

**STATE REVENUE LEGISLATION (FURTHER AMENDMENT)
ACT 1994 No. 72**

NEW SOUTH WALES



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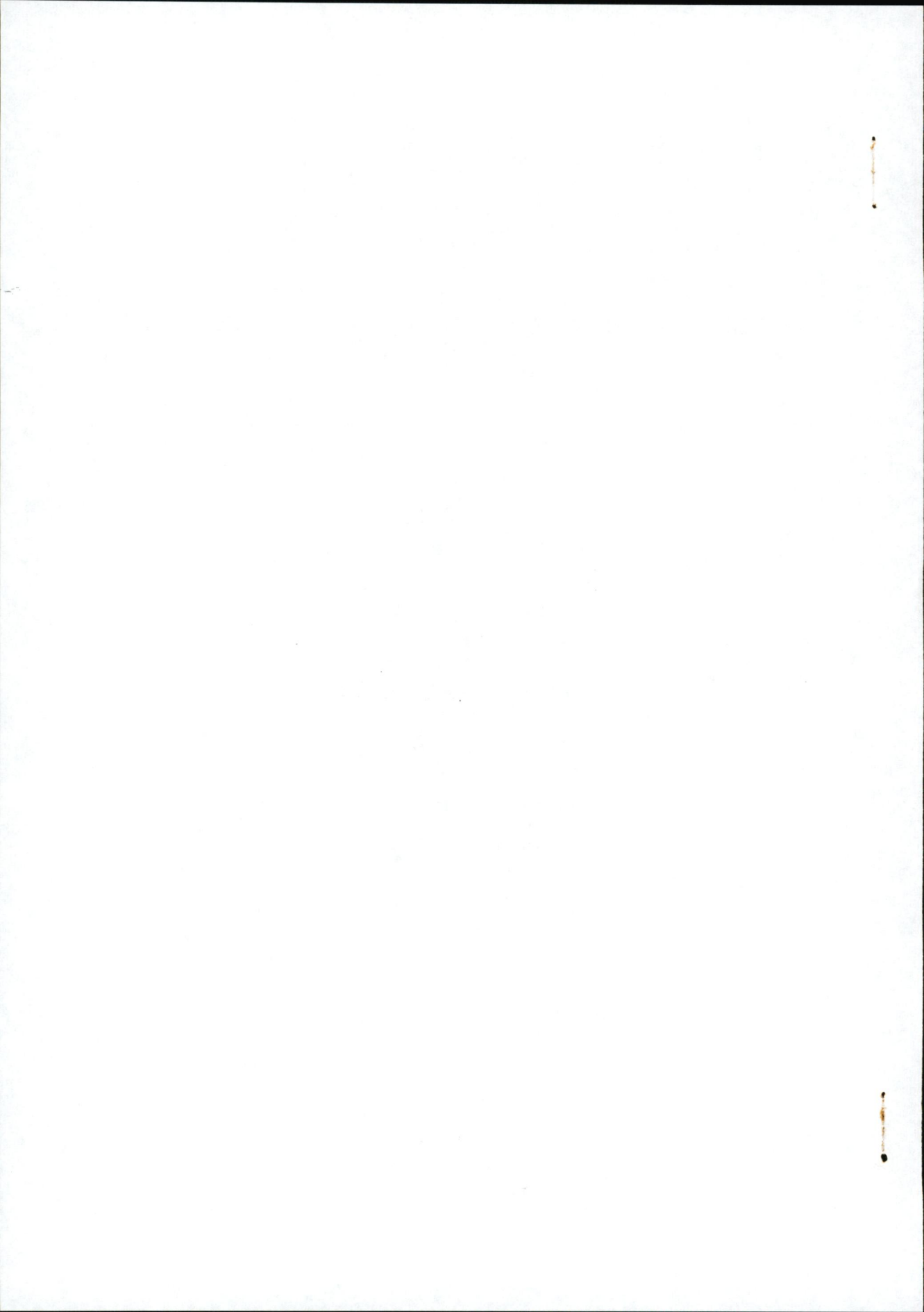
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**STATE REVENUE LEGISLATION (FURTHER AMENDMENT)
ACT 1994 No. 72**

NEW SOUTH WALES



Act No. 72, 1994

An Act to amend the Pay-roll Tax Act 1971 to increase the threshold below which pay-rolls are exempt from pay-roll tax; to make miscellaneous amendments to certain State revenue Acts and other Acts; and for other purposes. [Assented to 23 November 1994]

State Revenue Legislation (Further Amendment) Act 1994 No. 72

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the State Revenue Legislation (Further Amendment) Act 1994.

Commencement

2. (1) This Act commences on the date of assent, except as provided by this section.

(2) Section 3, Schedule 1 and Schedule 4 (13) and (28) (a), in so far as it inserts paragraph (id) into section 98A of the Stamp Duties Act 1920, commence on 1 July 1995.

(3) Sections 7 and 8, Schedule 2, Part 1 of Schedule 3 and Schedule 4 (17)–(27) and (29) commence or are taken to have commenced on 1 January 1995.

(4) Part 2 of Schedule 3 commences on 1 January 1996.

(5) Part 3 of Schedule 3 commences on 1 July 1996.

(6) Schedule 4 (1) (b), (15) and (16) are taken to have commenced on 1 September 1994.

(7) Schedule 4 (3), (5), (6) and (33) are taken to have commenced on 14 September 1994.

(8) Schedule 4 (8), (9), (10) and (28) (a), in so far as it inserts paragraph (ic) into section 98A of the Stamp Duties Act 1920, are taken to have commenced on 1 January 1994.

(9) Schedule 4 (12), (14) and (32) (h), (i) and (j) are taken to have commenced on 1 July 1994.

(10) Schedule 4 (30) (c), in so far as it inserts paragraphs (g4) and (g5) into section 98U (1) of the Stamp Duties Act 1920, is taken to have commenced on 20 September 1994.

(11) Schedule 4 (32) (a)–(c) and (e) are taken to have commenced on 1 July 1993.

(12) Schedule 4 (32) (d), (f), (g) and (k) are taken to have commenced on 1 November 1989.

(13) Schedule 4 (32) (l) is taken to have commenced on 15 September 1994.

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Amendment of Debits Tax Act 1990 No. 112

3. The Debits Tax Act 1990 is amended as set out in Schedule 1.

Amendment of Land Tax Management Act 1956 No. 26

4. The Land Tax Management Act 1956 is amended as set out in Schedule 2.

Amendment of Pay-roll Tax Act 1971 No. 22

5. The Pay-roll Tax Act 1971 is amended as set out in Schedule 3.

Amendment of Stamp Duties Act 1920 No. 47

6. The Stamp Duties Act 1920 is amended as set out in Schedule 4.

Amendment of Strata Titles Act 1973 No. 68

7. The Strata Titles Act 1973 is amended by omitting section 95.

Amendment of Strata Titles (Leasehold) Act 1986 No. 219

8. The Strata Titles (Leasehold) Act 1986 is amended by omitting section 127.

SCHEDULE 1—AMENDMENT OF DEBITS TAX ACT 1990

(Sec. 3)

Section 3 (Definitions):

After paragraph (d) of the definition of “excluded debit” in section 3 (1), insert:

- (d1) made to an account kept with a financial institution by a company to which section 84EBA of the Stamp Duties Act 1920 applies; or

**SCHEDULE 2—AMENDMENT OF LAND TAX
MANAGEMENT ACT 1956**

(Sec. 4)

(1) Section 9AA:

After section 9A, insert:

Strata

9AA. (1) Land tax, in the case of land subject to the Strata Titles Act 1973 or the Strata Titles (Leasehold) Act 1986, is to be levied and paid in respect of each lot comprised in a parcel.

(2) For the purposes of this Act, the land value of a lot comprised in a parcel is an amount that bears to the land value (within the meaning of section 7 (2)) of the parcel the same proportion as the unit entitlement of the lot bears to the aggregate unit entitlement.

(3) Expressions used in this section have the same meanings as in the Strata Titles Act 1973 and the Strata Titles (Leasehold) Act 1986.

(2) Section 10 (**Land exempted from tax**):

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

(p1) land that, in accordance with an approval of the Director-General of National Parks and Wildlife, is primarily used for the maintenance of endangered species native to Australia to assist their preservation;

(3) Section 10Q:

Omit the section, insert instead:

Low cost accommodation—exemption/reduction

10Q. (1) Land is exempted from taxation under this Act leviable or payable in respect of the year commencing on 1 January 1995 or any succeeding year if:

- (a) the land is used and occupied primarily for low cost accommodation; and
- (b) application for the exemption is made in accordance with this section; and
- (c) the Chief Commissioner is satisfied that the land is so used and occupied in accordance with guidelines approved by the Treasurer for the purposes of this section.

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SCHEDULE 2—AMENDMENT OF LAND TAX MANAGEMENT
ACT 1956—*continued*

(2) The guidelines may include provisions with respect to the following:

- (a) the circumstances in which accommodation is taken to be low cost accommodation;
- (b) the types and location of premises in which low cost accommodation may be provided;
- (c) the number and types of persons for whom the accommodation must be provided;
- (d) the circumstances in which, and the arrangements under which, the accommodation is provided;
- (e) maximum tariffs for the accommodation;
- (f) periods within which tariffs may not be increased;
- (g) the circumstances in which the applicant is required to give an undertaking to pass on the benefit of the exemption from taxation (or, if subsection (4) applies, the reduction in taxation) to the persons for whom the accommodation is provided in the form of lower tariffs.

(3) A guideline may:

- (a) apply generally or be limited in its application by reference to specified exceptions or factors; or
- (b) apply differently according to different factors of a specified kind,

or both.

(4) If the Chief Commissioner is satisfied that part only of land or premises is used and occupied primarily for low cost accommodation in accordance with the Treasurer's guidelines, the land value of the land is to be reduced for the purposes of land tax in accordance with the principles in section 10R (3)–(3C).

(5) This section does not apply to an owner of land in respect of a tax year unless:

- (a) the owner applies to the Chief Commissioner for the exemption or reduction, in the form approved by the Chief Commissioner; and

SCHEDULE 2—AMENDMENT OF LAND TAX MANAGEMENT
ACT 1956—*continued*

(b) the owner furnishes the Chief Commissioner with such evidence as the Chief Commissioner may request for the purpose of enabling the Chief Commissioner to determine whether there is an entitlement to the exemption or reduction.

(6) Without limiting the other ways in which this section may cease to apply to a person, it ceases to apply to a person if the person breaches an undertaking given as referred to in subsection (2) (g).

(4) Section 21A (**Company title units deemed to be strata lots**):

From section 21A (3), omit “section 95 (Land tax) of the Strata Titles Act 1973”, insert instead “section 9AA”.

(5) Section 21B (**Joint owners of block of flats etc. to be regarded as owners of strata lots**):

From section 21B (3), omit “section 95 (Land tax) of the Strata Titles Act 1973”, insert instead “section 9AA”.

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971

(Sec. 5)

PART 1**(1) Section 7 (Imposition of pay-roll tax on taxable wages):**

(a) Omit section 7 (a)–(g), insert instead:

- (a) ascertained in accordance with Schedule 1 in respect of such of those wages as are paid or payable after the month of June 1994 and before the month of July 1995; and
- (b) ascertained in accordance with Schedule 2 in respect of such of those wages as are paid or payable after the month of July 1995.

(b) At the end of section 7, insert:

(2) If taxable wages are paid after a month in which they became payable, pay-roll tax is to be charged in respect of those wages at the rate applicable to the month in which they became payable.

(2) Section 11B (Annual adjustments):

From section 11B (1), omit the definition of “annual amount of pay-roll tax”, insert instead:

“**annual amount of pay-roll tax**”, in relation to an employer, means:

- (a) the amount ascertained in accordance with section 17 and Schedule 1 in respect of the employer for the financial year commencing on 1 July 1994; and
- (b) the amount ascertained in accordance with section 17 and Schedule 2 in respect of the employer for the financial year commencing on 1 July 1995 or any subsequent financial year.

(3) Section 11C (Adjustment of pay-roll tax when employer ceases to be an employer etc. during a financial year):

From section 11C (1), omit the definition of “total amount of pay-roll tax”, insert instead:

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SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

“**total amount of pay-roll tax**”, in relation to an employer, means:

- (a) the amount ascertained in accordance with section 17 and Schedule 1 in respect of the employer for a prescribed period that falls within the financial year commencing on 1 July 1994; and
- (b) the amount ascertained in accordance with section 17 and Schedule 2 in respect of the employer for a prescribed period that falls within the financial year commencing on 1 July 1995 or any subsequent financial year;

(4) Section 12 (**Registration**):

From section 12 (1), omit “\$9,615”, wherever occurring, insert instead “\$10,576”.

(5) Section 16I (**Designated group employers**):

From section 16I (2) (a) and (3) (a), omit “\$500,000”, wherever occurring, insert instead “\$525,000”.

(6) Section 16K (**Annual adjustments**):

Omit section 16K (2) (a)–(d), insert instead:

- (a) the amount ascertained in accordance with section 17 and Schedule 1 in respect of that member for the financial year commencing on 1 July 1994; or
- (b) the amount ascertained in accordance with section 17 and Schedule 2 in respect of that member for the financial year commencing on 1 July 1995 or any subsequent financial year.

(7) Section 16L (**Adjustment of pay-roll tax when members of a group cease to pay taxable wages or interstate wages during a financial year**):

Omit section 16L (3) (a)–(d), insert instead:

- (a) the amount ascertained in accordance with section 17 and Schedule 1 in respect of that member for a prescribed period that falls within the financial year commencing on 1 July 1994; or

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SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

- (b) the amount ascertained in accordance with section 17 and Schedule 2 in respect of that member for a prescribed period that falls within the financial year commencing on 1 July 1995 or any subsequent financial year.

(8) Schedules 1 and 2:

Omit Schedules 2–5, insert instead:

**SCHEDULE 1—CALCULATION OF PAY-ROLL TAX
LIABILITY FOR THE FINANCIAL YEAR COMMENCING
ON 1 JULY 1994**

(Secs. 7, 11B, 11C, 16K, 16L)

**PART 1—EMPLOYERS WHO ARE NOT MEMBERS
OF A GROUP**

Application of Part

1. This Part applies only to an employer who is not a member of a group.

Definitions

2. In this Part:

“**financial year**” means the financial year commencing on 1 July 1994;

“**TW**” represents the total interstate wages paid or payable by the employer concerned during the financial year;

“**TW**” represents the total taxable wages paid or payable by the employer concerned during the financial year.

Pay-roll of employer under \$525,000

3. An employer is not liable to pay pay-roll tax for the financial year if the total taxable wages and interstate wages paid or payable by the employer during that year is less than \$525,000.

Pay-roll of employer \$525,000 or more

4. If the total taxable wages and interstate wages paid or payable by an employer during the financial year is \$525,000 or more, the employer is liable to pay as pay-roll tax for that year the amount of dollars calculated in accordance with the following formula:

$$\left[TW - \left\{ \frac{TW}{TW + IW} \times 525,000 \right\} \right] \times \frac{7}{100}$$

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

**PART 2—GROUPS WITH A DESIGNATED GROUP
EMPLOYER**

Application of Part

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

Definitions

6. In this Part:

“**designated group employer**” means a member designated as the designated group employer for a group in accordance with section 16I;

“**financial year**” means the financial year commencing on 1 July 1994;

“**group**” means a group for which there is a designated group employer;

“**GIW**” represents the total interstate wages paid or payable by the group concerned during the financial year;

“**GTW**” represents the total taxable wages paid or payable by the group concerned during the financial year;

“**TW**” represents the total taxable wages paid or payable by the employer concerned during the financial year.

Pay-roll of group under \$525,000

7. 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 \$525,000.

Pay-roll of group \$525,000 or more

8. (1) If the total taxable wages and interstate wages paid or payable by a group during the financial year is \$525,000 or more, pay-roll tax is payable as provided by subclauses (2) and (3).

(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:

$$\left[\text{TW} - \left\{ \frac{\text{GTW}}{\text{GTW} + \text{GIW}} \times 525,000 \right\} \right] \times \frac{7}{100}$$

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SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

(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:

$$TW \times \frac{7}{100}$$

**PART 3—GROUPS WITH NO DESIGNATED GROUP
EMPLOYER**

Application of Part

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

Definitions

10. In this Part:

“**designated group employer**” means a member designated as the designated group employer for a group in accordance with section 16I;

“**financial year**” means the financial year commencing on 1 July 1994;

“**GIW**” represents the total interstate wages paid or payable by the group concerned during the financial year;

“**group**” means a group for which there is no designated group employer;

“**GTW**” represents the total taxable wages paid or payable by the group concerned during the financial year;

“**TW**” represents the total taxable wages paid or payable by the employer concerned during the financial year.

Pay-roll of group under \$525,000

11. 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 \$525,000.

Pay-roll of group \$525,000 or more

12. If the total taxable wages and interstate wages paid or payable by a group during the financial year is \$525,000 or more, each

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SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

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:

$$\left[\text{TW} - \left\{ \frac{\text{GTW}}{\text{GTW} + \text{GIW}} \times 525,000 \right\} \right] \times \frac{7}{100}$$

**SCHEDULE 2—CALCULATION OF PAY-ROLL TAX
LIABILITY FROM 1 JULY 1995**

(Secs. 7, 11B, 11C, 16K, 16L)

**PART 1—EMPLOYERS WHO ARE NOT MEMBERS OF A
GROUP**

Application of Part

1. This Part applies only to an employer who is not a member of a group.

Definitions

2. In this Part:

“financial year” means the financial year commencing on 1 July 1995 or on 1 July in any subsequent financial year;

“IW” 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;

“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.

Pay-roll of employer under \$550,000

3. 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 \$550,000.

Pay-roll of employer \$550,000 or more

4. If the total taxable wages and interstate wages paid or payable by an employer during a financial year is \$550,000 or more, the employer is liable to pay as pay-roll tax for that year the amount of dollars calculated in accordance with the following formula:

$$\left[\text{TW} - \left\{ \frac{\text{TW}}{\text{TW} + \text{IW}} \times 550,000 \right\} \right] \times \frac{7}{100}$$

State Revenue Legislation (Further Amendment) Act 1994 No. 72

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

**PART 2—GROUPS WITH A DESIGNATED GROUP
EMPLOYER**

Application of Part

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

Definitions

6. In this Part:

“**designated group employer**” means a member designated for a group in accordance with section 16I;

“**financial year**” means the financial year commencing on 1 July 1995 or on 1 July in any subsequent financial year;

“**group**” means a group for which there is a designated group employer;

“**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;

“**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;

“**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.

Pay-roll of group under \$550,000

7. 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 \$550,000.

Pay-roll of group \$550,000 or more

8. (1) If the total taxable wages and interstate wages paid or payable by a group during the financial year is \$550,000 or more, pay-roll tax is payable as provided by subclauses (2) and (3).

