

1990
THE LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

(As presented)

Minister for Finance and Urban Services

**Financial Institutions Duty (Amendment)
Bill 1990**

A BILL

FOR

An Act to amend the *Financial Institutions Duty Act 1987*

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

Short title

- 5 1. This Act may be cited as the *Financial Institutions Duty (Amendment) Act 1990*.

Commencement

2. (1) Sections 1, 2 and 3 commence on the day on which this Act is notified in the *Gazette*.

(2) The remaining provisions commence on 1 December 1990.

10 **Principal Act**

3. In this Act, "Principal Act" means the *Financial Institutions Duty Act 1987*.¹

Interpretation

4. Section 3 of the Principal Act is amended by omitting "section 16, 18 or 19" from the definition of "exempt account" in subsection (1) and substituting "section 16 or 19".

Insertion

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5. After section 3 of the Principal Act the following section is inserted:

Act binds Crown

"3A. This Act binds the Crown."

Dutiable and non-dutiable receipts

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6. Section 6 of the Principal Act is amended—

(a) by omitting sub-subparagraph (2) (e) (i) (A) and substituting the following sub-subparagraph:

"(A) the *Social Security Act 1947* of the Commonwealth; or";

(b) by omitting paragraph (2) (f) and substituting the following paragraph:

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"(f) a receipt of money by a registered financial institution for transferring or remitting out of the Territory at the request of a person, being a receipt in the form of—

(i) a cheque drawn on the financial institution by that person; or

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(ii) a debit to an account kept by the financial institution on behalf of that person;";

(c) by omitting subparagraphs (2) (p) (ii) and (iii) and substituting the following:

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"(ii) the term deposit is for an amount which includes the principal sum of the previous deposit and is in the same name as the previous deposit; and

(iii) duty has been paid by the financial institution on the principal sum of the previous deposit;

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to the extent that the amount received equals the principal sum of the previous deposit;";

(d) by omitting from subparagraph (2) (q) (ii) " , the same term"; and

(e) by adding at the end of subsection (2) the following paragraph:

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"(r) a receipt of money by a registered financial institution for the credit of an account, where the receipt results from—

(i) the takeover by that financial institution of another financial institution;

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(ii) the transfer by another financial institution of its engagements to that financial institution;

- (iii) the amalgamation by that financial institution with another financial institution; or
- (iv) a change by that financial institution of its identity as a financial institution.”.

5 **Repeal**

7. Section 18 of the Principal Act is repealed.

Exempt accounts: approval

8. Section 19 of the Principal Act is amended—

- (a) by omitting from paragraph (1) (c) “or”;
- 10 (b) by inserting after paragraph (1) (c) the following paragraph:
 - “ (ca) the Territory, the Commonwealth, a State or another Territory or a statutory authority of the Territory, the Commonwealth, a State or another Territory, being an account which is funded solely from the consolidated revenue of the Territory, the Commonwealth or that State or other Territory;”;
- 15 (c) by adding at the end of subsection (1) the following word and paragraph:
 - “; or (e) a person, being a prescribed account.”.

20 **Exempt accounts: designation**

9. Section 20 of the Principal Act is amended by omitting “section 16, 18 or 19” and substituting “section 16 or 19”.

Exempt accounts: cancellation

25 10. Section 21 of the Principal Act is amended by omitting “section 16, 18 or 19” and substituting “section 16 or 19”.

Notification of decisions

11. Section 27 of the Principal Act is amended by omitting from paragraph (1) (d) “or person” and substituting “, statutory authority or other person”.

30 **Savings**

12. (1) Notwithstanding the repeal of section 18 and the amendment of sections 3, 20 and 21 of the Principal Act, those sections, as in force immediately before the commencement day, cease to apply in relation to a specified account on 1 March 1991.

35 (2) In this section—

- “commencement day” means the day on which the provisions of this Act (other than sections 1, 2 and 3) commence;
 - “specified account” means an account in respect of which a certificate of approval issued under section 18 was in force immediately before the commencement day.
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4 *Financial Institutions Duty (Amendment) No. . 1990*

NOTE

1. Ordinance No. 43, 1987 as amended by No. 21, 1988; Nos. 21 and 38, 1989.