



New South Wales

State Revenue Legislation Amendment Bill 2001

Explanatory note

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

Overview of Bill

The objects of this Bill are as follows:

- (a) to amend the *Duties Act 1997*:
 - (i) to clarify the method of determining the dutiable value of business assets that have a connection with jurisdictions outside New South Wales, and
 - (ii) to limit the application of a provision that allows concessional rates of duty to be charged on certain transactions related to superannuation funds or trusts, and
 - (iii) to exempt from payment of duty certain transactions that are made following changes to the structure of legal practices under the *Legal Profession Act 1987*, and
 - (iv) to exempt from payment of duty administration agreements under the *First Home Owner Grant Act 2000*, and

- (v) to make various changes to the eligibility criteria for the First Home Plus scheme, and
 - (vi) to exempt from payment of duty an application for registration of a motor vehicle where the registration is to be granted conditionally, and
 - (vii) to prohibit the registration of any dutiable transaction unless the transaction has been stamped or there is other evidence that duty has been paid,
- (b) to amend the *Health Insurance Levies Act 1982* to clarify the statistics that are to be used to adjust the levy,
- (c) to amend the *Pay-roll Tax Act 1971*:
- (i) to clarify the liability of employers who are clients of employment agents for pay-roll tax, and
 - (ii) to make further provision for the calculation of an employer's pay-roll tax liability for the 2000-2001 financial year and subsequent financial years,
- (d) to amend the *Taxation Administration Act 1996*:
- (i) to change the basis for determining interest on late payments of tax, and
 - (ii) to allow information obtained in the administration of taxation laws to be disclosed for the purposes of the administration of the *First Home Owner Grant Act 2000* and the *Unclaimed Money Act 1995*, and to be disclosed to the Valuer-General, and
 - (iii) to clarify that reviews by the Supreme Court under the Act are to be regarded as appeals for the purposes of the *Supreme Court Act 1970* and the regulations and rules made under that Act,
- (e) to amend the *Unclaimed Money Act 1995*:
- (i) to authorise the Chief Commissioner to determine the method by which unclaimed money or superannuation benefits paid to the Chief Commissioner are to be published, and
 - (ii) to require notice of an amount paid to the Chief Commissioner to be published if it exceeds \$20, and
 - (iii) to prohibit disclosure of information obtained in connection with claims for unclaimed money or superannuation benefits, except in specified circumstances,
- (f) to make other minor and consequential amendments, and to enact provisions of a savings or transitional nature.

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.

Clause 3 is a formal provision giving effect to the amendments to the *Duties Act 1997* set out in Schedule 1.

Clause 4 is a formal provision giving effect to the amendment to the *Health Insurance Levies Act 1982* set out in Schedule 2.

Clause 5 is a formal provision giving effect to the amendments to the *Pay-roll Tax Act 1971* set out in Schedule 3.

Clause 6 is a formal provision giving effect to the amendments to the *Taxation Administration Act 1996* set out in Schedule 4.

Clause 7 is a formal provision giving effect to the amendments to the *Unclaimed Money Act 1995* set out in Schedule 5.

Clause 8 is a formal provision giving effect to the amendments to the Regulations specified in Schedule 6.

Schedule 1 Amendment of Duties Act 1997

Apportionment—business assets in other jurisdictions

At present, section 28 of the principal Act provides for the apportionment of the value of a business asset where part of its value is attributable to sales outside of New South Wales. The aim is to charge duty only on that part of the value of the asset that is attributable to sales to New South Wales customers. Section 21 of the principal Act provides that section 28 applies where a business asset has a relevant connection with the Commonwealth or another Australian jurisdiction. However, section 28 should also apply where a business asset has a relevant connection with a non-Australian jurisdiction. The amendment to section 21 makes this clear, so that duty is not payable on that part of the value of the business asset that is attributable to sales outside Australia. (See Schedule 1 [1])

Concessional rate of duty—superannuation

Section 62 of the principal Act applies a concessional rate of duty to a transfer or an agreement to transfer dutiable property to a trustee or custodian of certain types of superannuation funds or trusts, where there is no change in the beneficial

ownership of the property. Schedule 1 [2] and [3] limit the availability of this concessional rate of duty to a transfer of, or an agreement to transfer, dutiable property:

- (a) from the trustee of such a fund or trust to the custodian of the trustee of the fund or trust, or
- (b) from the custodian of the trustee of such a fund or trust to the trustee of the fund or trust, or
- (c) from the custodian of the trustee of such a fund or trust to another custodian of the trustee of the fund or trust,

where there is no change in beneficial ownership of the property.

Incorporated legal practices—exemption

The *Legal Profession Amendment (Incorporated Legal Practices) Act 2000* amended the *Legal Profession Act 1987* so as to allow legal practices to be incorporated under the *Corporations Law*, and to require solicitor corporations (corporations formed under the *Legal Profession Act 1987*) to be dissolved.

It is proposed to exempt from duty certain transactions that are made in connection with those changes. The exemption will extend to a transfer of dutiable property that is made by a solicitor corporation, a partnership of solicitors or a solicitor for the purpose of incorporating under the new provisions. (See Schedule 1 [4])

Administration agreements under first home owner grant scheme—exemption

The *First Home Owner Grant Act 2000* allows the Chief Commissioner to enter into agreements with financial institutions and other persons for exercising functions related to the administration of the first home owner grant scheme.

The amendment exempts those agreements from payment of duty. (See Schedule 1 [5])

Changes to First Home Plus scheme

The First Home Plus scheme is a scheme that is intended to help people who are buying their first home by providing them with a concession or exemption from duty payable on the agreement or transfer, and any mortgage given to assist the financing. A number of changes to the scheme are proposed.

