certain transactions attracting fixed or nominal duty,

(b) to reduce the threshold for the acquisition of a significant interest in a landholder belonging to a class of private unit trust scheme,

(c) to provide for the registration of private unit trust schemes that meet certain criteria,

(d) to reduce the value of the property of an entity that a principal entity would need to be entitled to receive in the event of a distribution of all the property of the other entity in order for the other entity to be a linked entity of the principal entity for the purposes of duty,

(e) to remove an exemption from duty in relation to certain electric vehicles,

(f) to remove exemptions from duty for corporate reconstruction transactions and corporate consolidation transactions and to replace the exemptions with a 90% reduction in duty otherwise chargeable,

(g) to provide for the road user charges payable for electric vehicle from 1 January 2024,

(h) to set out the method for calculating the tax threshold and premium rate threshold for land tax and to set out and validate previous amounts for the thresholds,

(i) to remove the ability to claim a principal place of residence exemption in relation to land unless the persons who use and occupy the land as a principal place of residence together own at least a 25% interest in the land,

(j) to re-enact a power of the Chief Commissioner of State Revenue to remit interest and include a new power for the Chief Commissioner to issue guidelines about how interest must be remitted,

(k) to transfer unspent money from 3 funds in the Special Deposits Account to the Consolidated Fund,

(l) to make minor statute-law type amendments.

Outline of provisions

Clause 1 sets out the name, also called the short title, of the proposed Act.

Clause 2 provides for the commencement of the proposed Act.

Schedule 1 Amendment of Duties Act 1997 No 123

Schedule 1[1]–[4] increase the duty payable on certain transactions attracting fixed or nominal duty. **Schedule 1[10]** makes a consequential amendment.

Schedule 1[6] A person has a significant interest in a landholder for the purposes of the *Duties Act 1997* if the person is entitled to a specified percentage of the property distributed. Currently, the percentage is 50% or more for a private landholder and 90% or more for a public landholder. The proposed amendment brings in a new category specifying that for a private landholder that is a private unit trust scheme, a person has a significant interest if the person is entitled to 20% or more of the property distributed. **Schedule 1[7]** provides that a private unit trust scheme is a unit trust scheme other than a public unit trust scheme or a scheme registered by the Chief Commissioner of State Revenue (the ***Chief Commissioner***).

Schedule 1[8] inserts a new division that provides for the registration of unit trust schemes by the Chief Commissioner. **Schedule 1[5]** makes a consequential amendment. The proposed division comprises proposed sections 157AA–157AH.

Proposed section 157AA defines a number of terms used in the proposed division. **Schedule 1[20]** makes a consequential amendment.

Proposed section 157AB sets out what is meant by a qualified investor, which is generally a larger investor that invests for other persons, for example, a superannuation fund with 300 or more members.

Proposed section 157AC sets out what is meant by a wholesale unit trust scheme. A unit trust scheme is a ***wholesale unit trust scheme*** if—

(a) the scheme was not established for a particular investor, and

(b) not less than 80% of the units in the scheme are held by qualified investors, and

(c) no qualified investor, either alone or together with associated persons, holds 50% or more of the units in the scheme, and

(d) the scheme satisfies additional requirements specified by the Chief Commissioner under the proposed section.

Proposed section 157AD enables the Chief Commissioner to register a unit trust scheme if the Chief Commissioner is satisfied that the unit trust scheme is a wholesale unit trust scheme or will be a wholesale unit trust scheme within 12 months after the day on which the first units in the scheme are issued to a qualified investor (an ***imminent wholesale unit trust scheme***).

Proposed section 157AE provides for the length of registration, which is 3 years for a wholesale unit trust scheme and 1 year for an imminent wholesale unit trust scheme.

Proposed section 157AF permits the Chief Commissioner to cancel the registration of a unit trust scheme if a disqualifying circumstance occurs in relation to the scheme.

Proposed section 157AG sets out when a disqualifying circumstance occurs and requires the responsible entity for the unit trust scheme to give the Chief Commissioner notice of a disqualifying circumstance within 28 days after it occurs. Failure to do so is an offence with a maximum penalty of 500 penalty units. In addition, if the responsible entity fails to give the notice and duty becomes chargeable under proposed section 157AH, the responsible entity must pay a penalty amount to the Chief Commissioner equal to twice the amount of duty chargeable.