(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:

$$\left[\text{TW} - \left\{ \frac{\text{GTW}}{\text{GTW} + \text{GIW}} \times 550,000 \right\} \right] \times \frac{7}{100}$$

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

(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:

$$TW \times \frac{7}{100}$$

**PART 3—GROUPS WITH NO DESIGNATED GROUP
EMPLOYER**

Application of Part

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

Definitions

10. In this Part:

“**designated group employer**” means a member designated as the designated group employer for a group in accordance with section 16I;

“**financial year**” means the financial year commencing on 1 July 1995 or on 1 July in any subsequent financial year;

“**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;

“**group**” means a group for which there is no designated group employer;

“**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;

“**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.

Pay-roll of group under \$550,000

11. 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 \$550,000.

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SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

Pay-roll of group \$550,000 or more

12. If the total of the taxable wages and interstate wages paid or payable by a group during the financial year is \$550,000 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:

$$\left[TW - \left\{ \frac{GTW}{GTW + GIW} \times 550,000 \right\} \right] \times \frac{7}{100}$$

PART 2

(9) Section 7 (**Imposition of pay-roll tax on taxable wages**):

- (a) From section 7 (a), omit “1994”, insert instead “1995”.
- (b) From section 7 (a) and (b), omit “1995” wherever occurring, insert instead “1996”.

(10) Section 11B (**Annual adjustments**):

From the definition of “annual amount of pay-roll tax” in section 11B (1), omit “1994” and “1995”, insert instead “1995” and “1996”, respectively.

(11) Section 11C (**Adjustment of pay-roll tax when employer ceases to be an employer etc. during a financial year**):

From the definition of “total amount of pay-roll tax” in section 11C (1), omit “1994” and “1995”, insert instead “1995” and “1996”, respectively.

(12) Section 12 (**Registration**):

From section 12 (1), omit “\$10,576”, wherever occurring, insert instead “\$11,538”.

(13) Section 16I (**Designated group employers**):

From section 16I (2) (a) and (3) (a), omit “\$525,000”, wherever occurring, insert instead “\$575,000”.

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SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

(14) Section 16K (**Annual adjustments**):

From section 16K (2), omit “1994” and “1995”, insert instead “1995” and “1996”, respectively.

(15) Section 16L (**Adjustment of pay-roll tax when members of a group cease to pay taxable wages or interstate wages during a financial year**):

From section 16L (3), omit “1994” and “1995”, insert instead “1995” and “1996”, respectively.

(16) Schedule 1:

(a) Omit “1994” wherever occurring, insert instead “1995”.

(b) Omit “\$525,000” wherever occurring, insert instead “\$575,000”.

(17) Schedule 2:

(a) Omit “1995” wherever occurring, insert instead “1996”.

(b) Omit “\$550,000” wherever occurring, insert instead “\$600,000”.

PART 3

(18) Section 16I (**Designated group employers**):

From section 16I (2) (a) and (3) (a), omit “\$575,000” wherever occurring, insert instead “\$600,000”.

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920

(Sec. 6)

(1) Section 3 (**Definitions**):

- (a) From the definition of “Company title dwelling” in section 3 (1), omit “on land” where firstly occurring.
- (b) In the definition of “NSW company” in section 3 (1), after “New South Wales”, insert “, and includes a body corporate that is incorporated under any other New South Wales Act and that is not a company incorporated or taken to be incorporated under the Corporations Law of another State or a Territory of the Commonwealth”.

(2) Section 44A (**Payment of duty on statements in absence of dutiable instruments**):

- (a) Omit section 44A (2).
- (b) From section 44A (2B), omit “subsection (1A), (2) or (2A)”, insert instead “this section”.
- (c) From section 44A (2C), omit “subsection (2)”, insert instead “this section”.

(3) Section 66H:

After section 66G, insert:

Intergenerational rural transfers

66H. (1) Notwithstanding any other provision of this Act, duty is not chargeable in respect of an instrument of conveyance or agreement for sale of land, or of a lease of or permit in respect of land, used for primary production, being an instrument first executed on or after 14 September 1994, if the Treasurer is satisfied that:

- (a) the land was land used for primary production by the transferor immediately before the date of first execution of the instrument; and
- (b) the land will continue to be land used for primary production by the transferee; and

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

- (c) the parties to the instrument are parties of a class identified in guidelines approved from time to time by the Treasurer; and
 - (d) the transaction satisfies such other requirements as may be contained in those guidelines.
- (2) Notwithstanding any other provision of this Act, duty is not chargeable in respect of a transfer of shares in a share management fishery within the meaning of the Fisheries Management Act 1994, being a transfer first executed on or after 14 September 1994, if the Treasurer is satisfied that:
- (a) the parties to the instrument are parties of a class identified in guidelines approved from time to time by the Treasurer; and
 - (b) the transaction satisfies such other requirements as may be contained in those guidelines.
- (3) In this section, “**land used for primary production**” has the same meaning as in section 43B (5) and includes:
- (a) an oyster farm or fish farm within the meaning of the Fisheries and Oyster Farms Act 1935; or
 - (b) land subject to an aquaculture permit or aquaculture lease within the meaning of the Fisheries Management Act 1994.
- (4) Section 73 (**Certain conveyances not chargeable with ad valorem duty**):
- Before “duty” in section 73 (2AF) (a), insert “ad valorem”.
- (5) Section 73AA (**Exemption from or reduction in duty for certain conveyances**):
- From section 73AA (1), omit “exemption”.

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SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

- (6) Section 74F (**Payment of duty on hiring arrangements by return**):

At the end of section 74F (7A) (c), insert:

; or

(d) exceeds \$6,000—stamp duty is payable only on that part of the amount that is in excess of \$6,000.

- (7) Section 78FA (**Exemption from duty—leases of accommodation for aged and disabled persons**):

After “profit” in section 78FA (1) (a) (ii), insert “by the lessor”.

- (8) Section 81 (**Definitions**):

Omit the section, insert instead:

Definitions

81. In this Division:

“**complying approved deposit fund**” means an entity that is a complying approved deposit fund in accordance with section 43 of the Superannuation Industry (Supervision) Act 1993 of the Commonwealth;

“**complying superannuation fund**” means an entity that is a complying superannuation fund in accordance with section 42 of the Superannuation Industry (Supervision) Act 1993 of the Commonwealth;

“**pooled superannuation trust**” means an entity that is a pooled superannuation trust in accordance with section 44 of the Superannuation Industry (Supervision) Act 1993 of the Commonwealth.

- (9) Section 81A (**Duty on certain instruments relating to superannuation**):

(a) From section 81A (1), omit “complying pooled superannuation trust”, insert instead “pooled superannuation trust”.

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

(b) After section 81A (1) (b), insert:

(c) an instrument that is executed in order to set out the terms of custodial arrangements concerning a complying superannuation fund, a complying approved deposit fund or a pooled superannuation trust (whether or not the instrument contains any other terms) or concerning a fund or trust that, in the opinion of the trustees, will be a complying superannuation fund, a complying approved deposit fund or a pooled superannuation trust within 12 months after the instrument takes effect.

(10) Sections 82AA, 82AB:

After section 82, insert:

Duty on certain conveyances of property to trustees or custodians of superannuation funds or trusts

82AA. (1) This section applies to an instrument that the Chief Commissioner is satisfied is an agreement to convey or a conveyance of property to a trustee or custodian of a complying superannuation fund, a complying approved deposit fund or a pooled superannuation trust, or a fund or trust that, in the opinion of the trustees, will be a complying superannuation fund, a complying approved deposit fund or a pooled superannuation trust within 12 months after the agreement to convey or conveyance takes effect, where there is no change in the beneficial ownership of the property.

(2) The duty payable on an instrument to which this section applies is the ad valorem duty as a conveyance or \$200, whichever is the lesser.

(3) The person primarily liable to pay the duty is the transferee.

(4) An instrument on which duty of \$200 has been paid in accordance with an assessment under this section is taken to have been duly stamped with ad valorem duty as a conveyance.

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

Duty on certain conveyances of securities to trustees or custodians of superannuation schemes or trusts

82AB. (1) A conveyance of or an agreement to convey a marketable security or a unit in a unit trust scheme or of a right to acquire a marketable security or a unit in a unit trust scheme, being a conveyance or agreement to convey that the Chief Commissioner is satisfied:

- (a) is a conveyance to or an agreement to convey to a trustee or custodian of a complying superannuation fund, a complying approved deposit fund or a pooled superannuation trust, or a fund or trust that, in the opinion of the trustees, will be a complying superannuation fund, a complying approved deposit fund or a pooled superannuation trust within 12 months after the agreement to convey or conveyance takes effect; and
- (b) does not result in changing the persons who have a beneficial interest in the property conveyed or agreed to be conveyed,

is not to be charged with ad valorem duty as a conveyance but is to be charged with duty of \$2.

(2) This section has effect despite section 82AA.

(11) Section 83 (**Definitions**):

- (a) In the definition of “Advance” in section 83 (1), after “provision”, insert “or obtaining”.
- (b) Omit the definition of “Bill facility” from section 83 (1), insert instead:

“**Bill facility**” means one or more agreements, understandings or arrangements as a consequence of which a bill of exchange or promissory note:

- (a) is drawn, accepted, endorsed or made; and
- (b) is held, negotiated or discounted to obtain funds,

whether or not the funds are obtained from the person who draws, accepts, endorses or makes the bill of

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exchange or promissory note and whether or not the funds are obtained from a person who is a party to any such agreement, understanding or arrangement.

- (c) After “or” in paragraph (a) of the definition of “Financial accommodation” in section 83 (1), insert “funds provided or obtained by means of”.

(12) Section 84CAC (**Exemption for certain home loan transactions**):

From section 84CAC (2) (b), omit “1 July 1994”, insert instead “1 January 1995”.

(13) Section 84EBA:

After section 84EB, insert:

Exemption for loan securities of companies with regional headquarters in NSW

84EBA. Notwithstanding any other provision of this Act, duty is not chargeable in respect of a loan security where the borrower or person bound is a company:

- (a) that is the subject of a determination under section 83CE of the Income Tax Assessment Act 1936 of the Commonwealth and that has established in New South Wales after 1 July 1995 the facilities that comprise its regional headquarters; and
- (b) that satisfies such other requirements as may be imposed from time to time by the Treasurer.

(14) Section 84G (**Duty on motor vehicle certificates of registration**):

After section 84G (1) (k), insert:

- (ka) a motor vehicle certificate of registration issued as a result of the transfer of a motor vehicle from a continued unincorporated industrial organisation or a continued non-industrial organisation (within the meaning of section 615 of the Industrial Relations Act 1991) to an industrial organisation or non-industrial organisation (within the meaning of section 406 (1) of that Act) in compliance with the incorporation provisions of the Industrial Relations Act 1991; or

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(15) Section 91 (**Duty on certain transfers of units in unit trust schemes**):

From section 91 (3), omit “6 cents for every \$10”, insert instead “60 cents for every \$100”.

(16) Section 96A (**Duty on certain transfers of shares**):

In section 96A (1), after “NSW company”, insert “or any corporation or company”.

(17) Section 97AB (**Returns to be lodged and duty paid**):

(a) After section 97AB (1), insert:

(1AA) Despite subsection (1) or (2), in the case of a sale or purchase made following the exercise of an option to purchase a marketable security, stamp duty is to be calculated on the premium paid on the option or the consideration for the sale or purchase of the marketable security, whichever is the greater amount (and a reference in subsection (1) or (2) to the consideration is to be construed as a reference to the greater amount).

(b) Omit section 97AB (2), insert instead:

(2) Instead of the stamp duty provided for by subsection (1) (b), a New South Wales dealer is required to pay, in the case of:

(a) any sale made by the dealer, on the dealer’s own account or behalf, of marketable securities or rights in respect of marketable securities purchased by the dealer on or within 3 months of the day of sale; or

(b) any purchase made by the dealer, on the dealer’s own account or behalf, of marketable securities or rights in respect of marketable securities sold by the dealer on or within 3 months of the day of purchase; or

(c) any sale or purchase of marketable securities or rights in respect of marketable securities:

(i) made on behalf of an options trader in his or her capacity as such and as principal; and

(ii) made for hedging purposes; and

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

- (iii) of a type in respect of which options are traded or the price of which is included in the calculation of an index in respect of which options are traded; or
 - (d) any sale or purchase of marketable securities or rights in respect of marketable securities:
 - (i) made on behalf of a futures broker in his or her capacity as a futures broker and as principal; and
 - (ii) made for hedging purposes; and
 - (iii) of a type in respect of which futures contracts are traded or the price of which is included in the calculation of an index in respect of which futures contracts are traded; or
 - (e) any sale or purchase of marketable securities or rights in respect of marketable securities:
 - (i) made on behalf of a warrant-issuer in his or her capacity as a warrant-issuer and as principal; and
 - (ii) made for hedging purposes,
an amount calculated on the consideration for the sale or purchase at the rate of 0.25 cents for every \$100 and also for any remaining fractional part of \$100 of the sale price or purchase price, as the case may be.
 - (c) In section 97AB (2A), after “subsection (1)”, insert “or (2)”.
- (18) Section 97ADA (**Exemption from duty—sales and purchases on behalf of options traders as market makers**):
Omit the section.
- (19) Section 97ADB (**Sales and purchases to be recorded by options traders**):
From section 97ADB (1), omit “no stamp duty is payable under section 97ADA”, insert instead “stamp duty is payable under section 97AB (2)”.

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SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

(20) Section 97ADC (**Returns to be lodged and duty paid**):

Omit section 97ADC (1) (b), insert instead:

- (b) pay to the Chief Commissioner as stamp duty, in respect of sales and purchases included in the return, an amount calculated on the consideration for each such sale and each such purchase at the rate of 29.75 cents for every \$100 and also for any remaining fractional part of \$100 of the sale price or purchase price, as the case may be.

(21) Section 97ADD (**Exemption from duty—sales and purchases on behalf of futures brokers as market makers**):

Omit the section.

(22) Section 97ADE (**Sales and purchases to be recorded by futures brokers**):

From section 97ADE (1), omit “no stamp duty is payable under section 97ADD”, insert instead “stamp duty is payable under section 97AB (2)”.

(23) Section 97ADF (**Returns to be lodged and duty paid**):

Omit section 97ADF (1) (b), insert instead:

- (b) pay to the Chief Commissioner as stamp duty, in respect of sales and purchases included in the return, an amount calculated on the consideration for each such sale and each such purchase at the rate of 29.75 cents for every \$100 and also for any remaining fractional part of \$100 of the sale price or purchase price, as the case may be.

(24) Section 97ADG (**Exemption from duty—sales and purchases on behalf of warrant-issuers as market makers**):

Omit the section.

(25) Section 97ADH (**Sales and purchases to be recorded by warrant-issuers**):

From section 97ADH (1), omit “no stamp duty is payable under section 97ADG”, insert instead “stamp duty is payable under section 97AB (2)”.

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

(26) Section 97ADI (**Returns to be lodged and duty paid**):

Omit section 97ADI (1) (b), insert instead:

- (b) pay to the Chief Commissioner as stamp duty, in respect of sales and purchases included in the return, an amount calculated on the consideration for each such sale and each such purchase at the rate of 29.75 cents for every \$100 and also for any remaining fractional part of \$100 of the sale price or purchase price, as the case may be.

(27) Section 98 (**Definitions**):

(a) Insert in section 98 (1) in alphabetical order:

“broker” means a member organisation of Australian Stock Exchange Limited;

“broker receipts” means the following:

- (a) receipts (after the deduction of any trading losses) in the nature of profits from trading in marketable securities, including dividends;
- (b) brokerage (whether from trading in equities, options, futures, fixed interest or any other means);
- (c) underwriting or sub-underwriting commissions;
- (d) receipts in the nature of profits from trading other than in marketable securities;
- (e) interest, management fees and fees from a member of the group of which the broker is a member;
- (f) receipts from the payment or repayment of loans between the broker and a member of the group of which the broker is a member; and
- (g) receipts from the sale of capital assets not traded in the ordinary course of the business of the broker;

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

“corresponding State or Territory” means another State or a Territory of the Commonwealth that is declared by the Governor by an order for the time being in force under subsection (16) to be a corresponding State or Territory for the purposes of this Division;

“New South Wales broker” means a broker:

- (a) that lodges quarterly returns with the Australian Stock Exchange in New South Wales; or
 - (b) that conducts business in New South Wales and that lodges quarterly returns with the Australian Stock Exchange in another State or a Territory of the Commonwealth that is not a corresponding State or Territory;
- (b) Omit the definition of “dealer” from section 98 (1), insert instead:
- “dealer”** has the same meaning as in the Corporations Law, but does not include a broker;
- (c) After paragraph (a) of the definition of “designated person” in section 98 (1), insert:
 - (aa) a broker; or
 - (d) After paragraph (a) of the definition of “designated receipts” in section 98 (1), insert:
 - (aa) broker receipts of a New South Wales broker, being receipts received in or outside New South Wales; or
 - (e) After paragraph (f) of the definition of “excluded person” in section 98 (1), insert:
 - (fa) a broker;
 - (f) From the definition of “rollover” in section 98 (1), omit “and with or without accrued interest”.

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continued

(g) After section 98 (15), insert:

(16) The Governor may, by an order published in the Gazette, declare another State or a Territory of the Commonwealth to be a corresponding State or Territory for the purposes of this Division.

(28) Section 98A (**Receipts to which this Division does not apply**):

(a) From section 98A (d) (iii), omit “section 96 or 97AB”, insert instead “section 94D or the Second Schedule under the heading ‘Transfer of Shares’ ”.

(b) After section 98A (ib), insert:

(ic) a receipt by a financial institution of a payment of farm household support made under the Farm Household Support Act 1992 of the Commonwealth; or

(id) a receipt by a company to which section 84EBA applies; or

(29) Section 98I (**Registration**):

After section 98I (2), insert:

(2A) Subsection (2), in its application to a designated person who is a broker, applies only to a New South Wales broker.

(30) Section 98U (**Exempt accounts**):

(a) After “dealer” in section 98U (1) (f), insert “or broker”.

(b) After section 98U (1) (f), insert:

(f1) an account with a bank which is a registered person of:

(i) a New South Wales broker who is a registered person; or

(ii) a broker who lodges quarterly returns with the Australian Stock Exchange in a corresponding State or Territory (within the meaning of section 98 (1));

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continued

(c) After section 98U (1) (g3), insert:

- (g4) an account with a bank which is a registered person, being an account to which are credited only amounts that are received by The Newcastle Chamber of Fruit and Vegetables Industry Co-operative Limited in respect of farm produce (within the meaning of the Farm Produce Act 1983) sold at Newcastle Regional Markets, being amounts that are to be paid to farm produce sellers or producers (within the meaning of that Act); or
- (g5) an account of MasterCard International Inc. with a bank which is a registered person, being an account that is a settlement account for credit and debit card transactions; or
- (g6) an account with a bank which is a registered person, being an account of a person approved under section 38D that is used solely for the payment of duty under the Taxline system; or

(31) Second Schedule—Stamp Duties and Exemptions:

- (a) From paragraph (1) (c) of the matter appearing under the heading “TRANSFER OF SHARES”, omit “\$10” wherever occurring, insert instead “\$100”.
- (b) From the column headed “Amount of Duty” opposite the matter appearing under the heading “TRANSFER OF SHARES”, omit “0.06”, insert instead “0.60”.