The scheme will no longer apply only to the purchase of a first home. That is, the scheme will be available even if the home is gifted to the recipients. Accordingly, the eligibility criteria is changed so that eligibility is calculated on the basis of the

dutiable value of the dutiable property that is the subject of the agreement or transfer, rather than the consideration payable under the agreement or transfer. (See Schedule 1 [6], [9], [10], [11], [15], [16], [17] and [19])

At present, only singles and couples are eligible under the scheme. The changes will allow any number of joint purchasers or transferees to be eligible under the scheme, regardless of their domestic arrangements. (See Schedule 1 [12])

Changes are also made to prevent “double dipping” under the scheme. A person will be eligible once only under the scheme, whether as a single or joint purchaser or transferee. At present, a person may be eligible once as a single person, and again as a member of a couple (provided that the other member of the couple has not previously owned land or a company title dwelling in Australia). As a result of the changes, joint purchasers or transferees will not be eligible under the scheme if any one of them owns or has previously owned residential land. This will not apply if the Chief Commissioner is satisfied that the land owner is acquiring an interest in the property that is the subject of the transfer or agreement solely for the purpose of assisting the other purchaser or purchasers with finance. (See Schedule 1 [7], [8], [13] and [14])

The eligibility criteria are also changed so that a person who owns or has previously owned vacant land in Australia is not excluded from being eligible under the scheme. Only ownership of residential land is relevant to the criteria. (See Schedule 1 [7], [8] and [18])

The requirement that the eligible persons occupy the home as their principal place of residence within a reasonable time after settlement is replaced with a requirement that the home be occupied within 12 months after settlement. (See Schedule 1 [13])

Schedule 1 [24] contains a transitional provision relating to the changes.

Conditional registration of motor vehicles—exemption

The amendments exempt from payment of duty an application to register a motor vehicle if the motor vehicle is registered conditionally under the regulations under the *Road Transport (Vehicle Registration) Act 1997*. (See Schedule 1 [20])

Registration of dutiable transactions

At present, the principal Act prohibits the registration of an instrument that effects a dutiable transaction or an instrument chargeable with duty unless the instrument has been duly stamped or stamped by the Chief Commissioner or in a manner approved by the Chief Commissioner. The amendment extends the prohibition to the registration of any dutiable transaction, whether or not the transaction is effected by means of a written instrument. For example, the offence will apply to

transactions that are effected by electronic means. The offence will not apply if the dutiable transaction is endorsed or otherwise effected in accordance with an approval of the Chief Commissioner under section 37 of the *Taxation Administration Act 1996*. (See Schedule 1 [21] and [22])

Savings and transitional regulations

Schedule 1 [23] allows regulations of a savings or transitional nature to be made.

Schedule 2 Amendment of Health Insurance Levies Act 1982

Schedule 2 clarifies a reference to the series of Average Weekly Earnings issued by the Australian Statistician. The reference is contained in a provision that relates to the adjustment of levies payable under the principal Act.

Schedule 3 Amendment of Pay-roll Tax Act 1971

Employment agents

Section 3C of the principal Act provides for the liability of employment agents to pay pay-roll tax on wages paid to workers who are employed by clients of the employment agent under contract. The employment agent is not liable to pay-roll tax in relation to such a contract if the client of the employment agent is not registered or required to be registered as an employer under the Act and would not be required to be registered if the client were the employer in respect of all wages paid or payable under the contract. A declaration to that effect must be lodged with the employment agent. If this exemption ceases to apply, the client, and not the employment agent, is liable to pay pay-roll tax in respect of the wages paid to the worker. Schedule 3 [1] makes it clear that the liability extends to wages paid under the contract since the beginning of the financial year in which the exemption ceases to apply (as pay-roll tax liability is calculated on a financial year basis).

Calculation of pay-roll tax liability for 2000–2001 financial year and subsequent financial years

The *State Revenue Legislation Amendment Act 2000* reduced the rate at which pay-roll tax is payable from 6.4 percent to 6.2 percent, with effect from 1 January 2001 (half-way through the 2000–2001 financial year). However, under the principal Act liability for pay-roll tax is calculated on the basis of the total of wages paid or

payable for the whole of the financial year. The amendments clarify how the reduction in the pay-roll tax rate is to be factored into those calculations. The amendments require the rate of 6.4 percent to be applied to wages paid or payable in the first 2 quarters of the 2000–2001 financial year and the rate of 6.2 percent to be applied to wages paid or payable in the last 2 quarters of that financial year. For that purpose, the tax free threshold is apportioned between the first 2 quarters and the last 2 quarters of the financial year. (See Schedule 3 [15])

As a consequential amendment, a new Schedule is inserted in the principal Act to provide for calculations of pay-roll tax liability in the financial year commencing 1 July 2001 and subsequent financial years. The Schedule does not change existing obligations under the principal Act. (See Schedule 3 [15]) Other consequential amendments are also made. (See Schedule 3 [2]–[14])

Schedule 3 [2] also makes an amendment by way of law revision to correct a reference to a particular month, and Schedule 3 [17] contains a savings and transitional provision that is related to that correction.

Savings and transitional

Schedule 3 [16] enables savings and transitional regulations to be made.

Schedule 4 Amendment of Taxation Administration Act 1996

Calculation of interest on tax defaults

The principal Act provides for the calculation of the interest rate payable on a tax default. Schedule 4 [1] and [2] provide for the use of a 90-day bank accepted bill rate, instead of the 13-week treasury note yield rate, in determining the market rate component of the interest payable because 13-week treasury notes no longer exist.

Disclosure of information

The principal Act prohibits the disclosure of information obtained under or in relation to the administration of a taxation law, except in specified circumstances. One of those exceptions is for disclosures that are made in connection with the administration or execution of a taxation law. Schedule 4 [3] extends this exception to disclosures made in connection with the administration of the *First Home Owner Grant Act 2000* and the *Unclaimed Money Act 1995*.

An additional exception is provided for disclosures made to the Valuer-General. (See Schedule 4 [4])

Reviews by Supreme Court

The principal Act, as amended by the *Administrative Decisions Tribunal Legislation Amendment (Revenue) Act 2000*, provides for a right to obtain a review of a decision of the Chief Commissioner that has been the subject of an objection. The amendment makes it clear that such reviews are to be considered to be appeals for the purposes of the *Supreme Court Act 1970* and the regulations and rules made under that Act, except to the extent otherwise provided in that Act or the regulations or rules. (See Schedule 4 [5])

Savings and transitional regulations

Schedule 4 [6] allows savings and transitional regulations to be made.

Schedule 5 Amendment of Unclaimed Money Act 1995

Publication of unclaimed money information

The amendments allow the Chief Commissioner to determine the method of publication of information about amounts of unclaimed money or superannuation benefits paid to the Chief Commissioner. At present the amounts are required to be published in the Gazette. The amendments will allow the information to be published in other ways, for example, on the Internet. (See Schedule 5 [1] and [3])

The amendments will also require amounts received that exceed \$20 to be published, rather than amounts exceeding \$50 as at present. (See Schedule 5 [2])

Schedule 5 [6] contains a transitional provision.

