

AUSTRALIAN CAPITAL TERRITORY

BUSINESS FRANCHISE (TOBACCO AND PETROLEUM PRODUCTS) ACT 1984

DETERMINATION OF VALUE OF TOBACCO SOLD OR PURCHASED

NO. 73 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, 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 1st of June 1996.

Circulated by the authority of the Treasurer

Kate Carnell, MLA