(32) Second Schedule—General Exemptions from Stamp Duty under Part 3:

- (a) In paragraph (14), after “Local Government Act 1993”, insert “or an electricity distributor constituted under Part 2A of the Electricity Act 1945”.
- (b) In paragraph (19), before “a council”, insert “a body, being”.
- (c) In paragraph (19), after “Local Government Act 1993”, insert “or an electricity distributor constituted under Part 2A of the Electricity Act 1945”.

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continued

- (d) From paragraph (19), omit “instruments” where firstly occurring.
- (e) From paragraph (19), omit “such council” wherever occurring, insert instead “such body”.
- (f) From paragraph (19) (d), omit “policy of”.
- (g) In paragraph (19), after “being instruments”, insert “or insurance”.
- (h) After “property” where firstly occurring in paragraph (25), insert “first executed before 1 January 1996”.
- (i) After paragraph (25), insert:

(25A) Any conveyance of property or transaction referred to in section 44 (1) or (1A) between a continued unincorporated industrial organisation or a continued non-industrial organisation as transferrer and an industrial organisation or non-industrial organisation as transferee that arises as a result of the unincorporated body becoming incorporated under the Industrial Relations Act 1991.

In this paragraph:

“**continued unincorporated industrial organisation**” and “**continued non-industrial organisation**” have the same meanings as in section 615 of the Industrial Relations Act 1991;

“**industrial organisation**” and “**non-industrial organisation**” have the same meanings as in section 406 (1) of the Industrial Relations Act 1991.

- (j) From paragraph (26) (b), omit “Industrial Arbitration Act 1940”, insert instead “Industrial Relations Act 1991”.
- (k) From paragraph (29) (d), omit “a policy of”.
- (l) After paragraph (45), insert:

(46) A deed of release given to the HomeFund Commissioner in respect of a complaint made under the HomeFund Commissioner Act 1993.

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continued

(33) Schedule 2D—Exemption from Duty for Certain Conveyances:

- (a) In the heading to Schedule 2D, after “EXEMPTION FROM”, insert “OR REDUCTION IN”.
- (b) After “voting entitlement” in paragraph (a) of the definition of “principal shareholder” in clause 2, insert “(whether or not through the holding of shares)”.
- (c) After “voting entitlement” where firstly occurring in paragraph (b) of the definition of “principal shareholder” in clause 2, insert “(whether or not through the holding of shares)”.
- (d) Insert in clause 2 in alphabetical order:

“shareholder” includes member;
- (e) After clause 7, insert:

Conveyance of land not used and occupied solely as a principal place of residence

7A. (1) If:

- (a) a conveyance of land would be eligible for exemption under clause 4, 5 or 6 but for the fact that the land is not land to which clause 4 (1) (c), 5 (d) or 6 (d) applies because it was not used and occupied solely as a principal place of residence at the relevant time; and
- (b) the land value of the land was entitled to be reduced under section 9C of the Land Tax Management Act 1956 at the relevant time,

the amount on which the conveyance is to be charged with ad valorem duty is to be reduced in the same proportion as the land value was entitled to be reduced under section 9C of the Land Tax Management Act 1956.

(2) This clause applies to a conveyance first executed on or after 14 September 1994.

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continued

(34) Tenth Schedule—Savings, Transitional and Other Provisions:

After clause 38, insert:

Rollovers—s. 98A (cb)

39. Section 98A (cb) is taken to have commenced on, and not to have had effect before, 1 July 1994, despite section 2 of the State Revenue Legislation (Amendment) Act 1994.

[Minister's second reading speech made in—
Legislative Assembly on 28 October 1994 a.m.
Legislative Council on 18 November 1994]

FIRST PRINT

**STATE REVENUE LEGISLATION (FURTHER AMENDMENT)
BILL 1994**

NEW SOUTH WALES



EXPLANATORY NOTE

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

The object of this Bill is to make miscellaneous amendments to the following State revenue and other Acts:

- Debits Tax Act 1990
- Land Tax Management Act 1956
- Pay-roll Tax Act 1971
- Stamp Duties Act 1920
- Strata Titles Act 1973
- Strata Titles (Leasehold) Act 1986.

The amendments are explained below in detail in relation to each Act amended.

DEBITS TAX ACT 1990

This Act is amended to exempt from debits tax the debits of a company that establishes its regional headquarters in New South Wales after 1 July 1995 (**clause 3** and **Schedule 1**). The criteria for exemption is linked to that contained in section 83CE of the Income Tax Assessment Act 1936 of the Commonwealth. Other tax concessions are granted to these companies in relation to loan security duty and financial institutions duty in the amendments made to the Stamp Duties Act 1920 (**Schedule 4 (13)** and **(28) (b)**).

LAND TAX MANAGEMENT ACT 1956

Non-residential strata schemes

At present, owners of non-residential strata title units are liable for a proportion of the tax levied on the land value of the whole of the land that is subject to a strata scheme. That is, a single threshold (currently \$160,000) is applied to the whole of the

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land. Each owner is also taxed on his or her individual interest in a strata scheme together with any other taxable interests in land, and a deduction is allowed in respect of the owner's proportion of the tax payable on the strata scheme to prevent double taxation.

In contrast, owners of residential strata units are taxed on the value of their individual units in a strata scheme (together with any other interests in land).

It is proposed to change the way in which non-residential strata units are taxed, to bring the approach into line with the method of taxing residential strata units, with effect for the 1995 land tax year and subsequent years.

The land tax provisions for land subject to strata schemes are currently in the Strata Titles Act 1973 and the Strata Titles (Leasehold) Act 1986. It is proposed that these provisions be transferred to the Land Tax Management Act 1956.

Schedule 2 (1) inserts the taxing provision into the Land Tax Management Act 1956 and **clauses 7 and 8** repeal the taxing provisions currently found in the Strata Titles Act 1973 and the Strata Titles (Leasehold) Act 1986. **Schedule 2 (4)** and **(5)** make consequential amendments.

Land used to maintain endangered animals

It is proposed to provide an exemption for land that is used primarily for the maintenance of endangered animals (including birds) that are native to Australia, for the purpose of assisting in the preservation of those species. Such land would qualify for the exemption applying to primary production land but for the fact that the animals produced are not sold, but are provided free of charge, either to zoos or for release into national parks. It is therefore proposed to exempt land used primarily for the maintenance of endangered species, if the Director-General of National Parks and Wildlife approves of the maintenance of the animals, and provided any conditions specified by the Director-General are met (**Schedule 2 (2)**).

Low cost accommodation

Under section 10Q of the Land Tax Management Act 1956, land used and occupied primarily as a boarding-house for persons with low incomes is exempt from land tax, subject to guidelines approved by the Treasurer being met. Section 10Q is substituted to extend the exemption to all forms of low cost accommodation, again, subject to the Treasurer's guidelines being met (**Schedule 2 (3)**).

PAY-ROLL TAX ACT 1971

Increase in tax-free threshold

The current pay-roll tax general exemption annual threshold of \$500,000 is to be increased to \$550,000 from 1 January 1995 (that is, \$525,000 for the 1994/95 tax year) which is an average of \$500,000 for 6 months, from 1 July to 31 December 1994, and \$550,000 for 6 months, from 1 January to 30 June 1995.

The annual threshold is to be increased to \$600,000 from 1 January 1996 (that is, \$575,000 for the 1995/96 tax year) which is an average of \$550,000 for 6 months, from 1 July to 31 December 1995, and \$600,000 for 6 months, from 1 January to 30 June 1996. The annual threshold for 1996/97 will be \$600,000.

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Schedules 2, 3, 4 and 5 of the Pay-roll Tax Act 1971 are omitted with effect from 1 January 1995, and are replaced with a new Schedule 1 relating to the 1994/95 tax year, and new Schedule 2 relating to the 1995/96 and subsequent tax years.

The amendments are contained in **Schedule 3**.

STAMP DUTIES ACT 1920

Intergenerational rural transfers

Following requests from the rural sector for relief from stamp duty on the transfer of family farms from parents to younger generations, the Treasurer announced in the 1994 Budget that relief would be provided as from 14 September 1994. Certain eligibility criteria and controls will be introduced by way of guidelines by the Treasurer to ensure that the exemption benefits those persons who wish to remain in the rural sector (**Schedule 4 (3)**)—proposed section 66H).

Threshold for hiring arrangement duty

It has been determined as inequitable that persons who receive less than \$6,000 per month income from hiring goods are not required to pay hiring arrangement duty if they are approved to pay duty by return by the Chief Commissioner, whereas a person who receives a small amount over \$6,000 pays duty on the total amount received.

Consequently, it is proposed to provide that, in respect of persons or groups approved to pay hiring arrangement duty by return, only amounts received in excess of \$6,000 per month will attract duty (**Schedule 4 (6)**).

Superannuation funds

As a result of the introduction of the Superannuation Industry (Supervision) Act 1993 of the Commonwealth (the SIS Act), much of which came into effect from 1 July 1994, the trusteeship and custodial arrangements of many superannuation funds, approved deposit funds and pooled superannuation funds are under review. The SIS Act no longer allows for the division of responsibilities between a manager and a trustee and places eligibility criteria on trustees and custodians that previously were not required. Furthermore, it is expected that, as a matter of prudence, most superannuation funds will want to document custody arrangements. The content of these documents is not standard and they may contain declaration of trust provisions that, unless a concession is given, may attract ad valorem duty.

In view of the current concessions available to superannuation funds in Division 19 of Part 3 of the Stamp Duties Act 1920, it is considered that concessional treatment should be given to the documents that are now required to be executed by funds to comply with the provisions of the SIS Act. This is done by the amendments made by **Schedule 4 (8), (9) and (10)**.

Loan security duty—bill facilities

It has been argued that the current definitions for the purposes of Division 21 (Loan securities) of Part 3 of the Stamp Duties Act 1920 do not catch acceptance-only bill facilities although it has always been the intention that all bill facilities be caught. The definitions of "Advance", "Bill facility" and "Financial accommodation" in section 83

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are amended to make it clear that such bill facilities are caught by the definitions and do involve the making of advances in respect of which loan security duty must be paid (**Schedule 4 (11)**).

Home loan refinancing

Section 84CAC of the Stamp Duties Act 1920 contains an exemption for home loan refinancing that expired on 30 June 1994. A Variation to Statute was approved by the Acting Treasurer on 11 July 1994 extending that concession until 31 December 1994. **Schedule 4 (12)** gives effect to the Variation to Statute.

Regional headquarters

Proposed section 84EBA is to be inserted into the Stamp Duties Act 1920 and section 98A of that Act is to be amended to exempt from stamp duty the loan securities and receipts, respectively, of a company that establishes its regional headquarters in New South Wales after 1 July 1995 (**Schedule 4 (13)** and **(28) (b)**). The criteria for exemption is linked to that contained in section 83CE of the Income Tax Assessment Act 1936 of the Commonwealth. The debits of these companies are to be exempt from debits tax by an amendment made to the Debits Tax Act 1990 (**clause 3** and **Schedule 1**).

Options

Generally with marketable securities, as with the acquisition of property, stamp duty is chargeable on the value or consideration, whichever is the greater. However, in the case of a marketable security transaction by a broker, the Stamp Duties Act 1920 (section 97AB (1)) only charges duty on the consideration paid. With the expansion of derivative products there are many share trades where options are exercised. With some options the premium was "deep in the money" to the extent that the premium for the option exceeded the purchase price. At present, stamp duty is only chargeable on the exercise price. This produces a result that is inequitable and inconsistent with the operation of stamp duty. Consequently, the Stamp Duties Act 1920 is amended by **Schedule 4 (17) (a)** to provide that marketable securities acquired through the exercise of an option will be charged with stamp duty on either the premium paid in respect of the option or the consideration, whichever is the greater. This amendment will ensure parity with normal option transactions which are weighted to the exercise price.

FID on brokers' transactions

Currently the Stamp Duties Act 1920 provides an exemption for share brokers (being a non-bank financial institution) from financial institutions duty (FID) where marketable securities duty has been paid on receipts from the transaction. However, where there is an exemption from marketable securities duty, there is an exposure to FID.

Currently there are 3 areas of exemption from marketable securities duty:

- (a) principal trading by brokers within 10 days (section 97AB (2));
- (b) hedging by options and futures traders who are making a market by trading in physical stock within 3 months (sections 97ADA and 97ADD, respectively);
- (c) hedging by warrant issuers who trade in physical stock during the term of a warrant or within 30 days of the date of the exercise of the warrant (section 97ADG).

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Because of the accounting procedures of brokers and the complexities of FID, particularly in relation to "short term dealings", a simpler system of taxing broker transactions is necessary. It is proposed to impose a duty of 0.0025% on brokers' principal trading and market makers hedging against a futures or options contract or a warrant obligation in lieu of the current exemptions above. The time limit in paragraph (a) above is extended to 3 months.

The amendments are made by **Schedule 4 (17) (b) and (18)–(26)**.

Schedule 4 (27) (a)–(e) and (g), (29) and (30) (a) make consequential amendments to the broker provisions in Division 29 of Part 3 of the Stamp Duties Act 1920.

Farm Household Support Scheme

The Farm Household Support Scheme established under the Farm Household Support Act 1992 of the Commonwealth provides assistance for farmers who are unable to meet day to day living expenses and cannot obtain commercial loans. It also provides a financial incentive for farmers to leave the industry. As all social security and veteran's affairs pensions are exempt from financial institutions duty, it has been decided that a similar exemption should apply to the payments made under the Farm Household Support Act 1992. The exemption is effected by the amendment made by **Schedule 4 (28) (b)**.

Newcastle Chamber of Fruit and Vegetables Industry Co-operative Limited

The Newcastle Chamber of Fruit and Vegetables Industry Co-operative Limited operates a bank account that receives funds from the sale of produce at the Newcastle Regional Markets. Those funds are then passed on to the growers or sellers of the produce. The Treasurer has been requested to approve an exemption from financial institutions duty for the funds passing through this account as a similar exemption has been granted in respect of the Flemington Produce Markets (clause 17D of the Stamp Duties (Financial Institutions Duty) Regulation 1982).

The exemption is effected by the amendment made by **Schedule 4 (30) (b)**.

MasterCard International Inc.

MasterCard has established the Australian Processing Centre (APC) to provide settlement services for the use of credit and debit cards issued by banks in Australia and New Zealand.

The current FID legislation exempts general customary accounts between banks in relation to the clearance of cheques. In relation to credit and debit card transactions, there is no "clearance" of paper between banks, merely the settlement of net balances. The legislation also exempts settlement accounts held on behalf of various non-bank financial institutions. The APC is merely another form of settlement between banks which should not be subject to FID.

Schedule 4 (30) (b) makes an amendment to exempt from FID an account of MasterCard International Inc. which is a settlement account for credit and debit card transactions.

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Taxline

The Taxline scheme (sections 38D–38F of the Stamp Duties Act 1920) has commenced. This will result in participants in the scheme collecting stamp duty from clients and placing it in a bank account from which the electronic debit will be made by the Office of State Revenue. It has been determined that the payment of FID on this money would be a disincentive for persons considering using Taxline and that consequently an exemption should be provided.

Schedule 4 (30) (b) makes an amendment to grant an exemption from FID for receipts of money paid to dedicated accounts of Taxline participants where that money was collected for the payment of stamp duty.

Electricity distributors

General exemptions (14) and (19) in the Second Schedule to the Stamp Duties Act 1920 currently contain exemptions from certain duties for county councils within the meaning of the Local Government Act 1993. Due to changes to a number of Acts, some county councils are no longer constituted under the Local Government Act 1993 but are constituted as statutory authorities under the Electricity Act 1945.

The Stamp Duties Act 1920 is amended by **Schedule 4 (32) (a)–(c)** and **(e)** to provide the exemptions from duty that these bodies previously enjoyed.

The Treasurer has approved a Variation to Statute to administer the Act on this basis from 1 July 1993.

Local government councils and aboriginal land councils—insurance duty

In 1989, the method of charging stamp duty on policies of insurance was changed from a charge on an instrument to a charge on the premium received by the insurance company.

While the main body of the Stamp Duties Act 1920 was amended to reflect this change, 2 exemptions from policies of insurance duty contained in the General Exemptions in the Second Schedule to the Act were not changed and, therefore, technically the exemption has not applied since that date.

General exemption (19) relating to local government councils and general exemption (29) relating to aboriginal land councils are amended by **Schedule 4 (32) (d), (f), (g)** and **(k)** to reinstate the exemption previously enjoyed by these bodies by bringing the exemption into line with the changed method of calculating duty.

It is proposed to reinstate these exemptions as from 1 November 1989.

Exemption for Unions following incorporation

The Industrial Relations Act 1991 repealed the Industrial Arbitration Act 1940 and the Trade Union Act 1881 and contained changes that result in a stamp duty liability for certain organisations. The essential change is that organisations are required to incorporate in order to be registered under the Industrial Relations Act 1991. The incorporation of existing organisations involves the conveyance of property from organisations classified either as a “continued unincorporated industrial organisation” or a “continued non-industrial organisation” to an “industrial organisation” or

State Revenue Legislation (Further Amendment) 1994

“non-industrial organisation” as defined in the Industrial Relations Act 1991. It is considered that duty should not be payable in connection with any such conveyance. This is achieved by the amendments made by **Schedule 4 (32) (h)** and **(i)**.

General Exemption 26 (b) in the Second Schedule to the Stamp Duties Act 1920 is amended by deleting the reference to the Industrial Arbitration Act 1940 and by replacing it with a reference to the Industrial Relations Act 1991 in order to extend the stamp duty exemption to cover amalgamations and mergers of unions and other organisations (**Schedule 4 (32) (j)**).

Section 84G (1) of the Stamp Duties Act 1920 is amended to include an exemption from stamp duty for a motor vehicle certificate of registration issued as a result of the transfer of a motor vehicle from a continued unincorporated industrial organisation or a continued non-industrial organisation to an industrial organisation or non-industrial organisation in compliance with the incorporation provisions of the Industrial Relations Act 1991 (**Schedule 4 (14)**).

