

2017

THE LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

(As presented)

(Treasurer)

Revenue Legislation Amendment Bill 2017

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Revenue Legislation Amendment Bill 2017

A Bill for

An Act to amend legislation about revenue

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

1 **Part 1 Preliminary**

2 **1 Name of Act**

3 This Act is the *Revenue Legislation Amendment Act 2017*.

4 **2 Commencement**

5 This Act commences on 1 July 2017.

6 *Note* The naming and commencement provisions automatically commence on
7 the notification day (see [Legislation Act](#), s 75 (1)).

8 **3 Legislation amended**

9 This Act amends the following legislation:

- 10 • [Duties Act 1999](#)
11 • [Land Tax Act 2004](#)
12 • [Rates Act 2004](#).

1 **Part 2** **Duties Act 1999**

2 **4 Insurance**
3 **Chapter 8**

4 *omit*

5 **5 Minimum amount of duty**
6 **Section 229 (2)**

7 *omit*

8 **6 Objections**
9 **Section 252 (o) to (r)**

10 *omit*

11 **7 Dictionary**

12 *omit the definitions of*

13 *general insurance*

14 *general insurer*

15 *insurer*

16 *life insurance*

17 *life insurance rider*

18 *paid*

19 **8 Dictionary, definition of *premium***

20 *substitute*

21 ***premium***—for chapter 2 (Transactions concerning dutiable
22 property)—see section 6.

- 1 **9 Dictionary, definitions of *registered insurer* and**
- 2 ***third-party insurance***
- 3 *omit*

Part 3 Land Tax Act 2004

10 Imposition of land tax Section 9 (2)

substitute

- (2) The *appropriate rate* of land tax for a parcel of land is—
- (a) if section 27 (3) applies—the amount worked out under section 27 (4); or
- (b) in any other case—the amount worked out for the parcel as follows:

$$FC + (AUV \times P)$$

Note Section 27 (3) applies to a unit owner in a registered units plan whose unit is subject to land tax.

11 Unit subdivisions—land tax Section 27 (3) (b)

omit

subsection (5)

substitute

subsection (4), (5) or (6), whichever applies

12 Section 27 (4) to (7)

substitute

- (4) If a unit that is part of a unit subdivision is owned by someone other than a corporation or trustee, and the unit contains multiple dwellings, and at least 1 of the dwellings is rented by a tenant—the amount worked out for the unit is as follows:

$$\left(FC \times \frac{FA}{TFA}\right) + \left(AUVRUP \times \frac{UE}{TUER} \times \frac{FA}{TFA}\right)$$

- 1 (5) If a unit that is part of a unit subdivision and that is not rented is
 2 owned by either a corporation or trustee, and another person who is
 3 neither a corporation nor a trustee—the amount worked out for the
 4 unit is as follows:

$$\left(FC \times \frac{C\&TI}{AI}\right) + \left(AUVRUP \times \frac{UE}{TUER} \times \frac{C\&TI}{AI}\right)$$

- 5 (6) If a unit is part of a unit subdivision, and subsections (4) and (5) do
 6 not apply—the amount worked out for the unit is as follows:

$$FC + \left(AUVRUP \times \frac{UE}{TUER}\right)$$

- 7 (7) In this section:

8 **AI** means the value of all interests in the unit.

9 **AUV**—see section 9 (4).

10 **AUVRU** means the AUV of the parcel proportionate to the number
 11 of residential units in the parcel, worked out as follows:

$$AUV \times \frac{TUER}{TUE}$$

12 **AUVRUP** means the AUVRU adjusted by the applicable percentage
 13 rate, worked out as follows:

$$AUVRU \times P$$

14 **C&TI** means the value of all interests in the unit held by
 15 corporations and trustees.

16 **dwelling** does not include a garage, carport, garden shed, veranda,
 17 pergola, patio or any other structure not used for living in.

