

**2006**

**THE LEGISLATIVE ASSEMBLY FOR THE  
AUSTRALIAN CAPITAL TERRITORY**

***TAXATION (GOVERNMENT BUSINESS ENTERPRISES)  
AMENDMENT REGULATION 2006 (No 2)***

**Subordinate Law SL2006 - 36**

**EXPLANATORY STATEMENT**

Circulated by the authority of Treasurer  
Mr Jon Stanhope MLA

## **TAXATION (GOVERNMENT BUSINESS ENTERPRISES) AMENDMENT REGULATION 2006 (No 2) Subordinate Law SL2006 - 36**

### **PURPOSE**

Regulations created under section 11 of the *Taxation (Government Business Enterprises) Act 2003* (“Act”) list those Territory entities that are to be subject to the Act.

ACT Forests is currently listed under section 3 and section 4 of the Regulations as being subject to the National Tax Equivalent Regime under section 6 of the Act, and Territory taxes and charges under section 9 of the Act respectively. As ACT Forests is essentially no longer a commercial entity, the purpose of the *Taxation (Government Business Enterprises) Amendment Regulation 2006* (No 2) is to omit ACT Forests from section 3 and section 4 of the *Taxation (Government Business Enterprises) Regulation 2003* (“Regulation”). This will remove ACT Forests from its obligation under section 6 and section 9 of the Act, in recognition that it should no longer be subject to competitive neutrality principles.

The Land Development Agency is currently only liable for Territory taxes and charges under section 9 of the Act. It has been decided, on competitive neutrality grounds that the Land Development Agency should also be subject to the National Tax Equivalent Regime. The purpose of the *Taxation (Government Business Enterprises) Amendment Regulation 2006* (No 2) is to insert the Land Development Agency into section 3 of the Regulation so as to make the Land Development Agency subject to the National Tax Equivalent Regime.

### **DETAILS OF THE AMENDING REGULATION**

Clause 1 states the name of the regulation as the *Taxation (Government Business Enterprises) Amendment Regulation 2006* (No 2).

Clause 2 provides that the regulation is to commence from 1 June 2006.

Clause 3 provides that this regulation amends the *Taxation (Government Business Enterprises) Regulation 2003*.

Clause 4 omits ACT Forests from the list of entities under section 3 of the *Taxation (Government Business Enterprises) Regulation 2003* that are subject to the national tax equivalent regime.

Clause 5 inserts Land Development Agency into the list of entities under section 3 of the *Taxation (Government Business Enterprises) Regulation 2003* that are subject to the national tax equivalent regime.

Clause 6 omits ACT Forests from the list of entities under section 4 of the *Taxation (Government Business Enterprises) Regulation 2003* that are subject to Territory taxes and charges.

#### **REGULATORY IMPACT STATEMENT**

A Regulatory Impact Statement was not required for the *Taxation (Government Business Enterprises) Amendment Regulation 2006* (No 2) as it does not impose an appreciable cost on the community.