Deeds of release—HomeFund

In an attempt to settle complaints against HomeFund, a monetary offer has been made to complainants. Should they accept the offer, it will be necessary for them to sign a deed of release agreeing to withdraw all actions against the HomeFund Commissioner. It is not considered appropriate to charge persons accepting the Government’s offer stamp duty on the deed of release. Consequently, an exemption is to be provided by the amendment made by **Schedule 4 (32) (l)**.

Transfer of a principal place of residence

Section 73AA of the Stamp Duties Act 1920, together with Schedule 2D to that Act, provide an exemption from stamp duty for the transfer of a principal place of residence, under certain circumstances. There are three categories of exemption in Schedule 2D:

- (a) conveyance from a corporation to principal shareholder or spouse (clause 4);
- (b) conveyance from special trust to a beneficiary (clause 5);
- (c) conveyance from a corporation to beneficiaries of a special trust (clause 6).

In all cases the land must have been owned by the transferor on 11 September 1990 and must be land that was used solely as the transferee’s principal place of residence in the year in which the conveyance occurred.

As from 14 September 1994, a reduction will be allowed in the value for stamp duty purposes of land that is subject to a reduction in land value for land tax purposes under section 9C of the Land Tax Management Act 1956 (that is, land that is not solely used as a principal place of residence).

Schedule 4 (33) (e) makes the main amendments and **Schedule 4 (5)** and **(33) (a)** make consequential amendments.

Minor amendments

The amendment made by **Schedule 4 (1) (a)** is an amendment by way of statute law revision. It omits duplicated words.

State Revenue Legislation (Further Amendment) 1994

The amendment made by **Schedule 4 (1) (b)** makes it clear that the definition of "NSW company" includes, not only a company incorporated or taken to be incorporated under the Corporations Law of New South Wales, but also a company incorporated under any other New South Wales Act (provided that the company is not incorporated or taken to be incorporated under the Corporations Law of another State or a Territory of the Commonwealth).

The amendment made by **Schedule 4 (2)** is an amendment by way of statute law revision. It omits an unnecessary provision.

The amendment made by **Schedule 4 (4)** clarifies the circumstances in which the concessional duty of \$10 applies to a transfer of a marketable security by a trustee or manager of the security back to a person having a beneficial interest in the security.

The amendment made by **Schedule 4 (7)** is to clarify the meaning of section 78FA of the Stamp Duties Act 1920. Section 78FA provides an exemption from stamp duty for leases by a corporation, society or institution to aged and disabled persons provided that the lease has not been granted for profit. Many taxpayers interpret this exemption to mean that, provided that the lessee has not taken the lease with a view to making a profit, they should receive an exemption from stamp duty. The intention of the Act was to grant relief to the lessors or the corporations, societies and institutions, which usually are charitable bodies providing accommodation to those in need. The amendment makes this intention clear.

The amendments made by **Schedule 4 (15)** and **(31)** are amendments by way of statute law revision. When changes were made to the marketable securities provisions of the Stamp Duties Act 1920 by the State Revenue Legislation (Amendment) Act 1994, the stamp duty rate was changed from 6 cents per \$10 to 60 cents per \$100. The amendments complete these changes.

The amendment made by **Schedule 4 (16)** is an amendment by way of statute law revision that inserts missing words.

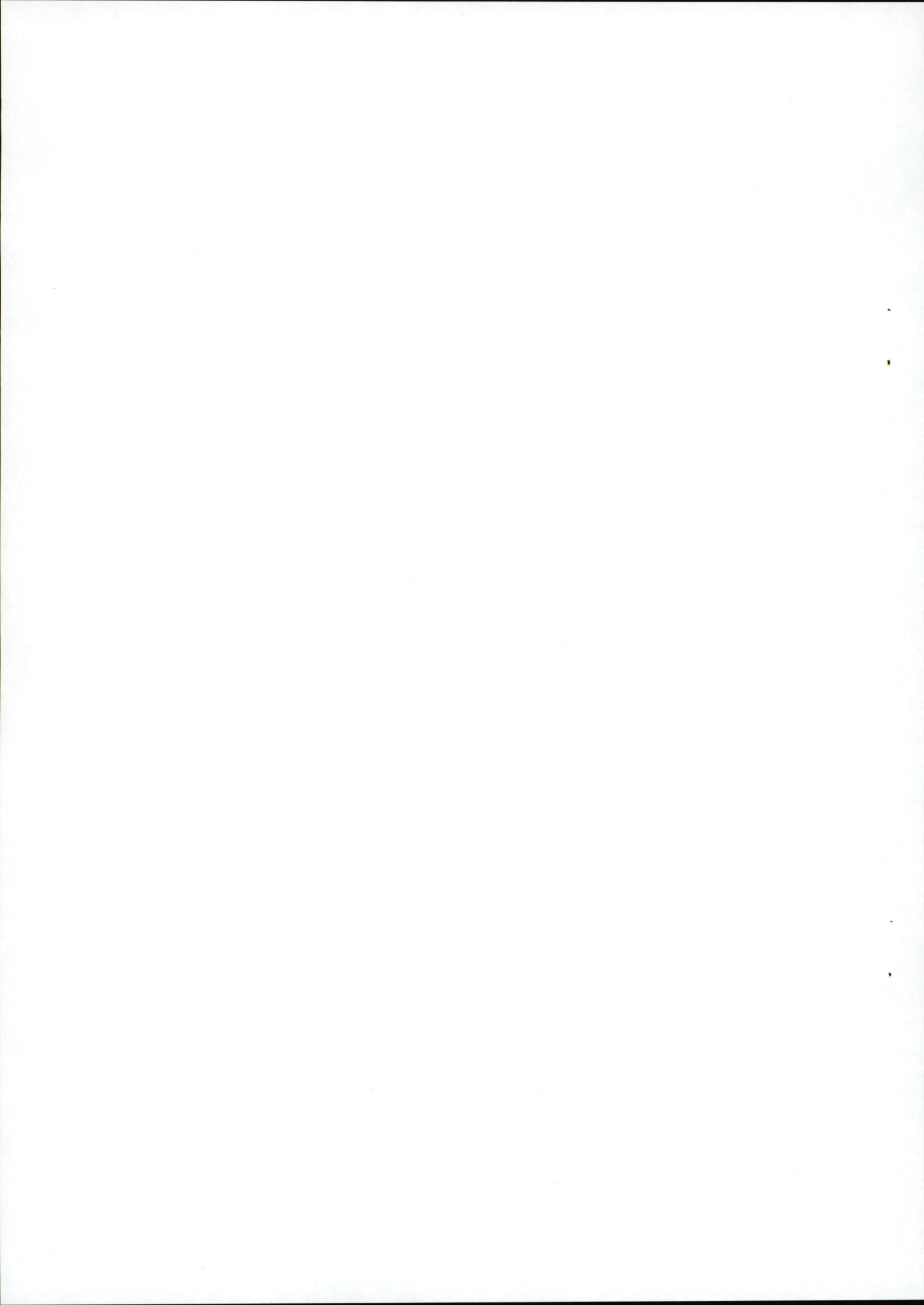
The amendment made by **Schedule 4 (27) (f)** relates to the definition of "rollover" for the purposes of financial institutions duty. The State Revenue Legislation (Amendment) Act 1994 contained a definition of rollover for the purposes of the FID provision in the Stamp Duties Act 1920. By way of intended clarification the definition contained words to the effect that a rollover included amounts "with or without interest". These words have unintentionally caused confusion in the interpretation of the legislation. It was never intended that interest accrued during the last term of a term deposit should be excluded from the payment of FID at the normal rate of 0.06%. Consequently, to provide greater clarification and certainty to the provisions it is proposed to delete any reference to interest in the definition of rollover in section 98 (1).

The amendment made by **Schedule 4 (28) (a)** is an amendment by way of statute law revision that corrects a wrong cross-reference.

The amendments made by **Schedule 4 (33) (b)**, **(c)** and **(d)** relate to the exemption granted by Schedule 2D to the Stamp Duties Act 1920 in respect of persons who wish to transfer property from corporations and trusts to shareholders or beneficiaries. The current provisions do not allow the transfer from a corporation limited by guarantee due to the reference to a shareholder in clause 3 (1) of that Schedule. The provisions of the Schedule are amended accordingly.

State Revenue Legislation (Further Amendment) 1994

The amendment made by **Schedule 4 (34)** relates to the commencement of the provisions concerning the payment of FID on rollovers inserted into the Stamp Duties Act 1920 by the State Revenue Legislation (Amendment) Act 1994. All of the provisions, but one, were expressed to commence on 1 July 1994. The amendment is intended to ensure that all the provisions have the same commencement date.



FIRST PRINT

**STATE REVENUE LEGISLATION (FURTHER AMENDMENT)
BILL 1994**

NEW SOUTH WALES



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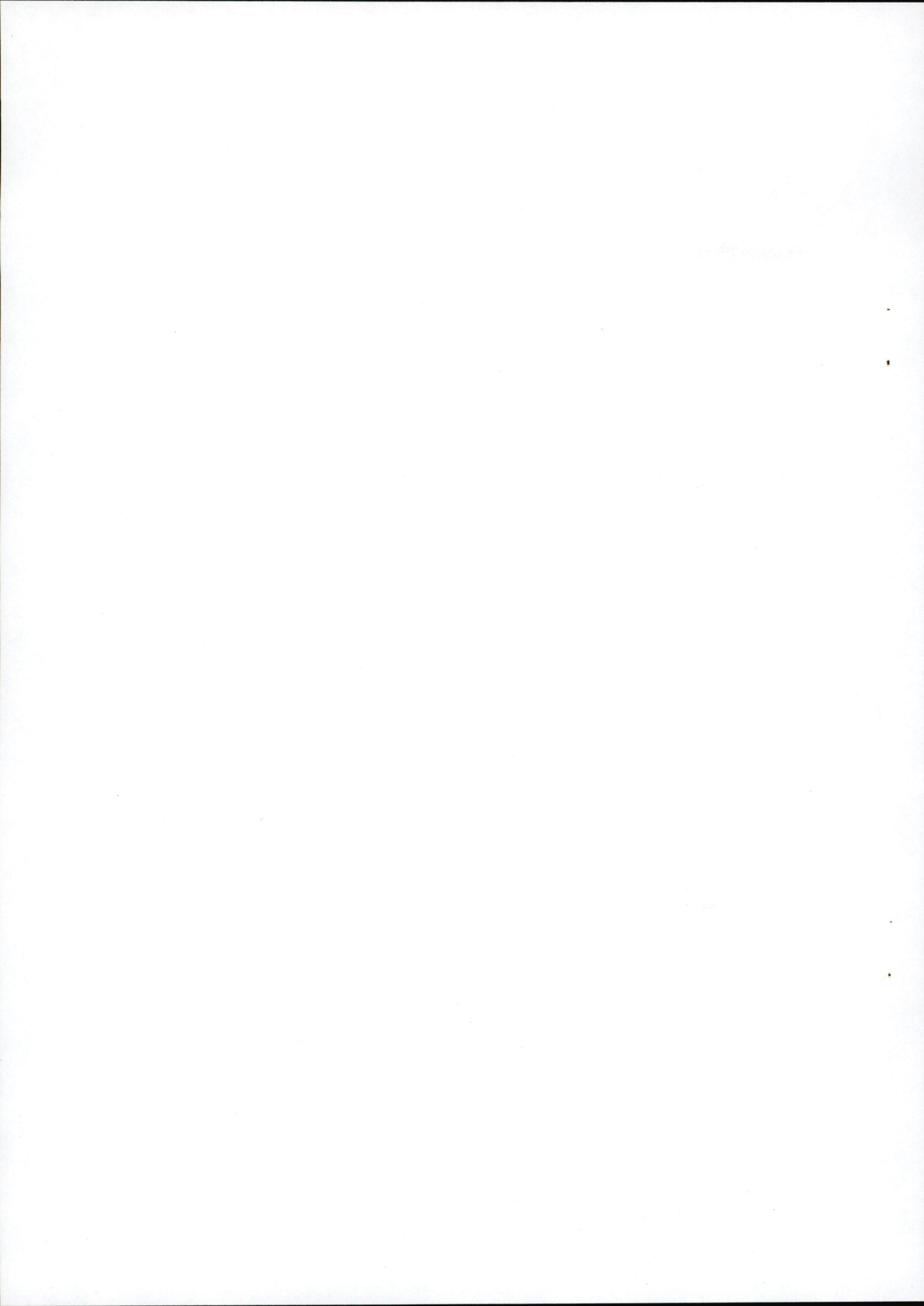
1. Short title
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SCHEDULE 1—AMENDMENT OF DEBITS TAX ACT 1990

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**STATE REVENUE LEGISLATION (FURTHER AMENDMENT)
BILL 1994**

NEW SOUTH WALES



No. , 1994

A BILL FOR

An Act to amend the Pay-roll Tax Act 1971 to increase the threshold below which pay-rolls are exempt from pay-roll tax; to make miscellaneous amendments to certain State revenue Acts and other Acts; and for other purposes.

State Revenue Legislation (Further Amendment) 1994

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the State Revenue Legislation (Further Amendment) Act 1994.

5 **Commencement**

2. (1) This Act commences on the date of assent, except as provided by this section.

10 (2) Section 3, Schedule 1 and Schedule 4 (13) and (28) (a), in so far as it inserts paragraph (id) into section 98A of the Stamp Duties Act 1920, commence on 1 July 1995.

(3) Sections 7 and 8, Schedule 2, Part 1 of Schedule 3 and Schedule 4 (17)–(27) and (29) commence or are taken to have commenced on 1 January 1995.

(4) Part 2 of Schedule 3 commences on 1 January 1996.

15 (5) Part 3 of Schedule 3 commences on 1 July 1996.

(6) Schedule 4 (1) (b), (15) and (16) are taken to have commenced on 1 September 1994.

(7) Schedule 4 (3), (5), (6) and (33) are taken to have commenced on 14 September 1994.

20 (8) Schedule 4 (8), (9), (10) and (28) (a), in so far as it inserts paragraph (ic) into section 98A of the Stamp Duties Act 1920, are taken to have commenced on 1 January 1994.

(9) Schedule 4 (12), (14) and (32) (h), (i) and (j) are taken to have commenced on 1 July 1994.

25 (10) Schedule 4 (30) (b), in so far as it inserts paragraphs (g4) and (g5) into section 98U (1) of the Stamp Duties Act 1920, is taken to have commenced on 20 September 1994.

(11) Schedule 4 (32) (a)–(c) and (e) are taken to have commenced on 1 July 1993.

30 (12) Schedule 4 (32) (d), (f), (g) and (k) are taken to have commenced on 1 November 1989.

(13) Schedule 4 (32) (l) is taken to have commenced on 15 September 1994.

State Revenue Legislation (Further Amendment) 1994

Amendment of Debits Tax Act 1990 No. 112

3. The Debits Tax Act 1990 is amended as set out in Schedule 1.

Amendment of Land Tax Management Act 1956 No. 26

4. The Land Tax Management Act 1956 is amended as set out in Schedule 2. 5

Amendment of Pay-roll Tax Act 1971 No. 22

5. The Pay-roll Tax Act 1971 is amended as set out in Schedule 3.

Amendment of Stamp Duties Act 1920 No. 47

6. The Stamp Duties Act 1920 is amended as set out in Schedule 4.

Amendment of Strata Titles Act 1973 No. 68

10

7. The Strata Titles Act 1973 is amended by omitting section 95.

Amendment of Strata Titles (Leasehold) Act 1986 No. 219

8. The Strata Titles (Leasehold) Act 1986 is amended by omitting section 127.

SCHEDULE 1—AMENDMENT OF DEBITS TAX ACT 1990

15

(Sec. 3)

Section 3 (Definitions):

After paragraph (d) of the definition of "excluded debit" in section 3 (1), insert:

(d1) made to an account kept with a financial institution by a company to which section 84EBA of the Stamp Duties Act 1920 applies; or 20

**SCHEDULE 2—AMENDMENT OF LAND TAX
MANAGEMENT ACT 1956**

(Sec. 4)

(1) Section 9AA:

5 After section 9A, insert:

Strata

9AA. (1) Land tax, in the case of land subject to the
Strata Titles Act 1973 or the Strata Titles (Leasehold) Act
1986, is to be levied and paid in respect of each lot
10 comprised in a parcel.

(2) For the purposes of this Act, the land value of a lot
comprised in a parcel is an amount that bears to the land
value (within the meaning of section 7 (2)) of the parcel
the same proportion as the unit entitlement of the lot bears
15 to the aggregate unit entitlement.

(3) Expressions used in this section have the same
meanings as in the Strata Titles Act 1973 and the Strata
Titles (Leasehold) Act 1986.

(2) Section 10 (**Land exempted from tax**):

20 After section 10 (1) (p), insert:

(p1) land that, in accordance with an approval of the
Director-General of National Parks and Wildlife, is
primarily used for the maintenance of endangered
species native to Australia to assist their
25 preservation;

(3) Section 10Q:

Omit the section, insert instead:

Low cost accommodation—exemption/reduction

10Q. (1) Land is exempted from taxation under this Act
leviable or payable in respect of the year commencing on 1
January 1995 or any succeeding year if:

- (a) the land is used and occupied primarily for low
cost accommodation; and
(b) application for the exemption is made in
35 accordance with this section; and
(c) the Chief Commissioner is satisfied that the land is
so used and occupied in accordance with guidelines
approved by the Treasurer for the purposes of this
section.

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 2—AMENDMENT OF LAND TAX MANAGEMENT
ACT 1956—*continued*

- (2) The guidelines may include provisions with respect to the following:
- (a) the circumstances in which accommodation is taken to be low cost accommodation; 5
 - (b) the types and location of premises in which low cost accommodation may be provided;
 - (c) the number and types of persons for whom the accommodation must be provided; 10
 - (d) the circumstances in which, and the arrangements under which, the accommodation is provided;
 - (e) maximum tariffs for the accommodation;
 - (f) periods within which tariffs may not be increased;
 - (g) the circumstances in which the applicant is required to give an undertaking to pass on the benefit of the exemption from taxation (or, if subsection (4) applies, the reduction in taxation) to the persons for whom the accommodation is provided in the form of lower tariffs. 15
20
- (3) A guideline may:
- (a) apply generally or be limited in its application by reference to specified exceptions or factors; or
 - (b) apply differently according to different factors of a specified kind, 25
- or both.
- (4) If the Chief Commissioner is satisfied that part only of land or premises is used and occupied primarily for low cost accommodation in accordance with the Treasurer's guidelines, the land value of the land is to be reduced for the purposes of land tax in accordance with the principles in section 10R (3)–(3C). 30
- (5) This section does not apply to an owner of land in respect of a tax year unless:
- (a) the owner applies to the Chief Commissioner for the exemption or reduction, in the form approved by the Chief Commissioner; and 35

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 2—AMENDMENT OF LAND TAX MANAGEMENT
ACT 1956—*continued*

5 (b) the owner furnishes the Chief Commissioner with such evidence as the Chief Commissioner may request for the purpose of enabling the Chief Commissioner to determine whether there is an entitlement to the exemption or reduction.

