

FIRST PRINT

**LAND TAX MANAGEMENT (FURTHER AMENDMENT)
BILL 1986**

NEW SOUTH WALES



EXPLANATORY NOTE

(This Explanatory Note relates to this Bill as introduced into Parliament)

The object of this Bill is to amend the Land Tax Management Act 1956—

- (a) to clarify the effect of certain earlier amendments to that Act;
- (b) to enable a vendor of land, as well as a purchaser, to obtain a certificate as to liability for land tax; and
- (c) to confer an exemption from land tax in relation to certain land approved for multiple occupancy.

Clause 1 specifies the short title of the proposed Act.

Clause 2 provides for the commencement of the proposed Act.

Clause 3 is a formal provision that gives effect to the Schedules of amendments.

Clause 4 provides for the gradual phasing-in until 1 January 1989 of certain earlier amendments relating to the occupancy of Crown lands.

Clause 5 preserves the gradual phasing-in until 1 January 1989 of certain earlier amendments clarified by the proposed Act.

Schedule 1 (1) and (2) makes it clear that the only land of a non-profit charitable or educational institution that is land liable to land tax is land of the institution that is used by a person who would not be entitled to an exemption if the land were owned by the person.

Schedule 1 (3) and (4) makes similar amendments in relation to the land of a religious society.

Schedule 1 (5) repeals an amendment that had unintended effects in relation to friendly societies.

Schedule 1 (6), (7) and (8) makes consequential amendments.

Schedule 2 (1) makes an amendment conferring an exemption from land tax in relation to certain land approved for multiple occupancy.

Schedule 2 (2) makes amendments that enable an application to be made by a vendor of land, as well as a purchaser, to obtain a certificate as to liability for land tax.

**LAND TAX MANAGEMENT (FURTHER AMENDMENT)
BILL 1986**

NEW SOUTH WALES



TABLE OF PROVISIONS

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SCHEDULE 2—PROSPECTIVE AMENDMENTS TO THE LAND TAX
MANAGEMENT ACT 1956

**LAND TAX MANAGEMENT (FURTHER AMENDMENT)
BILL 1986**

NEW SOUTH WALES



No. , 1986

A BILL FOR

An Act to amend the Land Tax Management Act 1956 with respect to exemptions from land tax and certificates as to liability for land tax; and for other purposes.

Land Tax Management (Further Amendment) 1986

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows:

5 Short title

1. This Act may be cited as the "Land Tax Management (Further Amendment) Act 1986".

Commencement

2. (1) Sections 1 and 2 shall commence on the date of assent to this
10 Act.

(2) Schedule 1, section 3 in its application to that Schedule and sections 4 and 5 shall be deemed to have commenced on 31 December 1985.

(3) Except as provided by subsections (1) and (2), this Act shall commence on 31 December 1986.

15 Amendment of Act No. 26, 1956

3. The Land Tax Management Act 1956 is amended in the manner set forth in Schedules 1 and 2.

Effect of certain earlier amendments

4. (1) The amendments made by section 3 of the Land Tax
20 Management (Further Amendment) Act 1985 and Schedule 1 (1) (b) and (3) (b) to that Act have effect as provided by subsection (2) in relation to land occupied under a lease or licence from the Crown instead of as provided by that Act.

(2) The amendments referred to in subsection (1)—

25 **(a)** do not apply in respect of the year commencing on 1 January 1986;

(b) if, on or after 1 January 1986 and before 1 January 1988, the rent or licence fee is, or could be, reviewed or the lease or licence could be determined—apply in respect of each year that succeeds the year in which the rent or licence fee is, or could be, so reviewed or the
30 lease or licence could be so determined; and

(c) apply in respect of the year commencing on 1 January 1989 and each succeeding year.

Effect of certain amendments made by this Act

5. Section 4 of the Land Tax Management (Further Amendment) Act 1985 applies in relation to the amendments made by section 3 of this Act and Schedule 1 as if they were the amendments referred to in that section of that Act.

SCHEDULE 1

(Sec. 3)

**RETROSPECTIVE AMENDMENTS TO THE LAND TAX
MANAGEMENT ACT 1956**

10 Section 10 (**Land exempted from tax**) as amended by Act No. 215, 1985—

(1) Section 10 (1) (d)—

Omit “, and used and occupied solely by,”.

