



AUSTRALIAN CAPITAL TERRITORY

Revenue Legislation Amendment Act 2002

Act 2002 No 28

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AUSTRALIAN CAPITAL TERRITORY

Revenue Legislation Amendment Act 2002

Act 2002 No 28

An Act to amend the *Payroll Tax Act 1987* and *Rates and Land Tax Act 1926*

*Notified under the Legislation Act 2001 on 9 September 2002
(see www.legislation.act.gov.au)*

The Legislative Assembly for the Australian Capital Territory enacts as follows:

Part 1 Preliminary

1 Name of Act

This Act is the *Revenue Legislation Amendment Act 2002*.

2 Commencement

- (1) Part 2 is taken to have commenced on 1 July 2002.

Note The naming and commencement provisions automatically commenced on 1 July 2002 (see *Legislation Act 2001*, s 75).

- (2) Part 3 commences on 1 October 2002.

Part 2 Payroll Tax Act 1987

3 Act amended-pt 2

This part amends the *Payroll Tax Act 1987*.

4 Section 3 (1), definition of *wages*, paragraph (h)

after

is payable

insert

; and

5 Section 3 (1), definition of *wages*, new paragraph (i)

insert

- (i) the following payments made in consequence of the retirement from, or termination of, any office or employment of an employee:
 - (i) a lump sum payment paid before or after the retirement or termination in relation to unused annual leave, or unused annual leave and a bonus, loading or other additional payment relating to that leave;
 - (ii) an amount paid in relation to unused long service leave;
 - (iii) so much of any eligible termination payment paid or payable by an employer (whether or not paid to the employee or to another entity) that would be included in the assessable income of an employee under the *Income Tax Assessment Act 1936* (Cwlth), Part 3, Division 2, Subdivision AA if the whole of the eligible termination payment had been paid to the employee.

6 Section 3 (1), new definitions of *annual leave*, *eligible termination payment* and *long service leave*

insert

annual leave, for section 3 (1), definition of ***wages***, paragraph (i)—see the *Income Tax Assessment Act 1936* (Cwlth), section 26AC (Amounts received on retirement or termination of employment in lieu of annual leave).

eligible termination payment, for section 3 (1), definition of ***wages***, paragraph (i)—see the *Income Tax Assessment Act 1936* (Cwlth), section 27A (Interpretation).

long service leave, for section 3 (1), definition of ***wages***, paragraph (i)—see the *Income Tax Assessment Act 1936* (Cwlth), section 26AD (Amounts received on retirement or termination of employment in lieu of long service leave).

7 Section 3 (5) (a)

omit

to be taken to include

**8 Value of benefits
Section 3A**

omit

aggregate fringe benefits amount

substitute

fringe benefits taxable amount

9 New section 22*insert***22 Revenue Legislation Amendment Act 2002—transitional effect**

- (1) The Act as amended by the *Revenue Legislation Amendment Act 2002* applies in relation to the financial year beginning 1 July 2002 and any later financial year.
- (2) This section expires on 1 July 2003.
- (3) The *Legislation Act 2001*, section 88 (Repeal does not end transitional or validating effect etc) applies to this section.

Part 3 Rates and Land Tax Act 1926

10 Act amended-pt 3

This part amends the *Rates and Land Tax Act 1926*.

11 Interpretation for Act Section 4 (1), new definition of *development lease*

insert

development lease, of land, means a lease for the development of the land by the lessee, or at the lessee's expense, by clearing, filling, grading, draining, levelling or excavating the land to make it suitable for subdivision into parcels of land to be leased.

12 Unimproved value Section 5 (3), definition of *development lease*

omit

13 Interpretation for pt 4 Section 22AB (1), new definition of *trustee*

insert

trustee does not include—

- (a) in relation to a dead person—an executor of the will, or an administrator of the estate, of the dead person; or
- (b) a guardian or manager of the property of a person under a legal disability.