10 (6) Without limiting the other ways in which this section may cease to apply to a person, it ceases to apply to a person if the person breaches an undertaking given as referred to in subsection (2) (g).

(4) Section 21A (**Company title units deemed to be strata lots**):

From section 21A (3), omit “section 95 (Land tax) of the Strata Titles Act 1973”, insert instead “section 9AA”.

15 (5) Section 21B (**Joint owners of block of flats etc. to be regarded as owners of strata lots**):

From section 21B (3), omit “section 95 (Land tax) of the Strata Titles Act 1973”, insert instead “section 9AA”.

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971

(Sec. 5)

PART 1

- (1) Section 7 (**Imposition of pay-roll tax on taxable wages**):
- (a) Omit section 7 (a)–(g), insert instead: 5
- (a) ascertained in accordance with Schedule 1 in respect of such of those wages as are paid or payable after the month of June 1994 and before the month of July 1995; and
- (b) ascertained in accordance with Schedule 2 in respect of such of those wages as are paid or payable after the month of July 1995. 10
- (b) At the end of section 7, insert:
- (2) If taxable wages are paid after a month in which they became payable, pay-roll tax is to be charged in respect of those wages at the rate applicable to the month in which they became payable. 15
- (2) Section 11B (**Annual adjustments**):
- From section 11B (1), omit the definition of “annual amount of pay-roll tax”, insert instead: 20
- “**annual amount of pay-roll tax**”, in relation to an employer, means:
- (a) the amount ascertained in accordance with section 17 and Schedule 1 in respect of the employer for the financial year commencing on 1 July 1994; and 25
- (b) the amount ascertained in accordance with section 17 and Schedule 2 in respect of the employer for the financial year commencing on 1 July 1995 or any subsequent financial year. 30
- (3) Section 11C (**Adjustment of pay-roll tax when employer ceases to be an employer etc. during a financial year**):
- From section 11C (1), omit the definition of “total amount of pay-roll tax”, insert instead: 35

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

“total amount of pay-roll tax”, in relation to an employer, means:

5 (a) the amount ascertained in accordance with section 17 and Schedule 1 in respect of the employer for a prescribed period that falls within the financial year commencing on 1 July 1994; and

10 (b) the amount ascertained in accordance with section 17 and Schedule 2 in respect of the employer for a prescribed period that falls within the financial year commencing on 1 July 1995 or any subsequent financial year;

15 (4) Section 12 (**Registration**):

From section 12 (1), omit “\$9,615”, wherever occurring, insert instead “\$10,576”.

(5) Section 16I (**Designated group employers**):

20 From section 16I (2) (a) and (3) (a), omit “\$500,000”, wherever occurring, insert instead “\$525,000”.

(6) Section 16K (**Annual adjustments**):

Omit section 16K (2) (a)–(d), insert instead:

25 (a) the amount ascertained in accordance with section 17 and Schedule 1 in respect of that member for the financial year commencing on 1 July 1994; or

(b) the amount ascertained in accordance with section 17 and Schedule 2 in respect of that member for the financial year commencing on 1 July 1995 or any subsequent financial year.

30 (7) Section 16L (**Adjustment of pay-roll tax when members of a group cease to pay taxable wages or interstate wages during a financial year**):

Omit section 16L (3) (a)–(d), insert instead:

35 (a) the amount ascertained in accordance with section 17 and Schedule 1 in respect of that member for a prescribed period that falls within the financial year commencing on 1 July 1994; or

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

(b) the amount ascertained in accordance with section 17 and Schedule 2 in respect of that member for a prescribed period that falls within the financial year commencing on 1 July 1995 or any subsequent financial year. 5

(8) Schedules 1 and 2:

Omit Schedules 2–5, insert instead:

**SCHEDULE 1—CALCULATION OF PAY-ROLL TAX
LIABILITY FOR THE FINANCIAL YEAR COMMENCING
ON 1 JULY 1994** 10

(Secs. 7, 11B, 11C, 16K, 16L)

**PART 1—EMPLOYERS WHO ARE NOT MEMBERS
OF A GROUP** 15

Application of Part

1. This Part applies only to an employer who is not a member of a group.

Definitions

2. In this Part: 20

“financial year” means the financial year commencing on 1 July 1994;

“IW” represents the total interstate wages paid or payable by the employer concerned during the financial year;

“TW” represents the total taxable wages paid or payable by the employer concerned during the financial year. 25

Pay-roll of employer under \$525,000

3. An employer is not liable to pay pay-roll tax for the financial year if the total taxable wages and interstate wages paid or payable by the employer during that year is less than \$525,000. 30

Pay-roll of employer \$525,000 or more

4. If the total taxable wages and interstate wages paid or payable by an employer during the financial year is \$525,000 or more, the employer is liable to pay as pay-roll tax for that year the amount of dollars calculated in accordance with the following formula: 35

$$\left[TW - \left\{ \frac{TW}{TW + IW} \times 525,000 \right\} \right] \times \frac{7}{100}$$

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

**PART 2—GROUPS WITH A DESIGNATED GROUP
EMPLOYER**

5 **Application of Part**

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

Definitions

6. In this Part:

10 “**designated group employer**” means a member designated as the designated group employer for a group in accordance with section 16I;

 “**financial year**” means the financial year commencing on 1 July 1994;

15 “**group**” means a group for which there is a designated group employer;

 “**GIW**” represents the total interstate wages paid or payable by the group concerned during the financial year;

20 “**GTW**” represents the total taxable wages paid or payable by the group concerned during the financial year;

 “**TW**” represents the total taxable wages paid or payable by the employer concerned during the financial year.

Pay-roll of group under \$525,000

25 7. 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 \$525,000.

Pay-roll of group \$525,000 or more

30 8. (1) If the total taxable wages and interstate wages paid or payable by a group during the financial year is \$525,000 or more, pay-roll tax is payable as provided by subclauses (2) and (3).

(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:

$$\left[TW - \left\{ \frac{GTW}{GTW + GIW} \times 525,000 \right\} \right] \times \frac{7}{100}$$

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

(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: 5

$$TW \times \frac{7}{100}$$

PART 3—GROUPS WITH NO DESIGNATED GROUP EMPLOYER

Application of Part 10

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

Definitions

10. In this Part:

“**designated group employer**” means a member designated as the designated group employer for a group in accordance with section 16I; 15

“**financial year**” means the financial year commencing on 1 July 1994;

“**GIW**” represents the total interstate wages paid or payable by the group concerned during the financial year; 20

“**group**” means a group for which there is no designated group employer;

“**GTW**” represents the total taxable wages paid or payable by the group concerned during the financial year; 25

“**TW**” represents the total taxable wages paid or payable by the employer concerned during the financial year.

Pay-roll of group under \$525,000

11. 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 \$525,000. 30

Pay-roll of group \$525,000 or more

12. If the total taxable wages and interstate wages paid or payable by a group during the financial year is \$525,000 or more, each

State Revenue Legislation (Further Amendment) 1994

**SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
*continued***

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:

$$\left[TW - \left\{ \frac{GTW}{GTW + GIW} \times 525,000 \right\} \right] \times \frac{7}{100}$$

**SCHEDULE 2—CALCULATION OF PAY-ROLL TAX
LIABILITY FROM 1 JULY 1995**

(Secs. 7, 11B, 11C, 16K, 16L)

**PART 1—EMPLOYERS WHO ARE NOT MEMBERS OF A
GROUP**

Application of Part

1. This Part applies only to an employer who is not a member of a group.

Definitions

2. In this Part:

“**financial year**” means the financial year commencing on 1 July 1995 or on 1 July in any subsequent financial year;

“**IW**” 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;

“**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.

Pay-roll of employer under \$550,000

3. 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 \$550,000.

Pay-roll of employer \$550,000 or more

4. If the total taxable wages and interstate wages paid or payable by an employer during a financial year is \$550,000 or more, the employer is liable to pay as pay-roll tax for that year the amount of dollars calculated in accordance with the following formula:

$$\left[TW - \left\{ \frac{TW}{TW + IW} \times 550,000 \right\} \right] \times \frac{7}{100}$$

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

**PART 2—GROUPS WITH A DESIGNATED GROUP
EMPLOYER**

Application of Part

5

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

Definitions

6. In this Part:

“**designated group employer**” means a member designated for a group in accordance with section 16I; 10

“**financial year**” means the financial year commencing on 1 July 1995 or on 1 July in any subsequent financial year;

“**group**” means a group for which there is a designated group employer; 15

“**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;

“**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; 20

“**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.

Pay-roll of group under \$550,000

25

7. 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 \$550,000.

Pay-roll of group \$550,000 or more

8. (1) If the total taxable wages and interstate wages paid or payable by a group during the financial year is \$550,000 or more, pay-roll tax is payable as provided by subclauses (2) and (3). 30

(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: 35

$$\left[TW - \left\{ \frac{GTW}{GTW + GIW} \times 550,000 \right\} \right] \times \frac{7}{100}$$

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

5 (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:

$$TW \times \frac{7}{100}$$

**PART 3—GROUPS WITH NO DESIGNATED GROUP
EMPLOYER**

10 **Application of Part**

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

Definitions

10. In this Part:

15 “**designated group employer**” means a member designated as the designated group employer for a group in accordance with section 16I;

“**financial year**” means the financial year commencing on 1 July 1995 or on 1 July in any subsequent financial year;

20 “**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;

“**group**” means a group for which there is no designated group employer;

25 “**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;

30 “**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.

Pay-roll of group under \$550,000

11. 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 \$550,000.

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued
Pay-roll of group \$550,000 or more

12. If the total of the taxable wages and interstate wages paid or payable by a group during the financial year is \$550,000 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:

$$\left[TW - \left\{ \frac{GTW}{GTW + GIW} \times 550,000 \right\} \right] \times \frac{7}{100}$$

PART 2

- (9) Section 7 (**Imposition of pay-roll tax on taxable wages**): 10
- (a) From section 7 (a), omit “1994”, insert instead “1995”.
- (b) From section 7 (a) and (b), omit “1995” wherever occurring, insert instead “1996”.
- (10) Section 11B (**Annual adjustments**): 15
- From the definition of “annual amount of pay-roll tax” in section 11B (1), omit “1994” and “1995”, insert instead “1995” and “1996”, respectively.
- (11) Section 11C (**Adjustment of pay-roll tax when employer ceases to be an employer etc. during a financial year**): 20
- From the definition of “total amount of pay-roll tax” in section 11C (1), omit “1994” and “1995”, insert instead “1995” and “1996”, respectively.
- (12) Section 12 (**Registration**):
- From section 12 (1), omit “\$10,576”, wherever occurring, insert instead “\$11,538”. 25
- (13) Section 16I (**Designated group employers**):
- From section 16I (2) (a) and (3) (a), omit “\$525,000”, wherever occurring, insert instead “\$575,000”.

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

(14) Section 16K (**Annual adjustments**):

5 From section 16K (2), omit “1994” and “1995”, insert instead “1995” and “1996”, respectively.

(15) Section 16L (**Adjustment of pay-roll tax when members of a group cease to pay taxable wages or interstate wages during a financial year**):

10 From section 16L (3), omit “1994” and “1995”, insert instead “1995” and “1996”, respectively.

(16) Schedule 1:

(a) Omit “1994” wherever occurring, insert instead “1995”.

(b) Omit “\$525,000” wherever occurring, insert instead “\$575,000”.

15 (17) Schedule 2:

(a) Omit “1995” wherever occurring, insert instead “1996”.

(b) Omit “\$550,000” wherever occurring, insert instead “\$600,000”.

PART 3

20 (18) Section 16I (**Designated group employers**):

From section 16I (2) (a) and (3) (a), omit “\$575,000” wherever occurring, insert instead “\$600,000”.

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920

(Sec. 6)

- (1) Section 3 (**Definitions**):
- (a) From the definition of “Company title dwelling” in section 3 (1), omit “on land” where firstly occurring. 5
 - (b) In the definition of “NSW company” in section 3 (1), after “New South Wales”, insert “, and includes a body corporate that is incorporated under any other New South Wales Act and that is not a company incorporated or taken to be incorporated under the Corporations Law of another State or a Territory of the Commonwealth”. 10
- (2) Section 44A (**Payment of duty on statements in absence of dutiable instruments**):
- (a) Omit section 44A (2).
 - (b) From section 44A (2B), omit “subsection (1A), (2) or (2A)”, insert instead “this section”. 15
 - (c) From section 44A (2C), omit “subsection (2)”, insert instead “this section”.
- (3) Section 66H:
- After section 66G, insert: 20
- Intergenerational rural transfers**
- 66H. (1) Notwithstanding any other provision of this Act, duty is not chargeable in respect of an instrument of conveyance or agreement for sale of land, or of a lease of or permit in respect of land, used for primary production, being an instrument first executed on or after 14 September 1994, if the Treasurer is satisfied that: 25
- (a) the land was land used for primary production by the transferor immediately before the date of first execution of the instrument; and 30
 - (b) the land will continue to be land used for primary production by the transferee; and

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

5 (c) the parties to the instrument are parties of a class identified in guidelines approved from time to time by the Treasurer; and

(d) the transaction satisfies such other requirements as may be contained in those guidelines.

10 (2) Notwithstanding any other provision of this Act, duty is not chargeable in respect of a transfer of shares in a share management fishery within the meaning of the Fisheries Management Act 1994, being a transfer first executed on or after 14 September 1994, if the Treasurer is satisfied that:

15 (a) the parties to the instrument are parties of a class identified in guidelines approved from time to time by the Treasurer; and

(b) the transaction satisfies such other requirements as may be contained in those guidelines.

20 (3) In this section, “**land used for primary production**” has the same meaning as in section 43B (5) and includes:

(a) an oyster farm or fish farm within the meaning of the Fisheries and Oyster Farms Act 1935; or

25 (b) land subject to an aquaculture permit or aquaculture lease within the meaning of the Fisheries Management Act 1994.

(4) Section 73 (**Certain conveyances not chargeable with ad valorem duty**):

30 Before “duty” in section 73 (2AF) (a), insert “ad valorem”.

(5) Section 73AA (**Exemption from or reduction in duty for certain conveyances**):

From section 73AA (1), omit “exemption”.

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

- (6) Section 74F (**Payment of duty on hiring arrangements by return**):
- At the end of section 74F (7A) (c), insert: 5
- ; or
- (d) exceeds \$6,000—stamp duty is payable only on that part of the amount that is in excess of \$6,000.
- (7) Section 78FA (**Exemption from duty—leases of accommodation for aged and disabled persons**): 10
- After “profit” in section 78FA (1) (a) (ii), insert “by the lessor”.
- (8) Section 81 (**Definitions**):
- Omit the section, insert instead:
- Definitions** 15
81. In this Division:
- “complying approved deposit fund”** means an entity that is a complying approved deposit fund in accordance with section 43 of the Superannuation Industry (Supervision) Act 1993 of the Commonwealth; 20
- “complying superannuation fund”** means an entity that is a complying superannuation fund in accordance with section 42 of the Superannuation Industry (Supervision) Act 1993 of the Commonwealth; 25
- “pooled superannuation trust”** means an entity that is a pooled superannuation trust in accordance with section 44 of the Superannuation Industry (Supervision) Act 1993 of the Commonwealth. 30
- (9) Section 81A (**Duty on certain instruments relating to superannuation**):
- (a) From section 81A (1), omit “complying pooled superannuation trust”, insert instead “pooled superannuation trust”. 35

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

(b) After section 81A (1) (b), insert:

- 5 (c) an instrument that is executed in order to set out
the terms of custodial arrangements concerning a
complying superannuation fund, a complying
approved deposit fund or a pooled superannuation
10 trust (whether or not the instrument contains any
other terms) or concerning a fund or trust that, in
the opinion of the trustees, will be a complying
superannuation fund, a complying approved deposit
fund or a pooled superannuation trust within 12
months after the instrument takes effect.

(10) Sections 82AA, 82AB:

15 After section 82, insert:

**Duty on certain conveyances of property to trustees or
custodians of superannuation funds or trusts**

20 82AA. (1) This section applies to an instrument that the
Chief Commissioner is satisfied is an agreement to convey
or a conveyance of property to a trustee or custodian of a
complying superannuation fund, a complying approved
25 deposit fund or a pooled superannuation trust, or a fund or
trust that, in the opinion of the trustees, will be a
complying superannuation fund, a complying approved
deposit fund or a pooled superannuation trust within 12
months after the agreement to convey or conveyance takes
effect, where there is no change in the beneficial
ownership of the property.

30 (2) The duty payable on an instrument to which this
section applies is the ad valorem duty as a conveyance or
\$200, whichever is the lesser.

(3) The person primarily liable to pay the duty is the
transferee.

35 (4) An instrument on which duty of \$200 has been paid
in accordance with an assessment under this section is
taken to have been duly stamped with ad valorem duty as a
conveyance.

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

Duty on certain conveyances of securities to trustees or custodians of superannuation schemes or trusts

82AB. (1) A conveyance of or an agreement to convey a marketable security or a unit in a unit trust scheme or of a right to acquire a marketable security or a unit in a unit trust scheme, being a conveyance or agreement to convey that the Chief Commissioner is satisfied: 5

(a) is a conveyance to or an agreement to convey to a trustee or custodian of a complying superannuation fund, a complying approved deposit fund or a pooled superannuation trust, or a fund or trust that, in the opinion of the trustees, will be a complying superannuation fund, a complying approved deposit fund or a pooled superannuation trust within 12 months after the agreement to convey or conveyance takes effect; and 10 15

(b) does not result in changing the persons who have a beneficial interest in the property conveyed or agreed to be conveyed, 20

is not to be charged with ad valorem duty as a conveyance but is to be charged with duty of \$2.

(2) This section has effect despite section 82AA.

(11) Section 83 (**Definitions**): 25

(a) In the definition of "Advance" in section 83 (1), after "provision", insert "or obtaining".

(b) Omit the definition of "Bill facility" from section 83 (1), insert instead:

"Bill facility" means one or more agreements, understandings or arrangements as a consequence of which a bill of exchange or promissory note: 30

(a) is drawn, accepted, endorsed or made; and

(b) is held, negotiated or discounted to obtain funds, 35

whether or not the funds are obtained from the person who draws, accepts, endorses or makes the bill of

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

5 exchange or promissory note and whether or not the funds are obtained from a person who is a party to any such agreement, understanding or arrangement.

(c) After “or” in paragraph (a) of the definition of “Financial accommodation” in section 83 (1), insert “funds provided or obtained by means of”.

10 (12) Section 84CAC (**Exemption for certain home loan transactions**):

From section 84CAC (2) (b), omit “1 July 1994”, insert instead “1 January 1995”.