Prohibited disclosures of information

The amendments will prohibit the disclosure by a person engaged in the administration of the principal Act of information obtained in connection with an application for payment of unclaimed money or an unclaimed superannuation benefit, including information obtained for the purpose of determining the claim. The offence will carry a maximum penalty of 100 penalty units (\$11,000 at present). The prohibition will not apply to disclosures that are made with the consent of the person concerned, in connection with the administration of a taxation law or to the Commonwealth Commissioner of Taxation. (See Schedule 5 [4])

Savings and transitional regulations

Schedule 5 [5] allows savings and transitional regulations to be made.

Schedule 6 Consequential amendment of Regulations

Schedule 6 contains amendments to the *Crown Lands Regulation 2000* and the *Crown Lands (Continued Tenures) Regulation 2000* that are consequential on the amendments made to the *Taxation Administration Act 1996* by Schedule 4 [1] and [2]. The Regulations provide for the use of the 13-week treasury note yield rate in the calculation of interest payable on certain late payments. The amendments will provide for the use of the 90-day bank accepted bill rate instead.



New South Wales

State Revenue Legislation Amendment Bill 2001

Contents

	Page
1 Name of Act	2
2 Commencement	2
3 Amendment of Duties Act 1997 No 123	2
4 Amendment of Health Insurance Levies Act 1982 No 159	2
5 Amendment of Pay-roll Tax Act 1971 No 22	2
6 Amendment of Taxation Administration Act 1996 No 97	2
7 Amendment of Unclaimed Money Act 1995 No 75	2
8 Consequential amendment of Regulations	3
Schedules	
1 Amendment of Duties Act 1997	4
2 Amendment of Health Insurance Levies Act 1982	12
3 Amendment of Pay-roll Tax Act 1971	13
4 Amendment of Taxation Administration Act 1996	27
5 Amendment of Unclaimed Money Act 1995	29
6 Consequential amendment of Regulations	31



New South Wales

State Revenue Legislation Amendment Bill 2001

No. , 2001

A Bill for

An Act to make miscellaneous amendments to certain State revenue legislation;
and for other purposes.

The Legislature of New South Wales enacts:	1
1 Name of Act	2
This Act is the <i>State Revenue Legislation Amendment Act 2001</i> .	3
2 Commencement	4
(1) This Act commences on the date of assent, except as provided by this section.	5 6
(2) The following provisions commence, or are taken to have commenced, on the dates indicated:	7 8
Schedule 1 [4] on the commencement of Schedule 1 to the <i>Legal Profession Amendment (Incorporated Legal Practices) Act 2000</i>	9 10
Schedule 1 [5] and Schedule 3 [2]–[15] and [17] on 1 July 2000	11
Schedule 1 [6]–[19], [21] and [22], Schedule 4 [1] and [2], Schedule 5 and Schedule 6 on 1 July 2001	12 13
Schedule 4 [5] on the commencement of Schedule 2 [15] to the <i>Administrative Decisions Tribunal Legislation Amendment (Revenue) Act 2000</i>	14 15 16
3 Amendment of Duties Act 1997 No 123	17
The <i>Duties Act 1997</i> is amended as set out in Schedule 1.	18
4 Amendment of Health Insurance Levies Act 1982 No 159	19
The <i>Health Insurance Levies Act 1982</i> is amended as set out in Schedule 2.	20 21
5 Amendment of Pay-roll Tax Act 1971 No 22	22
The <i>Pay-roll Tax Act 1971</i> is amended as set out in Schedule 3.	23
6 Amendment of Taxation Administration Act 1996 No 97	24
The <i>Taxation Administration Act 1996</i> is amended as set out in Schedule 4.	25 26
7 Amendment of Unclaimed Money Act 1995 No 75	27
The <i>Unclaimed Money Act 1995</i> is amended as set out in Schedule 5.	28

8 Consequential amendment of Regulations

Each Regulation specified in Schedule 6 is amended as set out in that Schedule.

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Schedule 1	Amendment of Duties Act 1997	1
	(Section 3)	2
[1]	Section 21 What is the “dutiabale value” of dutiabale property?	3
	Omit section 21 (3). Insert instead:	4
	(3) The <i>dutiabale value</i> of a business asset to which section 28 applies is to be determined in accordance with that section.	5 6
[2]	Section 62 Transfers between trustees and custodians of superannuation funds or trusts	7 8
	Omit section 62 (1) and (2). Insert instead:	9
	(1) This section applies to the following dutiabale transactions:	10
	(a) a transfer of, or an agreement to transfer, dutiabale property from a trustee of:	11
	(i) a complying superannuation fund, or	12
	(ii) a pooled superannuation trust, or	13
	(iii) a fund or trust that, in the opinion of the trustees, will be a complying superannuation fund or a pooled superannuation trust within 12 months after the transfer takes effect,	14 15 16 17 18
	to a custodian of the trustee of the fund or trust, where there is no change in the beneficial ownership of the property,	19 20 21
	(b) a transfer of, or an agreement to transfer, dutiabale property from a custodian of a trustee of:	22
	(i) a complying superannuation fund, or	23
	(ii) a pooled superannuation trust, or	24
	(iii) a fund or trust that, in the opinion of the trustees, will be a complying superannuation fund or a pooled superannuation trust within 12 months after the transfer takes effect,	25 26 27 28 29
	to a trustee of the fund or trust, where there is no change in the beneficial ownership of the property,	30 31

- (c) a transfer of, or an agreement to transfer, dutiable property from a custodian of a trustee of:
 - (i) a complying superannuation fund, or
 - (ii) a pooled superannuation trust, or
 - (iii) a fund or trust that, in the opinion of the trustees, will be a complying superannuation fund or a pooled superannuation trust within 12 months after the transfer takes effect,
 to another custodian of the trustee of the fund or trust, where there is no change in the beneficial ownership of the property.

