

**AUSTRALIAN CAPITAL TERRITORY**

**BUSINESS FRANCHISE (TOBACCO AND PETROLEUM PRODUCTS) ACT 1984**

**DETERMINATION OF VALUE OF TOBACCO SOLD OR PURCHASED**

**NO. 72 OF 1996**

**EXPLANATORY STATEMENT**

Section 30 of the Business Franchise (Tobacco and Petroleum Products) Act 1984 provides for the determination of the value to be attributed to tobacco sold or purchased during any period for the purpose of calculating the franchise fee.

This instrument sets the value to be attributed to tobacco sold or purchased to be the greater of:

- a) the value of the consideration given for the tobacco; or
- b) the wholesale price corresponding to the tobacco as set out in The Australian Retail Tobacconist, published by the NSW Retail Tobacco Traders' Association, ISSN 0727 - 078X, published by the NSW Retail Tobacco Traders' Association, as last published prior to the date of sale or purchase.

Tobacco sold under a warehouse licence granted under Part V of the Commonwealth Customs Act 1901 is exempt from the franchise fee provided it is sold in the warehouse to which the Commonwealth licence relates. Therefore for the purpose of calculating the value of tobacco for franchise fees, any such tobacco should be disregarded.

This determination provides that for the purposes of the calculation of franchise fees, a discounted sale of tobacco, or tobacco provided by way of exchange or gift, is to be included at the published price.

This determination is to take effect from the 31st of August 1995 and cease on 31 May 1996

Circulated by the authority of the Treasurer

Kate Carnell, MLA