Proposed section 157AH sets out the consequences of a disqualifying circumstance occurring in relation to a unit trust scheme that is registered. The scheme is taken to be a private unit trust scheme and a subsequent acquisition of a significant interest in the unit trust scheme is a relevant acquisition for the purposes of duty.

Schedule 1[9] reduces from at least 50% to at least 20% of the value of the property of an entity that a principal entity would need to be entitled to receive in the event of a distribution of all the property of the other entity in order for the other entity to be a linked entity of the principal entity.

Schedule 1[11] removes an exemption for certain electric vehicles from the payment of duty effective from 1 January 2024.

Schedule 1[14] removes exemptions from duty for corporate reconstruction and corporate consolidation transactions and replaces them with a 90% reduction in duty otherwise chargeable for the transactions. **Schedule 1[12], [13] and [16]–[18]** make consequential amendments.

Schedule 1[15] omits a redundant provision.

Schedule 1[19] inserts a number of savings and transitional provisions consequent on the amendments made by the proposed Act, Schedule 1, including—

(a) not applying the proposed amendments to certain transactions and acquisitions, and

(b) providing for transitional arrangements in relation to the removal of the exemption for certain electric vehicles from the payment of duty.

Schedule 2 Amendment of Electric Vehicles (Revenue Arrangements) Act 2021 No 25

Schedule 2 amends the *Electric Vehicles (Revenue Arrangements) Act 2021*, section 9, consequent on the amendments in the proposed Act, Schedule 1. The proposed amendment provides for the road user charges payable for electric vehicles, including plug-in hybrids, from 1 January 2024.

Schedule 3 Amendment of Land Tax Management Act 1956 No 26

Schedule 3[1] repeals the *Land Tax Management Act 1956*, Part 7, Division 4A and inserts proposed Division 4, which comprises proposed sections 62O–62U.

Proposed section 62O provides definitions of ***land value*** and ***previous land tax year*** for the purposes of the proposed division.

Proposed section 62P sets out the tax threshold for the land tax years of 2006–2023.

Proposed section 62Q provides for the calculation of a tax threshold for a land tax year after the 2023 land tax year.

Proposed section 62R requires the Valuer-General to calculate the percentage change in land values each calendar year.

Proposed section 62S sets out the premium rate threshold for the land tax years of 2009–2023.

Proposed section 62T provides for the calculation of a premium rate threshold for a land tax year after the 2023 land tax year.

Proposed section 62U requires the Valuer-General to publish in the Gazette on or before the first Friday in December certain amounts relating to the proposed division.

Schedule 3[2] renumbers and relocates a provision.

Schedule 3[3] makes a consequential amendment.

Schedule 3[4] removes a part heading to improve clarity.

Schedule 3[5] removes the ability to claim a principal place of residence exemption in relation to land unless the persons who use and occupy the land as a principal place of residence together own at least a 25% interest in the land.

Schedule 3[6] inserts a proposed part in the savings and transitional schedule in the *Land Tax Management Act 1956*, that—

(a) provides that the repeal of Part 7, Division 4A of the Act does not affect an amount of a tax threshold or a premium rate threshold determined under the division except as otherwise provided by the proposed part, and

(b) validates the amounts set out in proposed sections 62P and 62S, and

(c) provides that a person who is currently entitled to a principal place of residence exemption in relation to land continues to be entitled until 31 December 2025, even if the interest of persons using and occupying the land is less than 25%.

Schedule 4 Amendment of Payroll Tax Act 2007 No 21

Schedule 4 corrects an incorrect reference to an entity and a typographical error.

Schedule 5 Amendment of Taxation Administration Act 1996 No 97

Schedule 5[1] re-enacts a power of the Chief Commissioner to remit interest and includes a new power for the Chief Commissioner to issue guidelines about how interest must be remitted. If guidelines are issued, interest must be remitted only in accordance with the guidelines.

Schedule 5[1] and [2] also make it clear that the imposition or remission of penalty tax and the imposition or remission of interest are not relevant to each other.