[3] Section 62 (4) 12

Insert after section 62 (3): 13

- (4) In this section, *complying superannuation fund* includes a complying approved deposit fund and an eligible rollover fund. 14
15

[4] Section 65 Exemptions from duty 16

Omit section 65 (5). Insert instead: 17

- (5) **Incorporated legal practices** 18

No duty is chargeable under this Chapter on the transfer of, or an agreement to transfer, dutiable property in the following cases: 19

 - (a) dutiable property of a solicitor corporation formed under the *Legal Profession Act 1987* that is transferred or agreed to be transferred to: 22
 - (i) an incorporated legal practice under that Act if the voting shareholders of the solicitor corporation immediately before the transfer or agreement is first executed are solicitor directors or employed solicitors of the incorporated legal practice, or 25
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 - (ii) a partnership of solicitors if the voting shareholders of the solicitor corporation immediately before the transfer or agreement is first executed are the same as the members of the partnership, or 31
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(iii)	a solicitor practising as a sole practitioner if the only voting shareholder of the solicitor corporation immediately before the transfer or agreement is first executed is that solicitor,	1 2 3 4
(b)	dutiable property of a partnership of solicitors formed or originally formed before the commencement of Division 2A of Part 3 of the <i>Legal Profession Act 1987</i> that is transferred or agreed to be transferred to an incorporated legal practice under that Act if the members of the partnership immediately before the transfer or agreement is first executed are solicitor directors or employed solicitors of the incorporated legal practice,	5 6 7 8 9 10 11 12 13
(c)	dutiable property of a solicitor practising as a sole practitioner before the commencement of Division 2A of Part 3 of the <i>Legal Profession Act 1987</i> that is transferred or agreed to be transferred to an incorporated legal practice under that Act if the solicitor is the sole solicitor director of the incorporated legal practice.	14 15 16 17 18 19 20
[5]	Section 65 (9)	21
	Insert after section 65 (8):	22
	(9) Administration agreements under first home owner grant scheme	23 24
	No duty is chargeable under this Chapter on an administration agreement under the <i>First Home Owner Grant Act 2000</i> .	25 26
[6]	Section 69 The nature of the scheme	27
	Omit the section. Insert instead:	28
	69 The nature of the scheme	29
	This scheme is intended to help people who are acquiring their first home. Under the scheme, the acquisition and any mortgage given to assist the financing of the acquisition is subject to a concession or exemption from duty.	30 31 32 33

[7] Section 71 Eligible persons—generally	1
Omit the section. Insert instead:	2
71 Eligible persons	3
A purchaser or transferee under an agreement or transfer may apply under the scheme but will be eligible only once under the scheme.	4 5 6
[8] Section 73 Ineligible persons	7
Omit section 73 (3) and (4). Insert instead:	8
(3) A person is not eligible if the person has at any time owned a residential property in Australia either solely or with someone else.	9 10 11
(4) If there is more than one purchaser or transferee under the agreement or transfer, the purchasers or transferees are not eligible if any one of them has at any time owned residential property in Australia either solely or with someone else.	12 13 14 15
(5) Despite subsection (4), the Chief Commissioner may determine that the purchasers are eligible if the Chief Commissioner is satisfied that the purchaser who owns or has previously owned residential property is acquiring an interest in the property that is the subject of the agreement or transfer solely for the purpose of assisting the other purchaser or purchasers in financing the acquisition.	16 17 18 19 20 21 22
[9] Section 74 Eligible agreements or transfers	23
Omit “purchase” wherever occurring in section 74 (1).	24
Insert instead “acquisition”.	25
[10] Section 74 (3)	26
Omit the subsection, including the note at the end of the subsection.	27
Insert instead:	28
(3) The dutiable value of the dutiable property that is the subject of the agreement or transfer must be less than:	29 30
(a) \$300,000 if the property is located in the Metropolitan Area and has a private dwelling built on it, or	31 32

(b)	\$250,000 if the property is located elsewhere than in the Metropolitan Area and has a private dwelling built on it, or	1 2 3
(c)	\$140,000 if the property is located in the Metropolitan Area and comprises a vacant block of residential land, or	4 5 6
(d)	\$110,000 if the property is located elsewhere than in the Metropolitan Area and comprises a vacant block of residential land.	7 8 9
	Note. The <i>dutiable value</i> of dutiable property is the greater of:	10
(a)	the consideration (if any) for the dutiable transaction (being the amount of a monetary consideration or the value of a non-monetary consideration), and	11 12 13
(b)	the unencumbered value of the dutiable property.	14
	<i>Metropolitan area</i> is defined in the Dictionary.	15
[11]	Section 74 (4)	16
	Omit the subsection.	17
[12]	Section 75 Ineligible agreements and transfers	18
	Omit section 75 (3).	19
[13]	Section 76 Other qualifications	20
	Omit the section. Insert instead:	21
	76 Residence requirement	22
(1)	The home must be occupied or intended to be occupied by the person or persons who are acquiring it on or before settlement, or within 12 months after settlement, as the principal place of residence.	23 24 25 26
(2)	This section does not apply to a person who acquires an interest in the property concerned solely for the purpose of assisting the other purchaser or purchasers in financing the acquisition (as referred to in section 73 (5)).	27 28 29 30

[14] Section 77 Eligible mortgages	1
Insert “and the purchaser or purchasers under the agreement or transfer are eligible under the scheme” after “scheme” in section 77 (1).	2 3
[15] Section 77 (3) and (4)	4
Omit “the amount of the total consideration permitted” wherever occurring.	5
Insert instead “the amount of the dutiable value permitted”.	6
[16] Section 80 Duty payable if application approved	7
Omit “and the consideration payable under the agreement or transfer is not more than the following amounts” from section 80 (1).	8 9
Insert instead “and the dutiable value of the dutiable property that is the subject of the agreement or transfer is not more than the following amounts”.	10 11 12
[17] Section 80 (2)	13
Omit “the total consideration payable under the agreement or transfer” wherever occurring.	14 15
Insert instead “the dutiable value of the dutiable property that is the subject of the agreement or transfer”.	16 17
[18] Section 80A Definition	18
Omit the definitions. Insert instead:	19
<i>residential property</i> means:	20
(a) land on which there is a building that is lawfully occupied as a place of residence or suitable for occupation as a place of residence, or	21 22 23
(b) a company title dwelling.	24
[19] Section 221 Eligible mortgages under First Home Plus	25
Omit “Consideration payable under” wherever occurring in section 221 (1).	26
Insert instead “Dutiable value of dutiable property subject to”.	27