(13) Section 84EBA:

After section 84EB, insert:

15 **Exemption for loan securities of companies with regional headquarters in NSW**

84EBA. Notwithstanding any other provision of this Act, duty is not chargeable in respect of a loan security where the borrower or person bound is a company:

20 (a) that is the subject of a determination under section 83CE of the Income Tax Assessment Act 1936 of the Commonwealth and that has established in New South Wales after 1 July 1995 the facilities that comprise its regional headquarters; and

25 (b) that satisfies such other requirements as may be imposed from time to time by the Treasurer.

(14) Section 84G (**Duty on motor vehicle certificates of registration**):

After section 84G (1) (k), insert:

30 (ka) a motor vehicle certificate of registration issued as a result of the transfer of a motor vehicle from a continued unincorporated industrial organisation or a continued non-industrial organisation (within the meaning of section 615 of the Industrial Relations Act 1991) to an industrial organisation or non-industrial organisation (within the meaning of section 406 (1) of that Act) in compliance with the incorporation provisions of the Industrial Relations Act 1991; or

35

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

- (15) Section 91 (**Duty on certain transfers of units in unit trust schemes**):
- From section 91 (3), omit “6 cents for every \$10”, insert instead “60 cents for every \$100”. 5
- (16) Section 96A (**Duty on certain transfers of shares**):
- In section 96A (1), after “NSW company”, insert “or any corporation or company”.
- (17) Section 97AB (**Returns to be lodged and duty paid**): 10
- (a) After section 97AB (1), insert:
- (1AA) Despite subsection (1), in the case of a sale or purchase made following the exercise of an option to purchase a marketable security, stamp duty is to be calculated on the premium paid on the option or the consideration for the sale or purchase of the marketable security, whichever is the greater amount (and a reference in subsection (1) to the consideration is to be construed as a reference to the greater amount). 15
- (b) Omit section 97AB (2), insert instead: 20
- (2) Instead of the stamp duty provided for by subsection (1) (b), a New South Wales dealer is required to pay, in the case of:
- (a) any sale made by the dealer, on the dealer’s own account or behalf, of marketable securities or rights in respect of marketable securities purchased by the dealer on or within 3 months of the day of sale; or 25
- (b) any purchase made by the dealer, on the dealer’s own account or behalf, of marketable securities or rights in respect of marketable securities sold by the dealer on or within 3 months of the day of purchase; or 30
- (c) any sale or purchase of marketable securities or rights in respect of marketable securities:
- (i) made on behalf of an options trader in his or her capacity as such and as principal; and 35
- (ii) made for hedging purposes; and

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

- 5 (iii) of a type in respect of which options are traded or the price of which is included in the calculation of an index in respect of which options are traded; or
- (d) any sale or purchase of marketable securities or rights in respect of marketable securities:
- 10 (i) made on behalf of a futures broker in his or her capacity as a futures broker and as principal; and
- (ii) made for hedging purposes; and
- 15 (iii) of a type in respect of which futures contracts are traded or the price of which is included in the calculation of an index in respect of which futures contracts are traded; or
- (e) any sale or purchase of marketable securities or rights in respect of marketable securities:
- 20 (i) made on behalf of a warrant-issuer in his or her capacity as a warrant-issuer and as principal; and
- (ii) made for hedging purposes,
- 25 an amount calculated on the consideration for the sale or purchase at the rate of 0.25 cents for every \$100 and also for any remaining fractional part of \$100 of the sale price or purchase price, as the case may be.
- (18) **Section 97ADA (Exemption from duty—sales and purchases on behalf of options traders as market makers):**
- 30 Omit the section.
- (19) **Section 97ADB (Sales and purchases to be recorded by options traders):**
- 35 From section 97ADB (1), omit “no stamp duty is payable under section 97ADA”, insert instead “stamp duty is payable under section 97AB (2)”.

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

- (20) Section 97ADC (**Returns to be lodged and duty paid**):
- Omit section 97ADC (1) (b), insert instead:
- (b) pay to the Chief Commissioner as stamp duty, in respect of sales and purchases included in the return, an amount calculated on the consideration for each such sale and each such purchase at the rate of 29.75 cents for every \$100 and also for any remaining fractional part of \$100 of the sale price or purchase price, as the case may be.
- (21) Section 97ADD (**Exemption from duty—sales and purchases on behalf of futures brokers as market makers**):
- Omit the section.
- (22) Section 97ADE (**Sales and purchases to be recorded by futures brokers**):
- From section 97ADE (1), omit “no stamp duty is payable under section 97ADD”, insert instead “stamp duty is payable under section 97AB (2)”.
- (23) Section 97ADF (**Returns to be lodged and duty paid**):
- Omit section 97ADF (1) (b), insert instead:
- (b) pay to the Chief Commissioner as stamp duty, in respect of sales and purchases included in the return, an amount calculated on the consideration for each such sale and each such purchase at the rate of 29.75 cents for every \$100 and also for any remaining fractional part of \$100 of the sale price or purchase price, as the case may be.
- (24) Section 97ADG (**Exemption from duty—sales and purchases on behalf of warrant-issuers as market makers**):
- Omit the section.
- (25) Section 97ADH (**Sales and purchases to be recorded by warrant-issuers**):
- From section 97ADH (1), omit “no stamp duty is payable under section 97ADG”, insert instead “stamp duty is payable under section 97AB (2)”.

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

(26) Section 97ADI (**Returns to be lodged and duty paid**):

Omit section 97ADI (1) (b), insert instead:

- 5 (b) pay to the Chief Commissioner as stamp duty, in
respect of sales and purchases included in the
return, an amount calculated on the consideration
for each such sale and each such purchase at the
10 rate of 29.75 cents for every \$100 and also for any
remaining fractional part of \$100 of the sale price
or purchase price, as the case may be.

(27) Section 98 (**Definitions**):

(a) Insert in section 98 (1) in alphabetical order:

15 **“broker”** means a member organisation of Australian
Stock Exchange Limited;

“broker receipts” means the following:

- (a) receipts (after the deduction of any trading
losses) in the nature of profits from trading in
marketable securities, including dividends;
- 20 (b) brokerage (whether from trading in equities,
options, futures, fixed interest or any other
means);
- (c) underwriting or sub-underwriting com-
missions;
- 25 (d) receipts in the nature of profits from trading
other than in marketable securities;
- (e) interest, management fees and fees from a
member of the group of which the broker is a
member;
- 30 (f) receipts from the payment or repayment of
loans between the broker and a member of the
group of which the broker is a member; and
- 35 (g) receipts from the sale of capital assets not
traded in the ordinary course of the business
of the broker;

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

“corresponding State or Territory” means another State or a Territory of the Commonwealth that is declared by the Governor by an order for the time being in force under subsection (16) to be a corresponding State or Territory for the purposes of this Division; 5

“New South Wales broker” means a broker:

(a) that lodges quarterly returns with the Australian Stock Exchange in New South Wales; or 10

(b) that has its principal place of business in New South Wales and that lodges quarterly returns with the Australian Stock Exchange in another State or a Territory of the Commonwealth that is not a corresponding State or Territory; 15

(b) Omit the definition of “dealer” from section 98 (1), insert instead:

“dealer” has the same meaning as in the Corporations Law, but does not include a broker; 20

(c) After paragraph (a) of the definition of “designated person” in section 98 (1), insert:

(aa) a broker; or

(d) After paragraph (a) of the definition of “designated receipts” in section 98 (1), insert: 25

(aa) broker receipts of a New South Wales broker, being receipts received in or outside New South Wales; or

(e) After paragraph (f) of the definition of “excluded person” in section 98 (1), insert: 30

(fa) a broker;

(f) From the definition of “rollover” in section 98 (1), omit “and with or without accrued interest”.

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

(g) After section 98 (15), insert:

5 (16) The Governor may, by an order published in the
Gazette, declare another State or a Territory of the
Commonwealth to be a corresponding State or Territory
for the purposes of this Division.

(28) Section 98A (**Receipts to which this Division does not apply**):

10 (a) From section 98A (d) (iii), omit “section 96 or 97AB”,
insert instead “section 94D or the Second Schedule under
the heading ‘Transfer of Shares’ ”.

(b) After section 98A (ib), insert:

15 (ic) a receipt by a financial institution of a payment of
farm household support made under the Farm
Household Support Act 1992 of the
Commonwealth; or

(id) a receipt by a company to which section 84EBA
applies; or

(29) Section 98I (**Registration**):

20 After section 98I (2), insert:

(2A) Subsection (2), in its application to a designated
person who is a broker, applies only to a New South Wales
broker.

(30) Section 98U (**Exempt accounts**):

25 (a) After “dealer” in section 98U (1) (f), insert “or broker”.

(b) After section 98U (1) (g3), insert:

30 (g4) an account with a bank which is a registered
person, being an account to which are credited only
amounts that are received by The Newcastle
Chamber of Fruit and Vegetables Industry
Co-operative Limited in respect of farm produce
(within the meaning of the Farm Produce Act
1983) sold at Newcastle Regional Markets, being
amounts that are to be paid to farm produce sellers
35 or producers (within the meaning of that Act); or

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

- (g5) an account of MasterCard International Inc. with a bank which is a registered person, being an account that is a settlement account for credit and debit card transactions; or 5
- (g6) an account with a bank which is a registered person, being an account of a person approved under section 38D that is used solely for the payment of duty under the Taxline system; or 10
- (31) Second Schedule—Stamp Duties and Exemptions:
- (a) From paragraph (1) (c) of the matter appearing under the heading “TRANSFER OF SHARES”, omit “\$10” wherever occurring, insert instead “\$100”.
- (b) From the column headed “Amount of Duty” opposite the matter appearing under the heading “TRANSFER OF SHARES”, omit “0.06”, insert instead “0.60”. 15
- (32) Second Schedule—General Exemptions from Stamp Duty under Part 3:
- (a) In paragraph (14), after “Local Government Act 1993”, insert “or an electricity distributor constituted under Part 2A of the Electricity Act 1945”. 20
- (b) In paragraph (19), before “a council”, insert “a body, being”.
- (c) In paragraph (19), after “Local Government Act 1993”, insert “or an electricity distributor constituted under Part 2A of the Electricity Act 1945”. 25
- (d) From paragraph (19), omit “instruments” where firstly occurring.
- (e) From paragraph (19), omit “such council” wherever occurring, insert instead “such body”. 30
- (f) From paragraph (19) (d), omit “policy of”.

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

- (g) In paragraph (19), after “being instruments”, insert “or insurance”.
- 5 (h) After “property” where firstly occurring in paragraph (25), insert “first executed before 1 January 1996”.
- (i) After paragraph (25), insert:
- 10 (25A) Any conveyance of property or transaction referred to in section 44 (1) or (1A) between a continued unincorporated industrial organisation or a continued non-industrial organisation as transferrer and an industrial organisation or non-industrial organisation as transferee that arises as a result of the unincorporated body becoming incorporated under the Industrial Relations Act 1991.
- 15 In this paragraph:
- “continued unincorporated industrial organisation”** and **“continued non-industrial organisation”** have the same meanings as in section 615 of the Industrial Relations Act 1991;
- 20 **“industrial organisation”** and **“non-industrial organisation”** have the same meanings as in section 406 (1) of the Industrial Relations Act 1991.
- (j) From paragraph (26) (b), omit “Industrial Arbitration Act 1940”, insert instead “Industrial Relations Act 1991”.
- 25 (k) From paragraph (29) (d), omit “a policy of”.
- (l) After paragraph (45), insert:
- (46) A deed of release given to the HomeFund Commissioner in respect of a complaint made under the HomeFund Commissioner Act 1993.
- 30 (33) Schedule 2D—Exemption from Duty for Certain Conveyances:
- (a) In the heading to Schedule 2D, after “EXEMPTION FROM”, insert “OR REDUCTION IN”.

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

- (b) After “voting entitlement” in paragraph (a) of the definition of “principal shareholder” in clause 2, insert “(whether or not through the holding of shares)”. 5
- (c) After “voting entitlement” where firstly occurring in paragraph (b) of the definition of “principal shareholder” in clause 2, insert “(whether or not through the holding of shares)”.
- (d) Insert in clause 2 in alphabetical order: 10
 “shareholder” includes member;
- (e) After clause 7, insert:
 Conveyance of land not used and occupied solely as a principal place of residence
- 7A. (1) If: 15
- (a) a conveyance of land would be eligible for exemption under clause 4, 5 or 6 but for the fact that the land is not land to which clause 4 (1) (c), 5 (d) or 6 (d) applies because it was not used and occupied solely as a principal place of residence at the relevant time; and 20
- (b) the land value of the land was entitled to be reduced under section 9C of the Land Tax Management Act 1956 at the relevant time,
- the amount on which the conveyance is to be charged with ad valorem duty is to be reduced in the same proportion as the land value was entitled to be reduced under section 9C of the Land Tax Management Act 1956. 25
- (2) This clause applies to a conveyance first executed on or after 14 September 1994. 30

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

(34) Tenth Schedule—Savings, Transitional and Other Provisions:

After clause 38, insert:

5

Rollovers—s. 98A (cb)

39. Section 98A (cb) is taken to have commenced on, and not to have had effect before, 1 July 1994, despite section 2 of the State Revenue Legislation (Amendment) Act 1994.

SECOND PRINT

**STATE REVENUE LEGISLATION (FURTHER AMENDMENT)
BILL 1994**

NEW SOUTH WALES



TABLE OF PROVISIONS

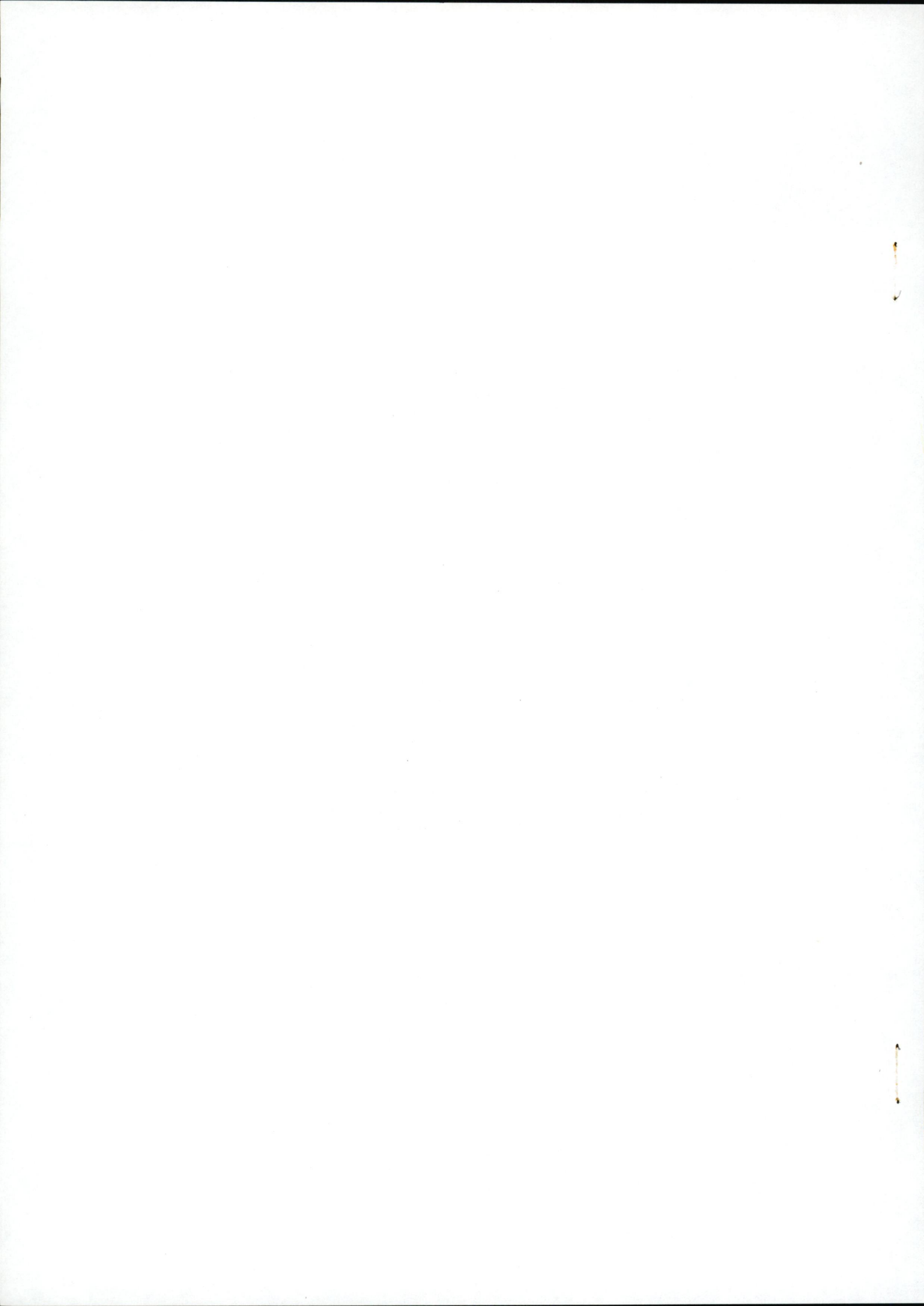
1. Short title
2. Commencement
3. Amendment of Debits Tax Act 1990 No. 112
4. Amendment of Land Tax Management Act 1956 No. 26
5. Amendment of Pay-roll Tax Act 1971 No. 22
6. Amendment of Stamp Duties Act 1920 No. 47
7. Amendment of Strata Titles Act 1973 No. 68
8. Amendment of Strata Titles (Leasehold) Act 1986 No. 219

SCHEDULE 1—AMENDMENT OF DEBITS TAX ACT 1990

SCHEDULE 2—AMENDMENT OF LAND TAX MANAGEMENT ACT 1956

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920



This PUBLIC BILL, originated in the LEGISLATIVE ASSEMBLY and, having this day passed, is now ready for presentation to the LEGISLATIVE COUNCIL for its concurrence.

Clerk of the Legislative Assembly.

Legislative Assembly

NEW SOUTH WALES



Act No. , 1994

An Act to amend the Pay-roll Tax Act 1971 to increase the threshold below which pay-rolls are exempt from pay-roll tax; to make miscellaneous amendments to certain State revenue Acts and other Acts; and for other purposes.

State Revenue Legislation (Further Amendment) 1994

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the State Revenue Legislation (Further Amendment) Act 1994.

5 **Commencement**

2. (1) This Act commences on the date of assent, except as provided by this section.

10 (2) Section 3, Schedule 1 and Schedule 4 (13) and (28) (a), in so far as it inserts paragraph (id) into section 98A of the Stamp Duties Act 1920, commence on 1 July 1995.

(3) Sections 7 and 8, Schedule 2, Part 1 of Schedule 3 and Schedule 4 (17)–(27) and (29) commence or are taken to have commenced on 1 January 1995.

(4) Part 2 of Schedule 3 commences on 1 January 1996.

