

**Commercial and Retail Leases Code of Practice Variation**

**Explanatory Notes**

**Instrument No. 188 of 2000**

**Circulated by Authority of the Minister for Justice and Community Safety**

## **Commercial and Retail Leases Code of Practice Variation**

### **Outline**

The Minister may, by disallowable instrument, approve variations to the Commercial and Retail Leases Code of Practice under paragraph 75(1)(b) of the *Tenancy Tribunal Act 1994*.

A number of changes were made to the Code on 12 April 2000 to clarify its operation in relation to rent increases and turnover as a result of the GST on 1 July 2000. This amendment makes a further change to the Code to ensure that commercial agreements governed by the Code concerning the payment of GST are not frustrated by the Code.

### **Revenue/Cost Implications**

The Bill has no direct revenue or cost implications.

### **Detail**

Clauses 1 and 2 are formal clauses. The variations to the Code will take effect from 1 July 2000.

Clause 3 includes a new provision in the Code dealing with the recovery of a GST liability. The provision does not impose a requirement to pay GST, it removes any argument that the Code might otherwise frustrate an agreement to that effect. Note that a definition of 'GST' was included in the Code in the 12 April 2000 amendment of the Code.