(2) Section 10 (1) (d)—

15 After “profit”, insert “ (not being land, or any part of land, that is solely or principally used by a person other than such a charitable or educational institution and would not be exempt if the person owned it)”.

(3) Section 10 (1) (e)—

Omit “, and used and occupied solely by,”.

20 (4) Section 10 (1) (e)—

After “profit”, insert “(not being land, or any part of land, that is solely or principally used by a person other than the society and would not be exempt if the person owned it)”.

(5) Section 10 (1) (k)—

25 Omit “(not being a hospital benefits or medical benefits organisation registered under the National Health Act 1953, as amended by subsequent Acts, of the Commonwealth)”.

Land Tax Management (Further Amendment) 1986

SCHEDULE 1—*continued*

RETROSPECTIVE AMENDMENTS TO THE LAND TAX
MANAGEMENT ACT 1956—*continued*

(6) Section 10 (1)—

Omit the subsection, insert instead:

(1) Where—

- 5 (a) part of any land, or part of a building, is used, or intended to be used, solely or principally by a person other than a charitable or educational institution referred to in subsection (1) (d) or by a person other than a religious society referred to in subsection (1) (e);
- 10 (b) the land or, in the case of a building, the land on which the building is erected, would not be exempt if the person owned it; and
- 15 (c) subsection (1) (d) or (e) would apply to the land or, in the case of a building, the land on which the building is erected, if no part of the land or building were so used or intended to be so used,
- 20 the adjusted value of the land or, in the case of a building, the land on which the building is erected shall, for the purpose of assessing land tax, be reduced to an amount that bears to that adjusted value the same proportion as the rental value of the part so used, or intended to be so used, bears to the total rental value of the land or building.

(7) Section 10 (2) (a), (2A) (b)—

Omit “(d), (e),” wherever occurring.

(8) Section 10 (2AA)—

25 Omit the subsection.

SCHEDULE 2

(Sec. 3)

PROSPECTIVE AMENDMENTS TO THE LAND TAX
MANAGEMENT ACT 19565 (1) Section 10 (**Land exempted from tax**)—

Section 10 (1) (r1)—

After section 10 (1) (r), insert:

10 (r1) with respect to taxation leviable or payable in respect of the year commencing on 1 January 1987 or any succeeding year, land approved for multiple occupancy, and occupied, in accordance with an environmental planning instrument within the meaning of the Environmental Planning and Assessment Act 1979;