[20] Section 267 Exemptions	1
Insert after section 267 (7A):	2
(7B) Conditional registration	3
Duty under this Chapter is not chargeable in respect of an application to register a motor vehicle if the motor vehicle is to be registered conditionally under the regulations under the <i>Road Transport (Vehicle Registration) Act 1997</i> .	4 5 6 7
[21] Section 301 Registration of transactions and instruments	8
Insert “a dutiable transaction,” after “dutiable property”.	9
[22] Section 301 (c)	10
Insert at the end of section 301 (b):	11
, or	12
(c) it bears an endorsement, or is otherwise effected, in accordance with an approval under section 37 of the <i>Taxation Administration Act 1996</i> .	13 14 15
[23] Schedule 1 Savings, transitional and other provisions	16
Insert at the end of clause 1 (1):	17
<i>State Revenue Legislation Amendment Act 2001</i>	18
[24] Schedule 1	19
Insert at the end of Schedule 1, with appropriate Part and clause numbering:	20
 Part Provisions consequent on enactment of State Revenue Legislation Amendment Act 2001	 21 22
Transfers between trustees and custodians of superannuation funds or trusts	23 24
The amendments made to section 62 by the <i>State Revenue Legislation Amendment Act 2001</i> apply to transactions that occur on or after the date of commencement of those amendments.	25 26 27 28

Changes to “First Home Plus” scheme

The amendments made to Part 8 by the *State Revenue Legislation Amendment Act 2001* apply to transactions that occur and instruments that are executed on or after the date of commencement of those amendments.

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State Revenue Legislation Amendment Bill 2001

Schedule 2 Amendment of Health Insurance Levies Act 1982

Schedule 2	Amendment of Health Insurance Levies Act 1982	1
		2
	(Section 4)	3
Schedule 2	Adjustment of prescribed rate	4
	Insert “(Original)” after “Average Weekly Earnings” in clause 2 (1) (b) (i).	5

Schedule 3	Amendment of Pay-roll Tax Act 1971	1
	(Section 5)	2
[1]	Section 3C Employment agents	3
	Omit “during any period” from section 3C (7).	4
	Insert instead “at any time during the financial year”.	5
[2]	Section 7 Imposition of pay-roll tax on taxable wages	6
	Omit “July 1996” from section 7 (1) (b).	7
	Insert instead “June 1996 and before the month of July 2000”.	8
[3]	Section 7 (1) (c) and (d)	9
	Insert at the end of section 7 (1) (b):	10
	, and	11
	(c) ascertained in accordance with Schedule 3 in respect of	12
	such of those wages as are paid or payable after the	13
	month of June 2000 and before the month of July 2001,	14
	and	15
	(d) ascertained in accordance with Schedule 4 in respect of	16
	such of those wages as are paid or payable after the	17
	month of June 2001.	18
[4]	Section 11B Annual adjustments	19
	Omit “or any subsequent financial year” from paragraph (b) of the	20
	definition of <i>annual amount of pay-roll tax</i> in section 11B (1).	21
	Insert instead “, 1 July 1997, 1 July 1998 or 1 July 1999”.	22
[5]	Section 11B, definition of “annual amount of pay-roll tax”	23
	Insert at the end of paragraph (b):	24
	, and	25
	(c) the amount ascertained in accordance with section 17	26
	and Schedule 3 in respect of the employer for the	27
	financial year commencing on 1 July 2000, and	28

(d)	the amount ascertained in accordance with section 17 and Schedule 4 in respect of the employer for the financial year commencing on 1 July 2001 or any subsequent financial year.	1 2 3 4
[6]	Section 11C Adjustment of pay-roll tax when employer ceases to be an employer etc during a financial year	5 6
	Omit “or any subsequent financial year” from paragraph (b) of the definition of <i>total amount of pay-roll tax</i> in section 11C (1). Insert instead “, 1 July 1997, 1 July 1998 or 1 July 1999”.	7 8 9
[7]	Section 11C, definition of “total amount of pay-roll tax”	10
	Insert at the end of paragraph (b):	11
	, and	12
	(c) the amount ascertained in accordance with section 17 and Schedule 3 in respect of the employer for a prescribed period that falls within the financial year commencing on 1 July 2000, and	13 14 15 16
	(d) the amount ascertained in accordance with section 17 and Schedule 4 in respect of the employer for a prescribed period that falls within the financial year commencing on 1 July 2001 or any subsequent financial year.	17 18 19 20 21
[8]	Section 16K Annual adjustments	22
	Omit “or any subsequent financial year” from section 16K (2) (b). Insert instead “, 1 July 1997, 1 July 1998 or 1 July 1999”.	23 24
[9]	Section 16K (2) (c) and (d)	25
	Insert at the end of section 16K (2) (b):	26
	, or	27
	(c) the amount ascertained in accordance with section 17 and Schedule 3 in respect of that member for the financial year commencing on 1 July 2000, or	28 29 30

	(d) the amount ascertained in accordance with section 17 and Schedule 4 in respect of that member for the financial year commencing on 1 July 2001 or any subsequent financial year.	1 2 3 4
[10]	Section 16L Adjustment of pay-roll tax when members of a group cease to pay taxable wages or interstate wages during a financial year	5 6
	Omit “or any subsequent financial year” from section 16L (3) (b). Insert instead “, 1 July 1997, 1 July 1998 or 1 July 1999”.	7 8
[11]	Section 16L (3) (c) and (d)	9
	Insert at the end of section 16L (3) (b):	10
	, or	11
	(c) the amount ascertained in accordance with section 17 and Schedule 3 in respect of that member for a prescribed period that falls within the financial year commencing on 1 July 2000, or	12 13 14 15
	(d) the amount ascertained in accordance with section 17 and Schedule 4 in respect of that member for a prescribed period that falls within the financial year commencing on 1 July 2001 or any subsequent financial year.	16 17 18 19 20
[12]	Schedule 2 Calculation of pay-roll tax liability from 1 July 1996	21
	Omit “ from 1 July 1996 ” from the heading to Schedule 2. Insert instead “ for the financial years commencing 1 July 1996, 1 July 1997, 1 July 1998 and 1 July 1999 ”.	22 23 24
[13]	Schedule 2, clauses 2, 6, 10 and 13 (2)	25
	Omit “or on 1 July in any subsequent financial year” wherever occurring from the definition of <i>financial year</i> in those clauses. Insert instead “, 1 July 1997, 1 July 1998 or 1 July 1999”.	26 27 28