Schedule 5[3] corrects an incorrect reference to Public Service agencies.

Schedule 6 Amendments transferring funds

Schedule 6 transfers unspent money from 3 funds in the Special Deposits Account to the Consolidated Fund.

First print

New South Wales

Treasury and Revenue Legislation Amendment Bill 2023

Contents

New South Wales

Treasury and Revenue Legislation Amendment Bill 2023

No , 2023

A Bill for

An Act to amend various Acts administered by the Treasurer and the Minister for Finance; and to transfer unspent money from 3 funds in the Special Deposits Account to the Consolidated Fund.

The Legislature of New South Wales enacts—

1 Name of Act

This Act is the *Treasury and Revenue Legislation Amendment Act 2023*.

2 Commencement

This Act commences as follows—

(a) Schedules 1[1]–[10], [12]–[18] and [20], 3[5] and 5[1] and [2]—on 1 February 2024,

(b) Schedules 1[11] and [19] and 2—on 1 January 2024,

(c) Schedules 4 and 5[3]—on 4 September 2023,

(d) otherwise—on the date of assent to this Act.

Schedule 1 Amendment of Duties Act 1997 No 123

[1] Sections 18(1) and (6A), 29(3A), 30(4), 53(1)(c), 54(2)–(4), 55(1), 56(1) and (2), 57(1), 59B, 63(1) and (4), 64, 64AA, 217, 227(2)(b) and 272(1)(a)

Omit "$50" wherever occurring. Insert instead "$100".

[2] Sections 18(2)–(6), 63(5), 271(1) and 273(1)

Omit "$10" wherever occurring. Insert instead "$20".

[3] Sections 54A(1)–(7) and 59

Omit "$50" wherever occurring. Insert instead "$500".

[4] Sections 58(1) and (2), 61(2), 62(3)(a), 62A(1), 62B(1) and 163FA(3)

Omit "$500" wherever occurring. Insert instead "$750".

[5] Chapter 4, Part 2, Division 1, heading

Insert before section 148—

Division 1 Charging of duty

[6] Section 150 What are "interests" and "significant interests" in landholders?

Omit section 150(2)(a) and (b). Insert instead—

(a) for a private landholder that is a private unit trust scheme—20% or more of the property distributed, or

(b) otherwise for a private landholder—50% or more of the property distributed, or

(c) for a public landholder—90% or more of the property distributed.

[7] Section 150(5)

Insert in alphabetical order—

private unit trust scheme has the same meaning as in Division 2.

[8] Chapter 4, Part 2, Division 2

Insert after section 157—

Division 2 Registration of wholesale unit trust schemes

157AA Definitions

In this division—

disqualifying circumstance—see section 157AG(1).

imminent wholesale unit trust scheme—see section 157AD(1)(a)(ii).

investor directed portfolio service has the same meaning as in—

(a) *Regulatory Guide 148: Platforms that are managed investment schemes and nominee and custody services* published by the Australian Securities and Investments Commission (***ASIC***), or

(b) another publication or instrument of ASIC that the Chief Commissioner approves from time to time for this definition.

private unit trust scheme means a unit trust scheme other than—

(a) a public unit trust scheme, or

(b) a unit trust scheme that is registered.

qualified investor—see section 157AB.

registered means registered under this division.

responsible entity, for a unit trust scheme for which there is no responsible entity, means the trustee of the unit trust scheme.

wholesale unit trust scheme—see section 157AC(1).

wholly-owned subsidiary has the same meaning as in the *Corporations Act 2001* of the Commonwealth.