(2) Section 47 (**Land tax to be first charge on land**)—

15 (a) Section 47 (1)—

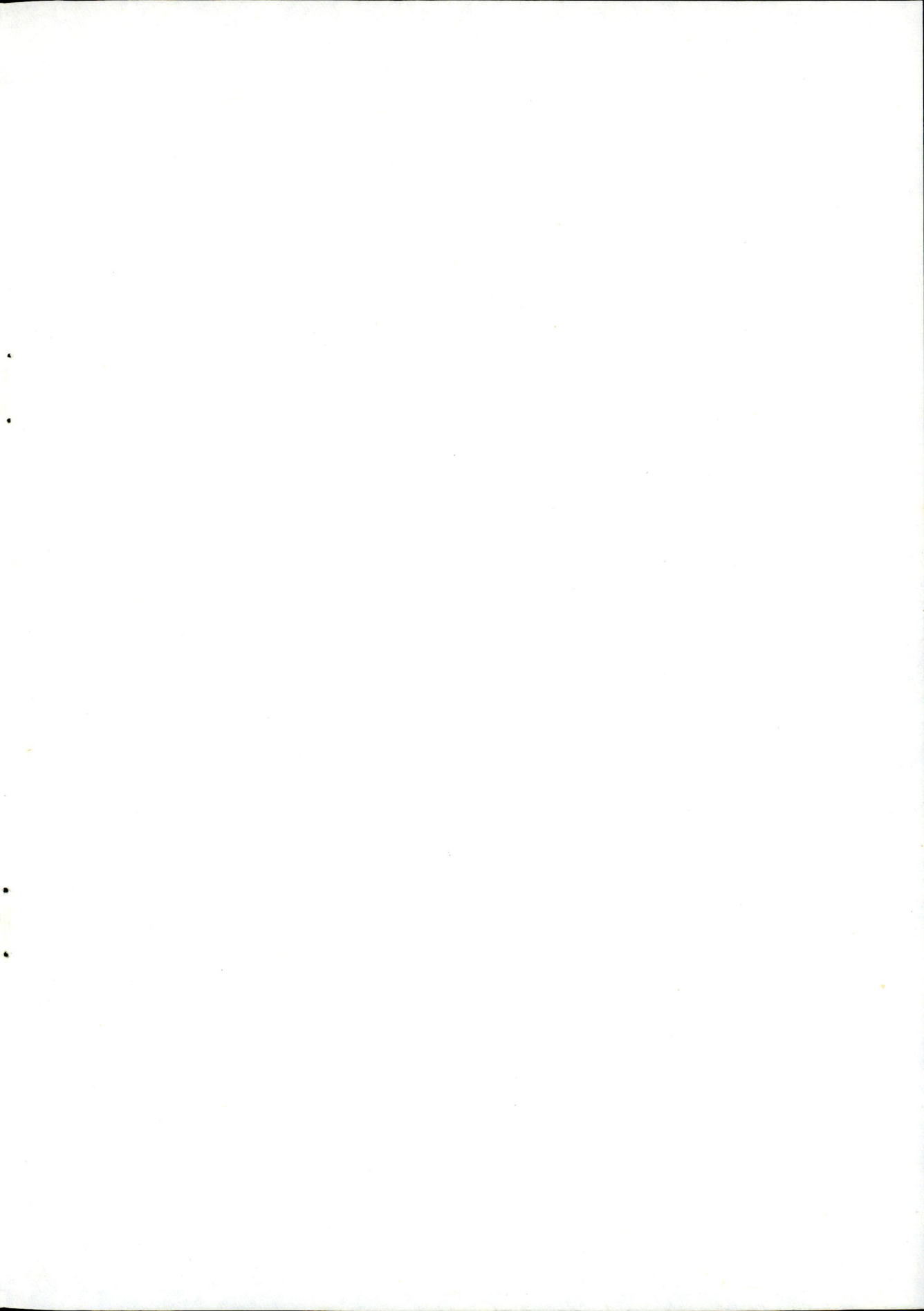
Omit "inquiry who", insert instead "inquiry if the purchaser or the vendor of the land".

(b) Section 47 (1)—

20 After "purchaser" where fourthly occurring, insert "or the vendor".

(c) Section 47 (1)—

After "application" where secondly occurring, insert "and a certificate issued to the vendor may be relied on by a purchaser as if it had been issued to the purchaser".



**LAND TAX MANAGEMENT (FURTHER AMENDMENT)
ACT 1986 No. 186**

NEW SOUTH WALES



TABLE OF PROVISIONS

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3. Amendment of Act No. 26, 1956
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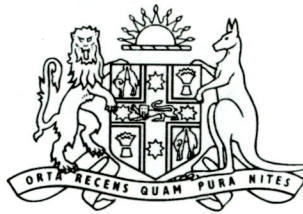
**SCHEDULE 1—RETROSPECTIVE AMENDMENTS TO THE LAND TAX
MANAGEMENT ACT 1956**

**SCHEDULE 2—PROSPECTIVE AMENDMENTS TO THE LAND TAX
MANAGEMENT ACT 1956**



LAND TAX MANAGEMENT (FURTHER AMENDMENT) ACT 1986
No. 186

NEW SOUTH WALES



Act No. 186, 1986

An Act to amend the Land Tax Management Act 1956 with respect to exemptions from land tax and certificates as to liability for land tax; and for other purposes. [Assented to 18 December 1986]

Land Tax Management (Further Amendment) 1986

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows:

Short title

1. This Act may be cited as the "Land Tax Management (Further Amendment) Act 1986".

Commencement

2. (1) Sections 1 and 2 shall commence on the date of assent to this Act.

(2) Schedule 1, section 3 in its application to that Schedule and sections 4 and 5 shall be deemed to have commenced on 31 December 1985.

(3) Except as provided by subsections (1) and (2), this Act shall commence on 31 December 1986.