[14] Schedule 2, clause 13 (1), definition of “R”	1
Omit paragraph (b). Insert instead:	2
(b) for the financial year commencing on 1 July 1999—6.4.	3
[15] Schedules 3 and 4	4
Insert after Schedule 2:	5
 Schedule 3 Calculation of pay-roll tax liability for financial year commencing 1 July 2000	6 7 8
(Sections 7, 11B, 11C, 16K and 16L)	9
 Part 1 Employers who are not members of a group	10
1 Application of Part	11
This Part applies only to an employer who is not a member of a group.	12 13
2 Definitions	14
In this Part:	15
<i>financial year</i> means the financial year commencing on 1 July 2000.	16 17
<i>IW1</i> represents the total interstate wages paid or payable by the employer concerned during the first 2 quarters of the financial year.	18 19 20
<i>IW2</i> represents the total interstate wages paid or payable by the employer concerned during the last 2 quarters of the financial year.	21 22 23
<i>TW1</i> represents the total taxable wages paid or payable by the employer during the first 2 quarters of the financial year.	24 25
<i>TW2</i> represents the total taxable wages paid or payable by the employer during the last 2 quarters of the financial year.	26 27

3 Pay-roll of employer under \$600,000 1

An employer is not liable to pay pay-roll tax for the financial 2
 year if the total taxable wages and interstate wages paid or 3
 payable by the employer during that year is less than \$600,000. 4

4 Pay-roll of employer \$600,000 or more 5

(1) If the total taxable wages and interstate wages paid or payable 6
 by an employer during the financial year is \$600,000 or more, 7
 the employer is liable to pay as pay-roll tax for that year the 8
 amount of dollars calculated by adding together: 9

(a) the pay-roll tax liability of the employer for the first 2 10
 quarters of the financial year, and 11

(b) the pay-roll tax liability of the employer for the last 2 12
 quarters of the financial year. 13

(2) The pay-roll tax liability of the employer for the first 2 quarters 14
 of the financial year is the amount of dollars calculated in 15
 accordance with the following formula: 16

$$\left[TW 1 - \left[\frac{TW 1}{TW 1 + IW 1} \times 302,466 \right] \right] \times \frac{6.4}{100} \quad 17$$

(3) The pay-roll tax liability of the employer for the last 2 quarters 18
 of the financial year is the amount of dollars calculated in 19
 accordance with the following formula: 20

$$\left[TW 2 - \left[\frac{TW 2}{TW 2 + IW 2} \times 297,534 \right] \right] \times \frac{6.2}{100} \quad 21$$

Part 2 Groups with a designated group employer 22**5 Application of Part** 23

This Part applies only to an employer who is a member of a 24
 group for which there is a designated group employer. 25

6	Definitions	1
	In this Part:	2
	<i>designated group employer</i> means a member designated for a	3
	group in accordance with section 16I.	4
	<i>financial year</i> means the financial year commencing on 1 July	5
	2000.	6
	<i>GIW1</i> represents the total interstate wages paid or payable by	7
	the group concerned during the first 2 quarters of the financial	8
	year.	9
	<i>GIW2</i> represents the total interstate wages paid or payable by	10
	the group concerned during the last 2 quarters of the financial	11
	year.	12
	<i>group</i> means a group for which there is a designated group	13
	employer.	14
	<i>GTW1</i> represents the total taxable wages paid or payable by	15
	the group concerned during the first 2 quarters of the financial	16
	year.	17
	<i>GTW2</i> represents the total taxable wages paid or payable by	18
	the group concerned during the last 2 quarters of the financial	19
	year.	20
	<i>TW1</i> represents the total taxable wages paid or payable by the	21
	employer concerned during the first 2 quarters of the financial	22
	year.	23
	<i>TW2</i> represents the total taxable wages paid or payable by the	24
	employer concerned during the last 2 quarters of the financial	25
	year.	26
7	Pay-roll of group under \$600,000	27
	None of the members of a group is liable to pay pay-roll tax for	28
	the financial year if the total taxable wages and interstate wages	29
	paid or payable by the group during that year is less than	30
	\$600,000.	31
8	Pay-roll of group \$600,000 or more	32
	(1) If the total taxable wages and interstate wages paid or payable	33
	by a group during the financial year is \$600,000 or more,	34
	pay-roll tax is payable as provided by this clause.	35

- (2) The designated group employer for the group is liable to pay as pay-roll tax for the financial year the amount of dollars calculated by adding together:
- (a) the pay-roll tax liability of the designated group employer for the first 2 quarters of the financial year, and
 - (b) the pay-roll tax liability of the designated group employer for the last 2 quarters of the financial year.
- (3) The pay-roll tax liability of the designated group employer for the first 2 quarters of the financial year is the amount of dollars calculated in accordance with the following formula:
- $$\left[TW 1 - \left[\frac{GTW 1}{GTW 1 + GIW 1} \times 302,466 \right] \right] \times \frac{6.4}{100}$$
- (4) The pay-roll tax liability of the designated group employer for the last 2 quarters of the financial year is the amount of dollars calculated in accordance with the following formula:
- $$\left[TW 2 - \left[\frac{GTW 2}{GTW 2 + GIW 2} \times 297,534 \right] \right] \times \frac{6.2}{100}$$
- (5) Each member of the group (other than the designated group employer) is liable to pay as pay-roll tax for the financial year the amount of dollars calculated by adding together:
- (a) the pay-roll tax liability of the member for the first 2 quarters of the financial year, and
 - (b) the pay-roll tax liability of the member for the last 2 quarters of the financial year.
- (6) The pay-roll tax liability of a member referred to in subclause (5) for the first 2 quarters of the financial year is the amount of dollars calculated in accordance with the following formula:
- $$TW 1 \times \frac{6.4}{100}$$

(7) The pay-roll tax liability of a member referred to in subclause (5) for the last 2 quarters of the financial year is the amount of dollars calculated in accordance with the following formula:

$$TW 2 \times \frac{6.2}{100}$$

Part 3 Groups with no designated group employer 6

9 Application of Part 7

This Part applies only to an employer who is a member of a group for which there is no designated group employer. 8
9

10 Definitions 10

In this Part: 11

designated group employer means a member designated as the designated group employer for a group in accordance with section 16I. 12
13
14

financial year means the financial year commencing on 1 July 2000. 15
16

GIW1 represents the total interstate wages paid or payable by the group concerned during the first 2 quarters of the financial year. 17
18
19

GIW2 represents the total interstate wages paid or payable by the group concerned during the last 2 quarters of the financial year. 20
21
22

group means a group for which there is no designated group employer. 23
24

GTW1 represents the total taxable wages paid or payable by the group concerned during the first 2 quarters of the financial year. 25
26
27

GTW2 represents the total taxable wages paid or payable by the group concerned during the last 2 quarters of the financial year. 28
29
30

TW1 represents the total taxable wages paid or payable by the employer concerned during the first 2 quarters of the financial year.