14 Section 22A*substitute***22A Imposition of land tax**

- (1) Land Tax at the appropriate rate mentioned in subsection (2) is imposed for a quarter for each parcel of rateable land that is not exempt from land tax.
- (2) For subsection (1), the *appropriate rate* is as follows:
 - (a) for a parcel of residential land that is owned by a company or trustee or is rented—the rate for each part of the average unimproved value of the land mentioned in column 2 of the following table that is mentioned opposite that part in column 3 of the table;
 - (b) for a parcel of non-residential land—the rate for each part of the average unimproved value of the land mentioned in column 2 of the following table that is mentioned opposite that part in column 4 of the table.

column 1 item	column 2 part of average unimproved value of parcel	column 3 annual rate for residential land mentioned in paragraph (a)	column 4 annual rate for non-residential land
1	\$0 — \$100 000	1%	1%
2	\$100 001 — \$200 000	1.25%	1.4%
3	\$200 001 and over	1.5%	1.7%

- (3) This section is subject to section 24A (Unit subdivisions).

**15 Exempt land
Section 22B (1) (a)***omit*

16 Section 22B (1) (b)*after*

residential purposes

insert

to a person other than a company or trustee

17 Section 22B (1)*renumber paragraphs when Act next republished under Legislation Act 2001***18 New section 22B (1A), (1B), (1C) and (1D)***insert*

- (1A) A parcel of land held under a development lease by a company is exempt from land tax payable in accordance with section 22A (2) (a).
- (1B) A parcel of land held under a lease by a trustee under the will of a dead person and occupied by a person having a life estate in the land under the will is exempt from land tax payable in accordance with section 22A (2) (a) if the land is not rented.
- (1C) A parcel of land owned by a not-for-profit housing company is exempt from land tax payable in accordance with section 22A (2) (a).
- (1D) A parcel of land owned by a company carrying on business as a builder or land developer is exempt from land tax payable in accordance with section 22A (2) (a) for 2 years beginning on the first prescribed date after the company becomes the owner of the land if—
- (a) the land is used by the company for the sole purpose of constructing new residential premises; and

- (b) the new residential premises are to be sold by the company on completion.

19 New section 22B (2A)

insert

- (2A) Subsection (1) (i) does not apply to a parcel of residential land leased to a company or trustee.

20 Section 22B (3), new definitions of *new residential premises*, *not-for-profit housing company*, *residential premises* and *substantial renovations*

insert

new residential premises includes residential premises that—

- (a) have been created through substantial renovations of a building; or
- (b) have been built, or contain a building that has been built, to replace demolished premises on the same land.

not-for-profit housing company means a company registered under the Corporations Act and having a constitution that—

- (a) states that the main objective of the company is the provision of housing; and
- (b) prohibits the company from making a distribution (whether in money, property or any other way) to its members.

residential premises means a building intended to be occupied, and able to be occupied, as a residence.

substantial renovations, of a building, are renovations in which all, or substantially all, of the building is removed or replaced whether or not the renovations involve removal or replacement of foundations, external walls, interior supporting walls, floors, roof or staircases.

21 Section 22B

renumber subsections when Act next republished under Legislation Act 2001

**22 Multiple dwellings
Section 22DA (1)**

after

residential purposes

insert

to a person other than a company or trustee

23 New section 22DB

insert

22DB Land partly owned by a company or trustee

- (1) This section applies to a parcel of residential land that is not rented and is owned by—
 - (a) 1 or more people who are companies or trustees; and
 - (b) 1 or more people who are not companies or trustees.
- (2) Section 22A (Imposition of land tax) applies to the parcel of land as if the average unimproved value of the land were so much of that value as is proportional to the value of all interests in the land held by the owners who are companies or trustees.
- (3) An amount of land tax that becomes payable in accordance with section 22A (2) (a) for the parcel of land is payable by the owners of the land who are companies or trustees.

24 Objections
Section 22GE (2) (b)*after*

rented

insert

or owned by a company or trustee

25 Section 22GE (4) (d)*after*

rented

*insert*or owned by a company or trustee

Endnote**Republications of amended laws**

For the latest republications of amended laws, see www.legislation.act.gov.au.

[Presentation speech made in Assembly on 25 June 2002]

I certify that the above is a true copy of the Revenue Legislation Amendment Bill 2002 which was passed by the Legislative Assembly on 27 August 2002.

Clerk of the Legislative Assembly

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