Amendment of Act No. 26, 1956

3. The Land Tax Management Act 1956 is amended in the manner set forth in Schedules 1 and 2.

Effect of certain earlier amendments

4. (1) The amendments made by section 3 of the Land Tax Management (Further Amendment) Act 1985 and Schedule 1 (1) (b) and (3) (b) to that Act have effect as provided by subsection (2) in relation to land occupied under a lease or licence from the Crown instead of as provided by that Act.

(2) The amendments referred to in subsection (1)—

- (a) do not apply in respect of the year commencing on 1 January 1986;
- (b) if, on or after 1 January 1986 and before 1 January 1988, the rent or licence fee is, or could be, reviewed or the lease or licence could be determined—apply in respect of each year that succeeds the year in which the rent or licence fee is, or could be, so reviewed or the lease or licence could be so determined; and
- (c) apply in respect of the year commencing on 1 January 1989 and each succeeding year.

Land Tax Management (Further Amendment) 1986

Effect of certain amendments made by this Act

5. Section 4 of the Land Tax Management (Further Amendment) Act 1985 applies in relation to the amendments made by section 3 of this Act and Schedule 1 as if they were the amendments referred to in that section of that Act.

SCHEDULE 1

(Sec. 3)

RETROSPECTIVE AMENDMENTS TO THE LAND TAX
MANAGEMENT ACT 1956

Section 10 (**Land exempted from tax**) as amended by Act No. 215, 1985—

(1) Section 10 (1) (d)—

Omit “, and used and occupied solely by,”.

(2) Section 10 (1) (d)—

After “profit”, insert “ (not being land, or any part of land, that is solely or principally used by a person other than such a charitable or educational institution and would not be exempt if the person owned it)”.

(3) Section 10 (1) (e)—

Omit “, and used and occupied solely by,”.

(4) Section 10 (1) (e)—

After “profit”, insert “(not being land, or any part of land, that is solely or principally used by a person other than the society and would not be exempt if the person owned it)”.

(5) Section 10 (1) (k)—

Omit “(not being a hospital benefits or medical benefits organisation registered under the National Health Act 1953, as amended by subsequent Acts, of the Commonwealth)”.

Land Tax Management (Further Amendment) 1986

SCHEDULE 1—*continued*

RETROSPECTIVE AMENDMENTS TO THE LAND TAX
MANAGEMENT ACT 1956—*continued*

(6) Section 10 (1)—

Omit the subsection, insert instead:

(1) Where—

- (a) part of any land, or part of a building, is used, or intended to be used, solely or principally by a person other than a charitable or educational institution referred to in subsection (1) (d) or by a person other than a religious society referred to in subsection (1) (e);
- (b) the land or, in the case of a building, the land on which the building is erected, would not be exempt if the person owned it; and
- (c) subsection (1) (d) or (e) would apply to the land or, in the case of a building, the land on which the building is erected, if no part of the land or building were so used or intended to be so used,

the adjusted value of the land or, in the case of a building, the land on which the building is erected shall, for the purpose of assessing land tax, be reduced to an amount that bears to that adjusted value the same proportion as the rental value of the part so used, or intended to be so used, bears to the total rental value of the land or building.

(7) Section 10 (2) (a), (2A) (b)—

Omit “(d), (e),” wherever occurring.

(8) Section 10 (2AA)—

Omit the subsection.

SCHEDULE 2

(Sec. 3)

PROSPECTIVE AMENDMENTS TO THE LAND TAX
MANAGEMENT ACT 1956(1) Section 10 (**Land exempted from tax**)—

Section 10 (1) (r1)—

After section 10 (1) (r), insert:

(r1) with respect to taxation leviable or payable in respect of the year commencing on 1 January 1987 or any succeeding year, land approved for multiple occupancy, and occupied, in accordance with an environmental planning instrument within the meaning of the Environmental Planning and Assessment Act 1979;

(2) Section 47 (**Land tax to be first charge on land**)—

(a) Section 47 (1)—

Omit “inquiry who”, insert instead “inquiry if the purchaser or the vendor of the land”.

(b) Section 47 (1)—

After “purchaser” where fourthly occurring, insert “or the vendor”.

(c) Section 47 (1)—

After “application” where secondly occurring, insert “and a certificate issued to the vendor may be relied on by a purchaser as if it had been issued to the purchaser”.