TW2 represents the total taxable wages paid or payable by the employer concerned during the last 2 quarters of the financial year.

11 Pay-roll of group under \$600,000

None of the members of a group is liable to pay pay-roll tax for the financial year if the total taxable wages and interstate wages paid or payable by the group during that year is less than \$600,000.

12 Pay-roll of group \$600,000 or more

(1) If the total taxable wages and interstate wages paid or payable by a group during the financial year is \$600,000 or more, each member of the group is liable to pay as pay-roll tax for that year the amount of dollars calculated by adding together:

- (a) the pay-roll tax liability of the member for the first 2 quarters of the financial year, and
- (b) the pay-roll tax liability of the member for the last 2 quarters of the financial year.

(2) The pay-roll tax liability of a member for the first 2 quarters of the financial year is the amount of dollars calculated in accordance with the following formula:

$$\left[TW1 - \left[\frac{TW1}{GTW1 + GIW1} \times 302,466 \right] \right] \times \frac{6.4}{100}$$

(3) The pay-roll tax liability of a member for the last 2 quarters of the financial year is the amount of dollars calculated in accordance with the following formula:

$$\left[TW2 - \left[\frac{TW2}{GTW2 + GIW2} \times 297,534 \right] \right] \times \frac{6.2}{100}$$

Part 4	Definition	1
13	Definition	2
	In this Schedule:	3
	<i>quarter</i> means a period of 3 months ending with the last day of March, June, September or December.	4 5
Schedule 4	Calculation of pay-roll tax liability for financial year commencing 1 July 2001 and subsequent financial years	6 7 8
	(Sections 7, 11B, 11C, 16K and 16L)	9
Part 1	Employers who are not members of a group	10
1	Application of Part	11
	This Part applies only to an employer who is not a member of a group.	12 13
2	Definitions	14
	In this Part:	15
	<i>financial year</i> means the financial year commencing on 1 July 2001 or on 1 July in any subsequent financial year.	16 17
	<i>IW</i> represents the total interstate wages paid or payable by the employer concerned during the financial year to which the calculation of the relevant pay-roll tax relates.	18 19 20
	<i>TW</i> represents the total taxable wages paid or payable by the employer concerned during the financial year to which the calculation of the relevant pay-roll tax relates.	21 22 23
3	Pay-roll of employer under \$600,000	24
	An employer is not liable to pay pay-roll tax for a financial year if the total taxable wages and interstate wages paid or payable by the employer during that year is less than \$600,000.	25 26 27

4 Pay-roll of employer \$600,000 or more 1

If the total taxable wages and interstate wages paid or payable 2
by an employer during a financial year is \$600,000 or more, the 3
employer is liable to pay as pay-roll tax for that year the 4
amount of dollars calculated in accordance with the following 5
formula: 6

$$\left[TW - \left[\frac{TW}{TW + IW} \times 600,000 \right] \right] \times \frac{R}{100} \quad 7$$

Part 2 Groups with a designated group employer 8

5 Application of Part 9

This Part applies only to an employer who is a member of a 10
group for which there is a designated group employer. 11

6 Definitions 12

In this Part: 13

designated group employer means a member designated for a 14
group in accordance with section 16I. 15

financial year means the financial year commencing on 1 July 16
2001 or on 1 July in any subsequent financial year. 17

group means a group for which there is a designated group 18
employer. 19

GIW represents the total interstate wages paid or payable by 20
the group concerned during the financial year to which the 21
calculation of the relevant pay-roll tax relates. 22

GTW represents the total taxable wages paid or payable by the 23
group concerned during the financial year to which the 24
calculation of the relevant pay-roll tax relates. 25

TW represents the total taxable wages paid or payable by the 26
employer concerned during the financial year to which the 27
calculation of the relevant pay-roll tax relates. 28

7	Pay-roll of group under \$600,000	1
	None of the members of a group is liable to pay pay-roll tax for the financial year if the total taxable wages and interstate wages paid or payable by the group during that year is less than \$600,000.	2 3 4 5
8	Pay-roll of group \$600,000 or more	6
	(1) If the total taxable wages and interstate wages paid or payable by a group during the financial year is \$600,000 or more, pay-roll tax is payable as provided by subclauses (2) and (3).	7 8 9
	(2) The designated group employer for the group is liable to pay as pay-roll tax for the financial year the amount of dollars calculated in accordance with the following formula:	10 11 12
	$\left[TW - \left[\frac{GTW}{GTW + GIW} \times 600,000 \right] \right] \times \frac{R}{100}$	13
	(3) Each member of the group (other than that designated group employer) is liable to pay as pay-roll tax for the financial year the amount of dollars calculated in accordance with the following formula:	14 15 16 17
	$TW \times \frac{R}{100}$	18
	Part 3 Groups with no designated group employer	19
9	Application of Part	20
	This Part applies only to an employer who is a member of a group for which there is no designated group employer.	21 22
10	Definitions	23
	In this Part:	24
	<i>designated group employer</i> means a member designated as the designated group employer for a group in accordance with section 16I.	25 26 27

financial year means the financial year commencing on 1 July 2001 or on 1 July in any subsequent financial year. 1
2

GIW represents the total interstate wages paid or payable by the group concerned during the financial year to which the calculation of the relevant pay-roll tax relates. 3
4
5

group means a group for which there is no designated group employer. 6
7

GTW represents the total taxable wages paid or payable by the group concerned during the financial year to which the calculation of the relevant pay-roll tax relates. 8
9
10

TW represents the total taxable wages paid or payable by the employer concerned during the financial year to which the calculation of the relevant pay-roll tax relates. 11
12
13

11 Pay-roll of group under \$600,000 14

None of the members of a group is liable to pay pay-roll tax for the financial year if the total taxable wages and interstate wages paid or payable by the group during that year is less than \$600,000. 15
16
17
18