157AB Qualified investors

(1) In this division, a ***qualified investor*** in a unit trust scheme, means a person who holds units in the scheme—

(a) as trustee of a complying superannuation fund that has no less than 300 members, or

(b) as trustee of a complying approved deposit fund that has no less than 300 members, or

(c) as trustee of a pooled superannuation trust, or

(d) as trustee of a public unit trust scheme, or

(e) as trustee of a wholesale unit trust scheme, or

(f) as a listed company, or

(g) as a life company if the company's holding of the units is an investment of a statutory fund maintained by the company under the *Life Insurance Act 1995* of the Commonwealth, or

(h) as the Crown, including a statutory body representing the Crown, in right of the Commonwealth, a State or Territory, or

(i) as, for or on behalf of an entity established and wholly owned by a government agency of the Commonwealth, a State or Territory and primarily used for the purpose of meeting statutory government liabilities or obligations, or

(j) as agent, nominee or custodian for a person or entity referred to in paragraphs (a)–(i) and in accordance with the person's terms of appointment as agent, nominee or custodian, or

(k) as custodian or trustee for an investor directed portfolio service if—

(i) the custodian or trustee holds its interest in the unit trust scheme for no less than 300 clients as investors through the service, and

(ii) none of the clients, individually or together with an associated person, are beneficially entitled to more than 20% of the units held, or

(l) in a way approved by the Chief Commissioner if the Chief Commissioner is satisfied that—

(i) the way the units are held corresponds to paragraphs (a)–(j) under the law of an external Territory or of a foreign country, or

(ii) the units are held as a wholly-owned subsidiary or wholly owned trust of the trustee of a complying superannuation fund that has no less than 300 members.

(2) For this division—

(a) the units held by a life company as a result of the company's investment of different statutory funds of the company are held by the company in a separate capacity for each fund, and

(b) the units held by an agent, nominee or custodian for different persons or entities are held by the agent, nominee or custodian in a separate capacity for each person or entity.

157AC Wholesale unit trust schemes

(1) A unit trust scheme is a ***wholesale unit trust scheme*** if—

(a) the scheme was not established for a particular investor, and

(b) not less than 80% of the units in the scheme are held by qualified investors, and

(c) no qualified investor, either alone or together with associated persons, holds 50% or more of the units in the scheme, and

(d) the scheme satisfies additional requirements that are specified by the Chief Commissioner under this section.

(2) The Chief Commissioner may specify additional requirements by order published in the Gazette.

(3) The *Interpretation Act 1987*, sections 40 and 41 apply to the order as if it were a statutory rule.

157AD Registration of scheme by Chief Commissioner

(1) The Chief Commissioner may, on application, register a unit trust scheme if the Chief Commissioner is satisfied that—

(a) the unit trust scheme—

(i) is a wholesale unit trust scheme, or

(ii) will be a wholesale unit trust scheme within 12 months after the day on which the first units in the scheme are issued to a qualified investor (an ***imminent wholesale unit trust scheme***), and

(b) registration is not being sought for a purpose of avoiding or reducing duty under this Act.

(2) The application must—

(a) be made by the responsible entity for the unit trust scheme, and

(b) be in a form approved by the Chief Commissioner, and

(c) include the information reasonably required by the Chief Commissioner, and

(d) be accompanied by the fee determined by the Chief Commissioner.

(3) Registration may be granted subject to conditions imposed by the Chief Commissioner.

(4) The Chief Commissioner may vary the conditions of registration for a unit trust scheme at any time by written notice given to the responsible entity for the scheme.

(5) It is a condition of registration of an imminent wholesale unit trust scheme that units are not issued in the scheme other than for the purposes of the scheme becoming a wholesale unit trust scheme.

157AE Length of registration

(1) Registration of a unit trust scheme under this division commences on the day specified by the Chief Commissioner in the grant of registration for the scheme.

(2) Registration may be specified to commence before the day on which registration is granted.

(3) Unless cancelled earlier, registration expires—

(a) for a wholesale unit trust scheme—3 years after registration commences, or

(b) for an imminent wholesale unit trust scheme—1 year after registration commences.

(4) Registration of a wholesale unit trust scheme may be renewed by making a further application for registration under this division.

157AF Cancellation of registration

(1) The Chief Commissioner may cancel the registration of a unit trust scheme at any time if the Chief Commissioner is satisfied a disqualifying circumstance has occurred in relation to the scheme.

(2) Registration is cancelled on the Chief Commissioner giving written notice of the cancellation to the responsible entity for the scheme including the reasons for the cancellation.

157AG Disqualifying circumstances

(1) A ***disqualifying circumstance*** occurs in relation to a unit trust scheme if—

(a) the unit trust scheme would no longer be able to be registered under this division if an application for registration were to be made for the scheme, or

(b) there is a failure to comply with a condition to which the registration of the unit trust scheme is subject.