18 **FA** means the floor area of the dwelling that is rented.

19 **FC**—see section 9 (4).

20 **P**—see section 9 (4).

1 *residential unit* means a unit that is residential land.

2 *TFA* means the total floor area of the unit.

3 *TUE* means the unit entitlement of all the units in the units plan.

4 *TUER* means the total unit entitlement of all the residential units in
5 the units plan.

6 *UE* means the unit entitlement of the unit.

7 *unit entitlement*—see the [Unit Titles Act](#), section 8.

8 *units plan* means a units plan under the [Unit Titles Act](#), section 7.

9 **13 Working out amounts with fractions for Act**
10 **Section 40 (2)**

11 *omit*

12 section 27 (5)

13 *substitute*

14 section 27 (4), (5) or (6)

1 **Part 4 Rates Act 2004**

2 **14 Imposition of rates**
3 **Section 14 (2)**

4 *substitute*

5 (2) Rates are imposed for a parcel of rateable land in accordance with—

6 (a) if section 29 (3) applies—the formula that applies under
7 section 29 (4); or

8 (b) in any other case—the following formula:

$$FC + (AUV \times P)$$

9 *Note* If s 29 (3) applies, rates imposed for a parcel of land that is a unit
10 subdivision are payable by the unit owners. The amount payable by
11 each unit owner is the amount worked out under section 29 (4).

12 **15 Unit subdivisions—rates**
13 **Section 29 (3) (b)**

14 *omit*

15 subsection (5)

16 *substitute*

17 subsection (4)

18 **16 Section 29 (4) to (6)**

19 *substitute*

20 (4) Rates are imposed on a unit that is part of a unit subdivision in
21 accordance with—

22 (a) for a unit other than a residential unit—the following formula:

$$FC + (AUVU \times P); \text{ or}$$

1 (b) for a residential unit—the following formula:

$$FC + (AUVRUP \times \frac{UE}{TUER})$$

2 (5) In this section:

3 *AUV* means the average unimproved value of the parcel.

4 *AUVRU* means the AUV of the parcel proportionate to the number
5 of residential units in the parcel, worked out as follows:

$$AUV \times \frac{TUER}{TUE}$$

6 *AUVRUP* means the AUVRU adjusted by the applicable percentage
7 rate, worked out as follows:

$$AUVRU \times P$$

8 *AUVU* means the AUV of the parcel proportionate to the unit in the
9 parcel, worked out as follows:

$$AUV \times \frac{TUER}{TUE}$$

10 *FC*—see section 14 (3).

11 *P*—see section 14 (3).

12 *residential unit* means a unit that is residential land.

13 *TUE* means the unit entitlement of all the units in the units plan.

14 *TUER* means the total unit entitlement of all the residential units in
15 the units plan.

16 *UE* means the unit entitlement of the unit.

17 **Rebate of rates—eligible person since 30 June 1997**
New section 63 (5A) to (5C)

insert

(5A) However, subsection (5) does not apply to a person (a *DI2016-150 person*) whose liability for the fixed charge component of rates for the 2016-17 financial year was determined under the *Taxation Administration (Rates—Eligible Person Since 30 June 1997) Determination 2016 (No 1)* (DI2016-150).

(5B) For a DI2016-150 person, the amount of the rebate for the 2017-18 financial year is the lesser of—

(a) the amount that the person would have received as a rebate under subsection (5) for the 2016-17 financial year if the *Rates (Pensioner Rebate) Amendment Act 2016* had commenced on 1 July 2016; and

(b) the amount worked out as follows:

$$\frac{RL}{2} \times \frac{D}{\text{days in year}}$$

(5C) Subsections (5A) and (5B) and this subsection expire on 30 June 2018.

Endnotes

1 Presentation speech

Presentation speech made in the Legislative Assembly on 23 March 2017.

2 Notification

Notified under the [Legislation Act](#) on 2017.

3 Republications of amended laws

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

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