12 Pay-roll of group \$600,000 or more 19

If the total taxable wages and interstate wages paid or payable by a group during the financial year is \$600,000 or more, each member of the group is liable to pay as pay-roll tax for that year the amount of dollars calculated in accordance with the following formula: 20
21
22
23
24

$$\left[TW - \left[\frac{TW}{GTW + GIW} \times 600,000 \right] \right] \times \frac{R}{100} \quad 25$$

Part 4 Rates 1

13 Rates 2

In this Schedule: 3

R means: 4

(a) for the financial year commencing on 1 July 2001—6.2, 5
or 6

(b) for a financial year commencing on 1 July 2002 or 1 7
July in any subsequent year—6.0. 8

[16] Schedule 6 Savings, transitional and other provisions 9

Insert at the end of clause 1 (1): 10

State Revenue Legislation Amendment Act 2001 11

[17] Schedule 6, Part 6 12

Insert after Part 5 of Schedule 6: 13

Part 6 Provisions consequent on enactment of State Revenue Legislation Amendment Act 2001 14
15

9 Imposition of pay-roll tax on taxable wages 16

The amendment made to section 7 (1) (b) by Schedule 3 [2] to 17
the *State Revenue Legislation Amendment Act 2001*, insofar as 18
it replaces the reference to July 1996 with a reference to 19
June 1996, is taken to have taken effect on 1 July 1996. 20

Schedule 4	Amendment of Taxation Administration Act 1996	1
		2
	(Section 6)	3
[1]	Section 22 Interest rate	4
	Omit “Treasury Note yield rate” from section 22 (2) (a).	5
	Insert instead “Bank Accepted Bill rate”.	6
[2]	Section 22 (4)	7
	Omit the subsection. Insert instead:	8
	(4) In this section, the <i>Bank Accepted Bill rate</i> in respect of any day is the yield rate for 90-day Bank Accepted Bills published by the Reserve Bank for the month of May in the financial year preceding the financial year in which the day occurs.	9 10 11 12
[3]	Section 82 Permitted disclosures—to particular persons	13
	Omit section 82 (b). Insert instead:	14
	(b) in connection with the administration or execution of the following laws (including for the purpose of any legal proceedings arising out of any of those laws or a report of any such proceedings):	15 16 17 18
	(i) a taxation law,	19
	(ii) the <i>First Home Owner Grant Act 2000</i> ,	20
	(iii) the <i>Unclaimed Money Act 1995</i> , or	21
[4]	Section 82 (e) (va)	22
	Insert after section 82 (e) (v):	23
	(va) the Valuer-General, or	24

[5] Section 97 Review by Supreme Court (as substituted by the Administrative Decisions Tribunal Legislation Amendment (Revenue) Act 2000)	1
	2
	3
Insert after section 97 (3):	4
(4) A review by the Supreme Court is taken to be an appeal for the purposes of the <i>Supreme Court Act 1970</i> and the regulations and rules made under that Act, except as otherwise provided by that Act or those regulations or rules.	5
	6
	7
	8
[6] Schedule 1 Savings, transitional and other provisions	9
Insert at the end of clause 1 (1):	10
<i>State Revenue Legislation Amendment Act 2001</i>	11

Schedule 5	Amendment of Unclaimed Money Act 1995	1
	(Section 7)	2
[1]	Sections 12 and 13D	3
	Omit “published in the Gazette” wherever occurring.	4
	Insert instead “published”.	5
[2]	Sections 12 (a) and 13D (a)	6
	Omit “\$50” wherever occurring. Insert instead “\$20”.	7
[3]	Sections 12 (2) and 13D (2)	8
	Insert at the end of sections 12 and 13D:	9
	(2) The Chief Commissioner may determine the method by which such information is to be published. For example, the information may be published in the Gazette or on the Internet (or both).	10 11 12 13
[4]	Section 31	14
	Insert after section 30:	15
	31 Disclosure of certain information prohibited	16
	(1) A person engaged in the administration of this Act must not disclose any information obtained in connection with an application for payment of unclaimed money or an unclaimed superannuation benefit under this Act, including any information obtained for the purpose of determining the application.	17 18 19 20 21 22
	Maximum penalty: 100 penalty units.	23
	(2) This section does not prohibit a disclosure that is made:	24
	(a) with the consent of the person to whom the information relates or at the request of a person acting on behalf of the person to whom the information relates, or	25 26 27

- (b) in connection with the administration or execution of this Act or a taxation law (within the meaning of the *Taxation Administration Act 1996*), including for the purpose of any legal proceedings arising out of this Act or a taxation law or a report of any such proceedings, or 1
2
3
4
5
- (c) to the Commissioner of Taxation holding office under a law of the Commonwealth, or a person authorised by the Commissioner of Taxation. 6
7
8

[5] Schedule 2 Savings, transitional and other provisions 9

Insert at the end of clause 1 (1): 10

State Revenue Legislation Amendment Act 2001 11

[6] Schedule 2, Part 5 12

Insert at the end of Schedule 2: 13

Part 5 Provisions consequent on enactment of State Revenue Legislation Amendment Act 2001 14
15

11 Publication of unclaimed money and benefit information 16

- (1) The requirement that the Chief Commissioner cause amounts of unclaimed money or superannuation benefits paid to the Chief Commissioner that exceed \$20 to be published as provided for by section 12 or 13D, as amended by the *State Revenue Legislation Amendment Act 2001*, applies only in respect of amounts paid to the Chief Commissioner on or after 1 July 2001. 17
18
19
20
21
22
23
- (2) In respect of amounts paid to the Chief Commissioner before that date, the requirement applies to amounts exceeding \$50. 24
25
- (3) Sections 12 (2) and 13D (2), as inserted by the *State Revenue Legislation Amendment Act 2001*, apply to amounts paid to the Chief Commissioner before or after 1 July 2001. 26
27
28

Schedule 6	Consequential amendment of Regulations	1
	(Section 8)	2
6.1	Crown Lands Regulation 2000	3
	Clause 43 Interest on arrears	4
	Omit “Treasury note yield rate” wherever occurring.	5
	Insert instead “Bank Accepted Bill rate”.	6
6.2	Crown Lands (Continued Tenures) Regulation 2000	7
	Clause 7 Interest on arrears	8
	Omit “Treasury Note yield rate” wherever occurring.	9
	Insert instead “Bank Accepted Bill rate”.	10