(2) The responsible entity for a unit trust scheme that is registered under this division must give the Chief Commissioner written notice of a disqualifying circumstance within 28 days after it occurs.

Maximum penalty—500 penalty units.

(3) If the responsible entity fails to give the notice under subsection (2) and duty becomes chargeable under section 157AH, the responsible entity must pay a penalty amount to the Chief Commissioner equal to twice the amount of duty chargeable.

(4) The penalty amount is payable in addition to—

(a) the duty payable, and

(b) a penalty that may be payable under subsection (2).

157AH Consequences of disqualifying circumstance

(1) When a disqualifying circumstance occurs in relation to a unit trust scheme that is registered—

(a) the unit trust scheme is taken to have been a private unit trust scheme from the beginning of the relevant day, and

(b) the acquisition of a significant interest in the unit trust scheme made on or after the relevant day is a relevant acquisition, and

(c) the Chief Commissioner must make an assessment of duty chargeable under this Act as a result of the operation of paragraphs (a) and (b), and

(d) a tax default occurs for the purposes of the *Taxation Administration Act 1996* if the whole of any duty assessed under paragraph (c) is not paid within 30 days after the liability to pay the duty arises.

(2) However, this section does not apply if the Chief Commissioner is satisfied that the application of this section to the scheme in the circumstances would not be just or reasonable.

(3) In this section—

relevant day, for a unit trust scheme that is registered, means—

(a) the day the disqualifying circumstance occurred, or

(b) the day on which registration of the scheme commenced if—

(i) the scheme is an imminent wholesale unit trust scheme, and

(ii) the disqualifying circumstance means the scheme will not be a wholesale unit trust scheme within 12 months after the day on which the first units in the scheme are issued to a qualified investor.

[9] Section 158 Meaning of "linked entity"

Omit "50%" wherever occurring in section 158(1)(b) and (2)(b). Insert instead "20%".

[10] Section 163A General exemptions

Omit "$50 under section 54 or 54A" from section 163A(1)(f).

Insert instead "$100 under section 54 or $500 under section 54A".

[11] Section 270D Exemption for certain zero and low emissions vehicles

Omit the section.

[12] Section 273B, heading

Omit "**Exemption**". Insert instead "**Reduction in duty**".

[13] Section 273B(1) and (2)

Omit "Duty under this Act is not chargeable on a transaction" wherever occurring.

Insert "This section applies to a transaction".

[14] Section 273B(3)

Insert after section 273B(2)—

(3) If this section applies to a transaction, the duty chargeable on the transaction is 10% of the duty that would be chargeable on the transaction if this section did not apply.

[15] Section 273BA Concession for agreements connected to corporate consolidation transactions

Omit the section.

[16] Section 273F, heading

Omit "**Applications for exemptions**".

Insert instead "**Applications for approval for reduction in duty**".

[17] Section 273F(1)

Omit “exemption from duty”. Insert instead “approval for a reduction in duty”.

[18] Section 273F(2)–(6)

Omit “exemption” wherever occurring. Insert instead “approval”.

[19] Schedule 1 Savings, transitional and other provisions

Insert at the end of the schedule, with appropriate part and clause numbering—

Part Provisions consequent on enactment of Treasury and Revenue Legislation Amendment Act 2023

Definitions

In this part—

amendment Act means the *Treasury and Revenue Legislation Amendment Act 2023*.

introduction date means the date on which the Bill for the amendment Act was first introduced into a House of Parliament.

Increased amounts of duty

The increase in amounts of duty effected by the amendment Act, Schedule 1[1]–[4] does not apply in relation to the following—

(a) a transaction occurring before 1 February 2024,

(b) a transaction referred to in section 18(2) or (3) if the agreement was entered into before 1 February 2024.

Acquisition of interests in landholders

(1) Chapter 4, as in force immediately before it was amended by the amendment Act, continues to apply to the following—

(a) a relevant acquisition occurring before 1 February 2024,

(b) a relevant acquisition occurring on or after 1 February 2024 if the acquisition arose from an agreement or arrangement entered into before the introduction date.