15 (5) Part 3 of Schedule 3 commences on 1 July 1996.

(6) Schedule 4 (1) (b), (15) and (16) are taken to have commenced on 1 September 1994.

(7) Schedule 4 (3), (5), (6) and (33) are taken to have commenced on 14 September 1994.

20 (8) Schedule 4 (8), (9), (10) and (28) (a), in so far as it inserts paragraph (ic) into section 98A of the Stamp Duties Act 1920, are taken to have commenced on 1 January 1994.

(9) Schedule 4 (12), (14) and (32) (h), (i) and (j) are taken to have commenced on 1 July 1994.

25 (10) Schedule 4 (30) (c), in so far as it inserts paragraphs (g4) and (g5) into section 98U (1) of the Stamp Duties Act 1920, is taken to have commenced on 20 September 1994.

(11) Schedule 4 (32) (a)–(c) and (e) are taken to have commenced on 1 July 1993.

30 (12) Schedule 4 (32) (d), (f), (g) and (k) are taken to have commenced on 1 November 1989.

(13) Schedule 4 (32) (l) is taken to have commenced on 15 September 1994.

State Revenue Legislation (Further Amendment) 1994

Amendment of Debits Tax Act 1990 No. 112

3. The Debits Tax Act 1990 is amended as set out in Schedule 1.

Amendment of Land Tax Management Act 1956 No. 26

4. The Land Tax Management Act 1956 is amended as set out in Schedule 2. 5

Amendment of Pay-roll Tax Act 1971 No. 22

5. The Pay-roll Tax Act 1971 is amended as set out in Schedule 3.

Amendment of Stamp Duties Act 1920 No. 47

6. The Stamp Duties Act 1920 is amended as set out in Schedule 4.

Amendment of Strata Titles Act 1973 No. 68

7. The Strata Titles Act 1973 is amended by omitting section 95. 10

Amendment of Strata Titles (Leasehold) Act 1986 No. 219

8. The Strata Titles (Leasehold) Act 1986 is amended by omitting section 127.

SCHEDULE 1—AMENDMENT OF DEBITS TAX ACT 1990 15

(Sec. 3)

Section 3 (Definitions):

After paragraph (d) of the definition of "excluded debit" in section 3 (1), insert:

(d1) made to an account kept with a financial institution by a company to which section 84EBA of the Stamp Duties Act 1920 applies; or 20

**SCHEDULE 2—AMENDMENT OF LAND TAX
MANAGEMENT ACT 1956**

(Sec. 4)

(1) Section 9AA:

5

After section 9A, insert:

Strata

10

9AA. (1) Land tax, in the case of land subject to the Strata Titles Act 1973 or the Strata Titles (Leasehold) Act 1986, is to be levied and paid in respect of each lot comprised in a parcel.

15

(2) For the purposes of this Act, the land value of a lot comprised in a parcel is an amount that bears to the land value (within the meaning of section 7 (2)) of the parcel the same proportion as the unit entitlement of the lot bears to the aggregate unit entitlement.

(3) Expressions used in this section have the same meanings as in the Strata Titles Act 1973 and the Strata Titles (Leasehold) Act 1986.

(2) Section 10 (**Land exempted from tax**):

20

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

25

(p1) land that, in accordance with an approval of the Director-General of National Parks and Wildlife, is primarily used for the maintenance of endangered species native to Australia to assist their preservation;

(3) Section 10Q:

Omit the section, insert instead:

Low cost accommodation—exemption/reduction

30

10Q. (1) Land is exempted from taxation under this Act leviable or payable in respect of the year commencing on 1 January 1995 or any succeeding year if:

35

- (a) the land is used and occupied primarily for low cost accommodation; and
- (b) application for the exemption is made in accordance with this section; and
- (c) the Chief Commissioner is satisfied that the land is so used and occupied in accordance with guidelines approved by the Treasurer for the purposes of this section.

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SCHEDULE 2—AMENDMENT OF LAND TAX MANAGEMENT
ACT 1956—*continued*

(2) The guidelines may include provisions with respect to the following:

- (a) the circumstances in which accommodation is taken to be low cost accommodation; 5
- (b) the types and location of premises in which low cost accommodation may be provided;
- (c) the number and types of persons for whom the accommodation must be provided; 10
- (d) the circumstances in which, and the arrangements under which, the accommodation is provided;
- (e) maximum tariffs for the accommodation;
- (f) periods within which tariffs may not be increased;
- (g) the circumstances in which the applicant is required to give an undertaking to pass on the benefit of the exemption from taxation (or, if subsection (4) applies, the reduction in taxation) to the persons for whom the accommodation is provided in the form of lower tariffs. 15
20

(3) A guideline may:

- (a) apply generally or be limited in its application by reference to specified exceptions or factors; or
- (b) apply differently according to different factors of a specified kind, 25

or both.

(4) If the Chief Commissioner is satisfied that part only of land or premises is used and occupied primarily for low cost accommodation in accordance with the Treasurer's guidelines, the land value of the land is to be reduced for the purposes of land tax in accordance with the principles in section 10R (3)–(3C). 30

(5) This section does not apply to an owner of land in respect of a tax year unless:

- (a) the owner applies to the Chief Commissioner for the exemption or reduction, in the form approved by the Chief Commissioner; and 35

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 2—AMENDMENT OF LAND TAX MANAGEMENT
ACT 1956—*continued*

5 (b) the owner furnishes the Chief Commissioner with such evidence as the Chief Commissioner may request for the purpose of enabling the Chief Commissioner to determine whether there is an entitlement to the exemption or reduction.

10 (6) Without limiting the other ways in which this section may cease to apply to a person, it ceases to apply to a person if the person breaches an undertaking given as referred to in subsection (2) (g).

(4) Section 21A (**Company title units deemed to be strata lots**):

From section 21A (3), omit “section 95 (Land tax) of the Strata Titles Act 1973”, insert instead “section 9AA”.

15 (5) Section 21B (**Joint owners of block of flats etc. to be regarded as owners of strata lots**):

From section 21B (3), omit “section 95 (Land tax) of the Strata Titles Act 1973”, insert instead “section 9AA”.

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971

(Sec. 5)

PART 1

- (1) Section 7 (**Imposition of pay-roll tax on taxable wages**):
- (a) Omit section 7 (a)–(g), insert instead: 5
- (a) ascertained in accordance with Schedule 1 in respect of such of those wages as are paid or payable after the month of June 1994 and before the month of July 1995; and
- (b) ascertained in accordance with Schedule 2 in respect of such of those wages as are paid or payable after the month of July 1995. 10
- (b) At the end of section 7, insert:
- (2) If taxable wages are paid after a month in which they became payable, pay-roll tax is to be charged in respect of those wages at the rate applicable to the month in which they became payable. 15
- (2) Section 11B (**Annual adjustments**):
- From section 11B (1), omit the definition of “annual amount of pay-roll tax”, insert instead: 20
- “**annual amount of pay-roll tax**”, in relation to an employer, means:
- (a) the amount ascertained in accordance with section 17 and Schedule 1 in respect of the employer for the financial year commencing on 1 July 1994; and 25
- (b) the amount ascertained in accordance with section 17 and Schedule 2 in respect of the employer for the financial year commencing on 1 July 1995 or any subsequent financial year. 30
- (3) Section 11C (**Adjustment of pay-roll tax when employer ceases to be an employer etc. during a financial year**):
- From section 11C (1), omit the definition of “total amount of pay-roll tax”, insert instead: 35

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

“total amount of pay-roll tax”, in relation to an employer, means:

5 (a) the amount ascertained in accordance with section 17 and Schedule 1 in respect of the employer for a prescribed period that falls within the financial year commencing on 1 July 1994; and

10 (b) the amount ascertained in accordance with section 17 and Schedule 2 in respect of the employer for a prescribed period that falls within the financial year commencing on 1 July 1995 or any subsequent financial year;

15 (4) Section 12 (**Registration**):

From section 12 (1), omit “\$9,615”, wherever occurring, insert instead “\$10,576”.

(5) Section 16I (**Designated group employers**):

20 From section 16I (2) (a) and (3) (a), omit “\$500,000”, wherever occurring, insert instead “\$525,000”.

(6) Section 16K (**Annual adjustments**):

Omit section 16K (2) (a)–(d), insert instead:

25 (a) the amount ascertained in accordance with section 17 and Schedule 1 in respect of that member for the financial year commencing on 1 July 1994; or

(b) the amount ascertained in accordance with section 17 and Schedule 2 in respect of that member for the financial year commencing on 1 July 1995 or any subsequent financial year.

30 (7) Section 16L (**Adjustment of pay-roll tax when members of a group cease to pay taxable wages or interstate wages during a financial year**):

Omit section 16L (3) (a)–(d), insert instead:

35 (a) the amount ascertained in accordance with section 17 and Schedule 1 in respect of that member for a prescribed period that falls within the financial year commencing on 1 July 1994; or

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

(b) the amount ascertained in accordance with section 17 and Schedule 2 in respect of that member for a prescribed period that falls within the financial year commencing on 1 July 1995 or any subsequent financial year. 5

(8) Schedules 1 and 2:

Omit Schedules 2–5, insert instead:

SCHEDULE 1—CALCULATION OF PAY-ROLL TAX LIABILITY FOR THE FINANCIAL YEAR COMMENCING ON 1 JULY 1994 10

(Secs. 7, 11B, 11C, 16K, 16L)

PART 1—EMPLOYERS WHO ARE NOT MEMBERS OF A GROUP 15

Application of Part

1. This Part applies only to an employer who is not a member of a group.

Definitions

2. In this Part: 20

“financial year” means the financial year commencing on 1 July 1994;

“IW” represents the total interstate wages paid or payable by the employer concerned during the financial year;

“TW” represents the total taxable wages paid or payable by the employer concerned during the financial year. 25

Pay-roll of employer under \$525,000

3. An employer is not liable to pay pay-roll tax for the financial year if the total taxable wages and interstate wages paid or payable by the employer during that year is less than \$525,000. 30

Pay-roll of employer \$525,000 or more

4. If the total taxable wages and interstate wages paid or payable by an employer during the financial year is \$525,000 or more, the employer is liable to pay as pay-roll tax for that year the amount of dollars calculated in accordance with the following formula: 35

$$\left[TW - \left\{ \frac{TW}{TW + IW} \times 525,000 \right\} \right] \times \frac{7}{100}$$

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

**PART 2—GROUPS WITH A DESIGNATED GROUP
EMPLOYER**

5 **Application of Part**

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

Definitions

6. In this Part:

10 “**designated group employer**” means a member designated as the designated group employer for a group in accordance with section 16I;

 “**financial year**” means the financial year commencing on 1 July 1994;

15 “**group**” means a group for which there is a designated group employer;

 “**GIW**” represents the total interstate wages paid or payable by the group concerned during the financial year;

20 “**GTW**” represents the total taxable wages paid or payable by the group concerned during the financial year;

 “**TW**” represents the total taxable wages paid or payable by the employer concerned during the financial year.

Pay-roll of group under \$525,000

25 7. 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 \$525,000.

Pay-roll of group \$525,000 or more

30 8. (1) If the total taxable wages and interstate wages paid or payable by a group during the financial year is \$525,000 or more, pay-roll tax is payable as provided by subclauses (2) and (3).

(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:

$$\left[\text{TW} - \left\{ \frac{\text{GTW}}{\text{GTW} + \text{GIW}} \times 525,000 \right\} \right] \times \frac{7}{100}$$

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

(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:

$$TW \times \frac{7}{100}$$

PART 3—GROUPS WITH NO DESIGNATED GROUP EMPLOYER

Application of Part

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

Definitions

10. In this Part:

“**designated group employer**” means a member designated as the designated group employer for a group in accordance with section 161;

“**financial year**” means the financial year commencing on 1 July 1994;

“**GIW**” represents the total interstate wages paid or payable by the group concerned during the financial year;

“**group**” means a group for which there is no designated group employer;

“**GTW**” represents the total taxable wages paid or payable by the group concerned during the financial year;

“**TW**” represents the total taxable wages paid or payable by the employer concerned during the financial year.

Pay-roll of group under \$525,000

11. 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 \$525,000.

Pay-roll of group \$525,000 or more

12. If the total taxable wages and interstate wages paid or payable by a group during the financial year is \$525,000 or more, each

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

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:

$$\left[TW - \left\{ \frac{GTW}{GTW + GIW} \times 525,000 \right\} \right] \times \frac{7}{100}$$

**SCHEDULE 2—CALCULATION OF PAY-ROLL TAX
LIABILITY FROM 1 JULY 1995**

(Secs. 7, 11B, 11C, 16K, 16L)

**PART 1—EMPLOYERS WHO ARE NOT MEMBERS OF A
GROUP**

Application of Part

1. This Part applies only to an employer who is not a member of a group.

Definitions

2. In this Part:

“**financial year**” means the financial year commencing on 1 July 1995 or on 1 July in any subsequent financial year;

“**IW**” 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;

“**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.

Pay-roll of employer under \$550,000

3. 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 \$550,000.

Pay-roll of employer \$550,000 or more

4. If the total taxable wages and interstate wages paid or payable by an employer during a financial year is \$550,000 or more, the employer is liable to pay as pay-roll tax for that year the amount of dollars calculated in accordance with the following formula:

$$\left[TW - \left\{ \frac{TW}{TW + IW} \times 550,000 \right\} \right] \times \frac{7}{100}$$

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

**PART 2—GROUPS WITH A DESIGNATED GROUP
EMPLOYER**

Application of Part 5

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

Definitions

6. In this Part:

“**designated group employer**” means a member designated for a group in accordance with section 16I; 10

“**financial year**” means the financial year commencing on 1 July 1995 or on 1 July in any subsequent financial year;

“**group**” means a group for which there is a designated group employer; 15

“**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;

“**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; 20

“**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.

Pay-roll of group under \$550,000 25

7. 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 \$550,000.

Pay-roll of group \$550,000 or more

8. (1) If the total taxable wages and interstate wages paid or payable by a group during the financial year is \$550,000 or more, pay-roll tax is payable as provided by subclauses (2) and (3). 30

(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: 35

$$\left[TW - \left\{ \frac{GTW}{GTW + GIW} \times 550,000 \right\} \right] \times \frac{7}{100}$$

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

5 (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:

$$TW \times \frac{7}{100}$$

**PART 3—GROUPS WITH NO DESIGNATED GROUP
EMPLOYER**

10 **Application of Part**

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

Definitions

10. In this Part:

15 “**designated group employer**” means a member designated as the designated group employer for a group in accordance with section 16I;

“**financial year**” means the financial year commencing on 1 July 1995 or on 1 July in any subsequent financial year;

20 “**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;

“**group**” means a group for which there is no designated group employer;

25 “**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;

30 “**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.

Pay-roll of group under \$550,000

11. 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 \$550,000.

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

Pay-roll of group \$550,000 or more

12. If the total of the taxable wages and interstate wages paid or payable by a group during the financial year is \$550,000 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:

$$\left[TW - \left\{ \frac{GTW}{GTW + GIW} \times 550,000 \right\} \right] \times \frac{7}{100}$$

5

PART 2

10

(9) Section 7 (**Imposition of pay-roll tax on taxable wages**):

- (a) From section 7 (a), omit “1994”, insert instead “1995”.
(b) From section 7 (a) and (b), omit “1995” wherever occurring, insert instead “1996”.

(10) Section 11B (**Annual adjustments**):

15

From the definition of “annual amount of pay-roll tax” in section 11B (1), omit “1994” and “1995”, insert instead “1995” and “1996”, respectively.

(11) Section 11C (**Adjustment of pay-roll tax when employer ceases to be an employer etc. during a financial year**):

20

From the definition of “total amount of pay-roll tax” in section 11C (1), omit “1994” and “1995”, insert instead “1995” and “1996”, respectively.

(12) Section 12 (**Registration**):

From section 12 (1), omit “\$10,576”, wherever occurring, insert instead “\$11,538”.

25

(13) Section 16I (**Designated group employers**):

From section 16I (2) (a) and (3) (a), omit “\$525,000”, wherever occurring, insert instead “\$575,000”.

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 3—AMENDMENT OF PAY-ROLL TAX ACT 1971—
continued

(14) Section 16K (**Annual adjustments**):

5 From section 16K (2), omit “1994” and “1995”, insert
instead “1995” and “1996”, respectively.

(15) Section 16L (**Adjustment of pay-roll tax when members of a
group cease to pay taxable wages or interstate wages during a
financial year**):

10 From section 16L (3), omit “1994” and “1995”, insert
instead “1995” and “1996”, respectively.

(16) Schedule 1:

(a) Omit “1994” wherever occurring, insert instead “1995”.

(b) Omit “\$525,000” wherever occurring, insert instead
“\$575,000”.

15 (17) Schedule 2:

(a) Omit “1995” wherever occurring, insert instead “1996”.

(b) Omit “\$550,000” wherever occurring, insert instead
“\$600,000”.

PART 3

20 (18) Section 16I (**Designated group employers**):

From section 16I (2) (a) and (3) (a), omit “\$575,000”
wherever occurring, insert instead “\$600,000”.

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920

(Sec. 6)

(1) Section 3 (**Definitions**):

(a) From the definition of "Company title dwelling" in section 3 (1), omit "on land" where firstly occurring. 5

(b) In the definition of "NSW company" in section 3 (1), after "New South Wales", insert ", and includes a body corporate that is incorporated under any other New South Wales Act and that is not a company incorporated or taken to be incorporated under the Corporations Law of another State or a Territory of the Commonwealth". 10

(2) Section 44A (**Payment of duty on statements in absence of dutiable instruments**):

(a) Omit section 44A (2).

(b) From section 44A (2B), omit "subsection (1A), (2) or (2A)", insert instead "this section". 15

(c) From section 44A (2C), omit "subsection (2)", insert instead "this section".

(3) Section 66H:

After section 66G, insert: 20

Intergenerational rural transfers

66H. (1) Notwithstanding any other provision of this Act, duty is not chargeable in respect of an instrument of conveyance or agreement for sale of land, or of a lease of or permit in respect of land, used for primary production, being an instrument first executed on or after 14 September 1994, if the Treasurer is satisfied that: 25

(a) the land was land used for primary production by the transferor immediately before the date of first execution of the instrument; and 30

(b) the land will continue to be land used for primary production by the transferee; and

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

5 (c) the parties to the instrument are parties of a class identified in guidelines approved from time to time by the Treasurer; and

(d) the transaction satisfies such other requirements as may be contained in those guidelines.

10 (2) Notwithstanding any other provision of this Act, duty is not chargeable in respect of a transfer of shares in a share management fishery within the meaning of the Fisheries Management Act 1994, being a transfer first executed on or after 14 September 1994, if the Treasurer is satisfied that:

15 (a) the parties to the instrument are parties of a class identified in guidelines approved from time to time by the Treasurer; and

(b) the transaction satisfies such other requirements as may be contained in those guidelines.