(2) An acquisition of an interest in a unit trust scheme that has not been registered under Chapter 4, Part 2, Division 2 is taken to be an acquisition in a scheme registered under the division if—

(a) the acquisition occurs on or after 1 February 2024, and

(b) an application is made to register the scheme before 1 May 2024, and

(c) the application is approved.

Continuing application of duty exemption to certain electric vehicles

(1) This clause applies if—

(a) before 1 January 2024, a person had purchased, or paid a deposit for, a battery electric vehicle or hydrogen fuel cell electric vehicle, and

(b) immediately before 1 January 2024, the vehicle had not been registered.

(2) Section 270D, as in force immediately before its repeal by the amendment Act, continues to apply in relation to the application to register the battery electric

vehicle or hydrogen fuel cell electric vehicle resulting from the purchase or payment of the deposit.

(3) In this clause—

battery electric vehicle has the same meaning as in the *Electric Vehicles (Revenue Arrangements) Act 2021*.

hydrogen fuel cell electric vehicle has the same meaning as in the *Electric Vehicles (Revenue Arrangements) Act 2021*.

Corporate reconstructions and consolidations

Sections 273B and 273F, as in force immediately before the sections were amended by the amendment Act, continue to apply in relation to the following—

(a) a transaction occurring before 1 February 2024,

(b) a transaction occurring on or after 1 February 2024 if—

(i) the application is made under section 273F on or before 1 April 2024, and

(ii) the transaction arose from an agreement or arrangement entered into before the introduction date.

[20] Dictionary

Insert in alphabetical order—

disqualifying circumstance, for Chapter 4, Part 2, Division 2—see section 157AG(1).

imminent wholesale unit trust scheme, for Chapter 4, Part 2, Division 2—see section 157AD(1)(a)(ii).

investor directed portfolio service, for Chapter 4, Part 2, Division 2—see section 157AA.

private unit trust scheme, for Chapter 4, Part 2, Division 2—see section 157AA.

qualified investor, for Chapter 4, Part 2, Division 2—see section 157AB.

registered, for Chapter 4, Part 2, Division 2—see section 157AA.

responsible entity, for Chapter 4, Part 2, Division 2—see section 157AA.

wholesale unit trust scheme, for Chapter 4, Part 2, Division 2—see section 157AC(1).

wholly-owned subsidiary, for Chapter 4, Part 2, Division 2—see section 157AA.

Schedule 2 Amendment of Electric Vehicles (Revenue Arrangements) Act 2021 No 25

Section 9 Road user charges payable in relation to certain zero or low emissions vehicles

Omit section 9(a) and (b). Insert instead—

(a) a zero or low emissions vehicle that is registered for the first time on or after 1 January 2024, or

(b) a zero or low emissions vehicle that, after 1 January 2024, is registered in the name of a person that differs from the person in whose name the vehicle was registered before that date, or

(c) a zero or low emissions vehicle—

(i) that is registered for the first time before 1 January 2024, and

(ii) in relation to which duty was not paid under the *Duties Act 1997*, Chapter 9 because of the operation of repealed section 270D.

(2) In this section—

repealed section 270D means the *Duties Act 1997*, section 270D as in force before its repeal by the *Treasury and Revenue Legislation Amendment Act 2023*.

Schedule 3 Amendment of Land Tax Management Act 1956 No 26

[1] Part 7 Valuation of land

Omit Division 4A. Insert instead—

Division 4 Tax threshold and premium rate threshold

62O Definitions

In this division—

land value means—

(a) for land other than a stratum—the land value of the land as determined in accordance with the *Valuation of Land Act 1916*, and

(b) for a stratum—the land value of the stratum as determined in accordance with the *Valuation of Land Act 1916*.

previous land tax year, for a land tax year, means the land tax year immediately before the land tax year.