20 (3) In this section, “**land used for primary production**” has the same meaning as in section 43B (5) and includes:

(a) an oyster farm or fish farm within the meaning of the Fisheries and Oyster Farms Act 1935; or

25 (b) land subject to an aquaculture permit or aquaculture lease within the meaning of the Fisheries Management Act 1994.

(4) Section 73 (**Certain conveyances not chargeable with ad valorem duty**):

30 Before “duty” in section 73 (2AF) (a), insert “ad valorem”.

(5) Section 73AA (**Exemption from or reduction in duty for certain conveyances**):

From section 73AA (1), omit “exemption”.

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

- (6) Section 74F (**Payment of duty on hiring arrangements by return**):

At the end of section 74F (7A) (c), insert:

; or

(d) exceeds \$6,000—stamp duty is payable only on that part of the amount that is in excess of \$6,000.

- (7) Section 78FA (**Exemption from duty—leases of accommodation for aged and disabled persons**):

After “profit” in section 78FA (1) (a) (ii), insert “by the lessor”.

- (8) Section 81 (**Definitions**):

Omit the section, insert instead:

Definitions

81. In this Division:

“**complying approved deposit fund**” means an entity that is a complying approved deposit fund in accordance with section 43 of the Superannuation Industry (Supervision) Act 1993 of the Commonwealth;

“**complying superannuation fund**” means an entity that is a complying superannuation fund in accordance with section 42 of the Superannuation Industry (Supervision) Act 1993 of the Commonwealth;

“**pooled superannuation trust**” means an entity that is a pooled superannuation trust in accordance with section 44 of the Superannuation Industry (Supervision) Act 1993 of the Commonwealth.

- (9) Section 81A (**Duty on certain instruments relating to superannuation**):

(a) From section 81A (1), omit “complying pooled superannuation trust”, insert instead “pooled superannuation trust”.

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

(b) After section 81A (1) (b), insert:

5 (c) an instrument that is executed in order to set out
the terms of custodial arrangements concerning a
complying superannuation fund, a complying
approved deposit fund or a pooled superannuation
trust (whether or not the instrument contains any
10 other terms) or concerning a fund or trust that, in
the opinion of the trustees, will be a complying
superannuation fund, a complying approved deposit
fund or a pooled superannuation trust within 12
months after the instrument takes effect.

(10) Sections 82AA, 82AB:

15 After section 82, insert:

**Duty on certain conveyances of property to trustees or
custodians of superannuation funds or trusts**

20 82AA. (1) This section applies to an instrument that the
Chief Commissioner is satisfied is an agreement to convey
or a conveyance of property to a trustee or custodian of a
complying superannuation fund, a complying approved
deposit fund or a pooled superannuation trust, or a fund or
trust that, in the opinion of the trustees, will be a
25 complying superannuation fund, a complying approved
deposit fund or a pooled superannuation trust within 12
months after the agreement to convey or conveyance takes
effect, where there is no change in the beneficial
ownership of the property.

30 (2) The duty payable on an instrument to which this
section applies is the ad valorem duty as a conveyance or
\$200, whichever is the lesser.

(3) The person primarily liable to pay the duty is the
transferee.

35 (4) An instrument on which duty of \$200 has been paid
in accordance with an assessment under this section is
taken to have been duly stamped with ad valorem duty as a
conveyance.

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

Duty on certain conveyances of securities to trustees or custodians of superannuation schemes or trusts

82AB. (1) A conveyance of or an agreement to convey a marketable security or a unit in a unit trust scheme or of a right to acquire a marketable security or a unit in a unit trust scheme, being a conveyance or agreement to convey that the Chief Commissioner is satisfied:

(a) is a conveyance to or an agreement to convey to a trustee or custodian of a complying superannuation fund, a complying approved deposit fund or a pooled superannuation trust, or a fund or trust that, in the opinion of the trustees, will be a complying superannuation fund, a complying approved deposit fund or a pooled superannuation trust within 12 months after the agreement to convey or conveyance takes effect; and

(b) does not result in changing the persons who have a beneficial interest in the property conveyed or agreed to be conveyed,

is not to be charged with ad valorem duty as a conveyance but is to be charged with duty of \$2.

(2) This section has effect despite section 82AA.

(11) Section 83 (**Definitions**):

(a) In the definition of "Advance" in section 83 (1), after "provision", insert "or obtaining".

(b) Omit the definition of "Bill facility" from section 83 (1), insert instead:

"Bill facility" means one or more agreements, understandings or arrangements as a consequence of which a bill of exchange or promissory note:

(a) is drawn, accepted, endorsed or made; and

(b) is held, negotiated or discounted to obtain funds,

whether or not the funds are obtained from the person who draws, accepts, endorses or makes the bill of

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

5 exchange or promissory note and whether or not the funds are obtained from a person who is a party to any such agreement, understanding or arrangement.

(c) After “or” in paragraph (a) of the definition of “Financial accommodation” in section 83 (1), insert “funds provided or obtained by means of”.

10 (12) Section 84CAC (**Exemption for certain home loan transactions**):

From section 84CAC (2) (b), omit “1 July 1994”, insert instead “1 January 1995”.

(13) Section 84EBA:

After section 84EB, insert:

15 **Exemption for loan securities of companies with regional headquarters in NSW**

84EBA. Notwithstanding any other provision of this Act, duty is not chargeable in respect of a loan security where the borrower or person bound is a company:

20 (a) that is the subject of a determination under section 83CE of the Income Tax Assessment Act 1936 of the Commonwealth and that has established in New South Wales after 1 July 1995 the facilities that comprise its regional headquarters; and

25 (b) that satisfies such other requirements as may be imposed from time to time by the Treasurer.

(14) Section 84G (**Duty on motor vehicle certificates of registration**):

After section 84G (1) (k), insert:

30 (ka) a motor vehicle certificate of registration issued as a result of the transfer of a motor vehicle from a continued unincorporated industrial organisation or a continued non-industrial organisation (within the meaning of section 615 of the Industrial Relations Act 1991) to an industrial organisation or non-industrial organisation (within the meaning of section 406 (1) of that Act) in compliance with the incorporation provisions of the Industrial Relations Act 1991; or

35

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

- (15) Section 91 (**Duty on certain transfers of units in unit trust schemes**):
- From section 91 (3), omit “6 cents for every \$10”, insert instead “60 cents for every \$100”. 5
- (16) Section 96A (**Duty on certain transfers of shares**):
- In section 96A (1), after “NSW company”, insert “or any corporation or company”.
- (17) Section 97AB (**Returns to be lodged and duty paid**): 10
- (a) After section 97AB (1), insert:
- (1AA) Despite subsection (1) or (2), in the case of a sale or purchase made following the exercise of an option to purchase a marketable security, stamp duty is to be calculated on the premium paid on the option or the consideration for the sale or purchase of the marketable security, whichever is the greater amount (and a reference in subsection (1) or (2) to the consideration is to be construed as a reference to the greater amount). 15
- (b) Omit section 97AB (2), insert instead: 20
- (2) Instead of the stamp duty provided for by subsection (1) (b), a New South Wales dealer is required to pay, in the case of:
- (a) any sale made by the dealer, on the dealer’s own account or behalf, of marketable securities or rights in respect of marketable securities purchased by the dealer on or within 3 months of the day of sale; or 25
- (b) any purchase made by the dealer, on the dealer’s own account or behalf, of marketable securities or rights in respect of marketable securities sold by the dealer on or within 3 months of the day of purchase; or 30
- (c) any sale or purchase of marketable securities or rights in respect of marketable securities:
- (i) made on behalf of an options trader in his or her capacity as such and as principal; and 35
- (ii) made for hedging purposes; and

State Revenue Legislation (Further Amendment) 1994

SCHEDULE 4—AMENDMENT OF STAMP DUTIES ACT 1920—
continued

- 5 (iii) of a type in respect of which options are traded or the price of which is included in the calculation of an index in respect of which options are traded; or
- (d) any sale or purchase of marketable securities or rights in respect of marketable securities:
- 10 (i) made on behalf of a futures broker in his or her capacity as a futures broker and as principal; and
- (ii) made for hedging purposes; and
- 15 (iii) of a type in respect of which futures contracts are traded or the price of which is included in the calculation of an index in respect of which futures contracts are traded; or
- (e) any sale or purchase of marketable securities or rights in respect of marketable securities:
- 20 (i) made on behalf of a warrant-issuer in his or her capacity as a warrant-issuer and as principal; and
- (ii) made for hedging purposes,
an amount calculated on the consideration for the sale or
25 purchase at the rate of 0.25 cents for every \$100 and also for any remaining fractional part of \$100 of the sale price or purchase price, as the case may be.
- (c) In section 97AB (2A), after “subsection (1)”, insert “or (2)”.
- 30 (18) Section 97ADA (**Exemption from duty—sales and purchases on behalf of options traders as market makers**):
Omit the section.
- (19) Section 97ADB (**Sales and purchases to be recorded by options traders**):
- 35 From section 97ADB (1), omit “no stamp duty is payable under section 97ADA”, insert instead “stamp duty is payable under section 97AB (2)”.

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- (20) Section 97ADC (**Returns to be lodged and duty paid**):
- Omit section 97ADC (1) (b), insert instead:
- (b) pay to the Chief Commissioner as stamp duty, in respect of sales and purchases included in the return, an amount calculated on the consideration for each such sale and each such purchase at the rate of 29.75 cents for every \$100 and also for any remaining fractional part of \$100 of the sale price or purchase price, as the case may be.
- (21) Section 97ADD (**Exemption from duty—sales and purchases on behalf of futures brokers as market makers**):
- Omit the section.
- (22) Section 97ADE (**Sales and purchases to be recorded by futures brokers**):
- From section 97ADE (1), omit “no stamp duty is payable under section 97ADD”, insert instead “stamp duty is payable under section 97AB (2)”.
- (23) Section 97ADF (**Returns to be lodged and duty paid**):
- Omit section 97ADF (1) (b), insert instead:
- (b) pay to the Chief Commissioner as stamp duty, in respect of sales and purchases included in the return, an amount calculated on the consideration for each such sale and each such purchase at the rate of 29.75 cents for every \$100 and also for any remaining fractional part of \$100 of the sale price or purchase price, as the case may be.
- (24) Section 97ADG (**Exemption from duty—sales and purchases on behalf of warrant-issuers as market makers**):
- Omit the section.
- (25) Section 97ADH (**Sales and purchases to be recorded by warrant-issuers**):
- From section 97ADH (1), omit “no stamp duty is payable under section 97ADG”, insert instead “stamp duty is payable under section 97AB (2)”.

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(26) Section 97ADI (**Returns to be lodged and duty paid**):

Omit section 97ADI (1) (b), insert instead:

- 5 (b) pay to the Chief Commissioner as stamp duty, in
respect of sales and purchases included in the
return, an amount calculated on the consideration
for each such sale and each such purchase at the
10 rate of 29.75 cents for every \$100 and also for any
remaining fractional part of \$100 of the sale price
or purchase price, as the case may be.

(27) Section 98 (**Definitions**):

(a) Insert in section 98 (1) in alphabetical order:

15 “**broker**” means a member organisation of Australian
Stock Exchange Limited;

“**broker receipts**” means the following:

- (a) receipts (after the deduction of any trading
losses) in the nature of profits from trading in
marketable securities, including dividends;
- 20 (b) brokerage (whether from trading in equities,
options, futures, fixed interest or any other
means);
- (c) underwriting or sub-underwriting com-
missions;
- 25 (d) receipts in the nature of profits from trading
other than in marketable securities;
- (e) interest, management fees and fees from a
member of the group of which the broker is a
member;
- 30 (f) receipts from the payment or repayment of
loans between the broker and a member of the
group of which the broker is a member; and
- 35 (g) receipts from the sale of capital assets not
traded in the ordinary course of the business
of the broker;

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- “**corresponding State or Territory**” means another State or a Territory of the Commonwealth that is declared by the Governor by an order for the time being in force under subsection (16) to be a corresponding State or Territory for the purposes of this Division; 5
- “**New South Wales broker**” means a broker: 10
- (a) that lodges quarterly returns with the Australian Stock Exchange in New South Wales; or
- (b) that conducts business in New South Wales and that lodges quarterly returns with the Australian Stock Exchange in another State or a Territory of the Commonwealth that is not a corresponding State or Territory; 15
- (b) Omit the definition of “dealer” from section 98 (1), insert instead: 20
- “**dealer**” has the same meaning as in the Corporations Law, but does not include a broker;
- (c) After paragraph (a) of the definition of “designated person” in section 98 (1), insert: 25
- (aa) a broker; or
- (d) After paragraph (a) of the definition of “designated receipts” in section 98 (1), insert: 25
- (aa) broker receipts of a New South Wales broker, being receipts received in or outside New South Wales; or
- (e) After paragraph (f) of the definition of “excluded person” in section 98 (1), insert: 30
- (fa) a broker;
- (f) From the definition of “rollover” in section 98 (1), omit “and with or without accrued interest”.

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(g) After section 98 (15), insert:

5 (16) The Governor may, by an order published in the
Gazette, declare another State or a Territory of the
Commonwealth to be a corresponding State or Territory
for the purposes of this Division.

(28) Section 98A (**Receipts to which this Division does not apply**):

10 (a) From section 98A (d) (iii), omit “section 96 or 97AB”,
insert instead “section 94D or the Second Schedule under
the heading ‘Transfer of Shares’ ”.

(b) After section 98A (ib), insert:

15 (ic) a receipt by a financial institution of a payment of
farm household support made under the Farm
Household Support Act 1992 of the
Commonwealth; or

(id) a receipt by a company to which section 84EBA
applies; or

(29) Section 98I (**Registration**):

20 After section 98I (2), insert:

(2A) Subsection (2), in its application to a designated
person who is a broker, applies only to a New South Wales
broker.

(30) Section 98U (**Exempt accounts**):

25 (a) After “dealer” in section 98U (1) (f), insert “or broker”.

(b) After section 98U (1) (f), insert:

(f1) an account with a bank which is a registered person
of:

30 (i) a New South Wales broker who is a
registered person; or

(ii) a broker who lodges quarterly returns with
the Australian Stock Exchange in a
corresponding State or Territory (within the
meaning of section 98 (1));

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- (c) After section 98U (1) (g3), insert:
- (g4) an account with a bank which is a registered person, being an account to which are credited only amounts that are received by The Newcastle Chamber of Fruit and Vegetables Industry Co-operative Limited in respect of farm produce (within the meaning of the Farm Produce Act 1983) sold at Newcastle Regional Markets, being amounts that are to be paid to farm produce sellers or producers (within the meaning of that Act); or 5
 - (g5) an account of MasterCard International Inc. with a bank which is a registered person, being an account that is a settlement account for credit and debit card transactions; or 10
 - (g6) an account with a bank which is a registered person, being an account of a person approved under section 38D that is used solely for the payment of duty under the Taxline system; or 20
- (31) Second Schedule—Stamp Duties and Exemptions:
- (a) From paragraph (1) (c) of the matter appearing under the heading “TRANSFER OF SHARES”, omit “\$10” wherever occurring, insert instead “\$100”. 25
 - (b) From the column headed “Amount of Duty” opposite the matter appearing under the heading “TRANSFER OF SHARES”, omit “0.06”, insert instead “0.60”. 25
- (32) Second Schedule—General Exemptions from Stamp Duty under Part 3:
- (a) In paragraph (14), after “Local Government Act 1993”, insert “or an electricity distributor constituted under Part 2A of the Electricity Act 1945”. 30
 - (b) In paragraph (19), before “a council”, insert “a body, being”. 30
 - (c) In paragraph (19), after “Local Government Act 1993”, insert “or an electricity distributor constituted under Part 2A of the Electricity Act 1945”. 35

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- (d) From paragraph (19), omit “instruments” where firstly occurring.
- 5 (e) From paragraph (19), omit “such council” wherever occurring, insert instead “such body”.
- (f) From paragraph (19) (d), omit “policy of”.
- (g) In paragraph (19), after “being instruments”, insert “or insurance”.
- 10 (h) After “property” where firstly occurring in paragraph (25), insert “first executed before 1 January 1996”.
- (i) After paragraph (25), insert:
- (25A) Any conveyance of property or transaction referred to in section 44 (1) or (1A) between a continued
- 15 unincorporated industrial organisation or a continued non-industrial organisation as transferror and an industrial organisation or non-industrial organisation as transferee that arises as a result of the unincorporated body becoming incorporated under the Industrial Relations Act 1991.
- 20 In this paragraph:
- “continued unincorporated industrial organisation”** and **“continued non-industrial organisation”** have the same meanings as in section 615 of the Industrial Relations Act 1991;
- 25 **“industrial organisation”** and **“non-industrial organisation”** have the same meanings as in section 406 (1) of the Industrial Relations Act 1991.
- (j) From paragraph (26) (b), omit “Industrial Arbitration Act 1940”, insert instead “Industrial Relations Act 1991”.
- 30 (k) From paragraph (29) (d), omit “a policy of”.
- (l) After paragraph (45), insert:
- (46) A deed of release given to the HomeFund Commissioner in respect of a complaint made under the HomeFund Commissioner Act 1993.

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(33) Schedule 2D—Exemption from Duty for Certain Conveyances:

(a) In the heading to Schedule 2D, after “EXEMPTION FROM”, insert “OR REDUCTION IN”. 5

(b) After “voting entitlement” in paragraph (a) of the definition of “principal shareholder” in clause 2, insert “(whether or not through the holding of shares)”.

(c) After “voting entitlement” where firstly occurring in paragraph (b) of the definition of “principal shareholder” in clause 2, insert “(whether or not through the holding of shares)”. 10

(d) Insert in clause 2 in alphabetical order:

“shareholder” includes member;

(e) After clause 7, insert: 15

Conveyance of land not used and occupied solely as a principal place of residence

7A. (1) If:

(a) a conveyance of land would be eligible for exemption under clause 4, 5 or 6 but for the fact that the land is not land to which clause 4 (1) (c), 5 (d) or 6 (d) applies because it was not used and occupied solely as a principal place of residence at the relevant time; and 20

(b) the land value of the land was entitled to be reduced under section 9C of the Land Tax Management Act 1956 at the relevant time, 25

the amount on which the conveyance is to be charged with ad valorem duty is to be reduced in the same proportion as the land value was entitled to be reduced under section 9C of the Land Tax Management Act 1956. 30

(2) This clause applies to a conveyance first executed on or after 14 September 1994.

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(34) Tenth Schedule—Savings, Transitional and Other Provisions:

After clause 38, insert:

5

Rollovers—s. 98A (cb)

39. Section 98A (cb) is taken to have commenced on, and not to have had effect before, 1 July 1994, despite section 2 of the State Revenue Legislation (Amendment) Act 1994.