62P Tax threshold for 2006–2023

The tax threshold for the following land tax years is as follows—

(a) 2006—$352,000,

(b) 2007—$352,000,

(c) 2008—$359,000,

(d) 2009—$368,000,

(e) 2010—$376,000,

(f) 2011—$387,000,

(g) 2012—$396,000,

(h) 2013—$406,000,

(i) 2014—$412,000,

(j) 2015—$432,000,

(k) 2016—$482,000,

(l) 2017—$549,000,

(m) 2018—$629,000,

(n) 2019—$692,000,

(o) 2020—$734,000,

(p) 2021—$755,000,

(q) 2022—$822,000,

(r) 2023—$969,000.

62Q Tax threshold for 2024 onwards

(1) This section applies to calculate a tax threshold for a land tax year after the 2023 land tax year.

(2) The tax threshold for a land tax year is calculated by—

(a) calculating the average of the following—

(i) the indexed amount for the land tax year,

(ii) the indexed amount for the previous land tax year,

(iii) the indexed amount for the land tax year immediately before the previous land tax year, and

(b) rounding the result to the nearest $1,000, with an amount of $500 being rounded up.

(3) The ***indexed amount*** for a land tax year is the greater of—

(a) the adjusted amount for the land tax year, and

(b) the indexed amount for the previous land tax year.

(4) The ***adjusted amount*** for a land tax year is calculated by—

(a) applying the percentage change in land values calculated under section 62R in the last full calendar year before the land tax year to the adjusted amount for the previous land tax year, and

(b) rounding the result to the nearest $1,000, with an amount of $500 being rounded up.

(5) Despite any other provision of this section—

(a) the adjusted amount and the indexed amount for the 2022 land tax year is $918,000, and

(b) the adjusted amount and the indexed amount for the 2023 land tax year is $1,153,000.

62R Percentage change in land values

(1) Each calendar year the Valuer-General must calculate the percentage change in land values by—

(a) calculating the percentage change in the total value of all relevant parcels in the State between—

(i) 1 July in the previous calendar year, and

(ii) 1 July in the calendar year in which the calculation is being made, and

(b) rounding the result to 3 decimal places, with an amount of 0.0005% being rounded up.

(2) In this section—

relevant parcel means land—

(a) zoned under an environmental planning instrument principally for one or more of the following—

(i) residential purposes,

(ii) commercial purposes,

(iii) industrial purposes,

(iv) a purpose prescribed by the regulations, and

(b) for which there is a land value in the Register for—

(i) 1 July in the previous calendar year, and

(ii) 1 July in the calendar year in which the calculation is being made, and

(c) that meets the requirements, if any, specified by the regulations.

62S Premium rate threshold for 2009–2023

The premium rate threshold for the following land tax years is as follows—

(a) 2009—$2,250,000,

(b) 2010—$2,299,000,

(c) 2011—$2,366,000,

(d) 2012—$2,421,000,

(e) 2013—$2,482,000,

(f) 2014—$2,519,000,

(g) 2015—$2,641,000,

(h) 2016—$2,947,000,

(i) 2017—$3,357,000,

(j) 2018—$3,846,000,

(k) 2019—$4,231,000,

(l) 2020—$4,488,000,

(m) 2021—$4,616,000,

(n) 2022—$5,026,000,

(o) 2023—$5,925,000.

62T Premium rate threshold for 2024 onwards

(1) This section applies to calculate a premium rate threshold for a land tax year after the 2023 land tax year.

(2) The premium rate threshold for a land tax year (the ***relevant land tax year***) is calculated by—

(a) multiplying the premium rate threshold for the previous land tax year and the tax threshold for the relevant land tax year, and

(b) dividing the result of the multiplication by the tax threshold for the previous land tax year, and

(c) rounding the result of the division to the nearest $1,000, with an amount of $500 being rounded up.

(3) For the purposes of calculating the premium rate threshold for the 2024 land tax year only—

(a) the premium rate threshold for the 2023 land tax year is taken to be $5,740,000, and

(b) the tax threshold for the 2023 land tax year is taken to be $939,000.

62U Publication of amounts

Each calendar year the Valuer-General must publish the following in the Gazette on or before the first Friday in December—

(a) the percentage change in land values calculated in the calendar year under section 62R,

(b) the adjusted amount and the indexed amount for the next land tax year for section 62Q,

(c) the tax threshold for the next land tax year, including the indexed amounts used to calculate the threshold,

(d) the premium rate threshold for the next land tax year.

[2] Section 62Y Powers of entry and investigation

Renumber as section 63 and move to Part 8.

[3] Part 7, Division 5

Omit the division.

[4] Part 9, heading

Omit the heading.

[5] Schedule 1A Principal place of residence exemption

Insert after clause 14—

15 Minimum interest to be held by person to claim exemption

(1) A person is not entitled to a principal place of residence exemption in relation to land unless all the persons who use and occupy the land as a principal place of residence together own at least a 25% interest in the land.

(2) This clause does not apply to a home buyer who is a participant in a shared equity scheme that is approved by the Chief Commissioner under the *Duties Act 1997*, section 281.

[6] Schedule 2 Savings and transitional provisions

Insert at the end of the schedule, with appropriate part and clause numbering—

Part Provisions consequent on enactment of Treasury and Revenue Legislation Amendment Act 2023

Repeal of Part 7, Division 4A

The repeal of Part 7, Division 4A does not affect an amount of a tax threshold or a premium rate threshold determined under the division except as otherwise provided in this part.

Validation of tax threshold and premium rate threshold

(1) An amount set out in section 62P for a land tax year is taken to be the tax threshold for the land tax year.

(2) An amount set out in section 62S for a land tax year is taken to be the premium rate threshold for the land tax year.

Principal place of residence exemption

(1) Schedule 1A, clause 15 does not prevent a person from being entitled to a principal place of residence exemption in relation to land if the person was previously entitled to the exemption in relation to the land.

(2) This clause ceases to apply at the end of 31 December 2025.

Schedule 4 Amendment of Payroll Tax Act 2007 No 21

[1] Section 74A Groups arising from former entities

Omit “former corporation” wherever occurring in section 74A(1) and (2).

Insert instead “former entity”.

[2] Section 74A(5), definition of “former entity”, paragraph (c)

Omit “not longer”. Insert instead “no longer”.

Schedule 5 Amendment of Taxation Administration Act 1996 No 97

[1] Section 25

Omit the section. Insert instead—

25 Remission of interest

(1) The Chief Commissioner may remit interest.

(2) The Chief Commissioner may issue guidelines setting out how interest must be remitted under this division.

(3) If guidelines are issued, interest must be remitted only in accordance with the guidelines.

(4) The imposition or remission of penalty tax is not relevant to the imposition or remission of interest.

[2] Section 33 Remission of penalty tax

Insert at the end of the section—

(2) The imposition or remission of interest is not relevant to the imposition or remission of penalty tax.

[3] Section 85AA Disclosure of confidential tax information

Omit “public sector” from section 85AA(2)(a). Insert instead “Public Service”.

Schedule 6 Amendments transferring funds

6.1 Coal Innovation Administration Act 2008 No 50

Schedule 2 Savings, transitional and other provisions

Insert at the end of the schedule, with appropriate part and clause numbering—

Part Provisions authorising transfer from Coal Innovation NSW Fund

Transfer from Coal Innovation NSW Fund

(1) On the commencement of this clause, $17,000,000 is transferred from the Coal Innovation NSW Fund to the Consolidated Fund.

(2) This clause has effect despite anything in this Act or the *Government Sector Finance Act 2018*.

6.2 NSW Generations Funds Act 2018 No 37

Schedule 2 Savings, transitional and other provisions

Insert at the end of the schedule, with appropriate part and clause numbering—

Part Provisions authorising transfer from Debt Retirement Fund

Transfer from Debt Retirement Fund

(1) On the commencement of this clause, $4,582,033,000 is transferred from the Debt Retirement Fund to the Consolidated Fund.

(2) This clause has effect despite anything in this Act or the *Government Sector Finance Act 2018*.

6.3 Transport Administration Act 1988 No 109

Schedule 7 Savings, transitional and other provisions

Insert at the end of the schedule, with appropriate part and clause numbering—

Part Provisions authorising transfer from TfNSW Fund

Transfer from TfNSW Fund

(1) On the commencement of this clause, $5,041,880,696 is transferred from the TfNSW Fund to the Consolidated Fund.

(2) This clause has effect despite anything in this Act or the *Government Sector Finance Act 2018*.