

AUSTRALIAN CAPITAL TERRITORY

RATES AND LAND TAX ACT 1926

**DETERMINATION FOR THE PURPOSES OF THE
RATES AND LAND TAX ACT 1926**

DETERMINATION NO: 126 OF 1993

EXPLANATORY MEMORANDUM

This instrument revokes the corresponding determination published in the Australian Capital Territory Gazette No. ACT 19 of 27 September 1989 at page 241, and sets the interest rate to be charged on unpaid rates and land tax for the purposes of subsection 22(4) of the Rates and Land Tax Act 1926.

From 16 September 1993 the interest rate is 17 percent per annum.

The previous rate was 20 percent per annum.

The rate is determined on the basis of the weighted average yield of the 13 week Treasury Note tenders at the end of April 1993 which was 5 percent (rounded to 1 decimal place). This is further adjusted by adding a fixed rate of 4 percent to approximate the Prime Bank Rate. To this is added a fixed penalty rate of 8 percent to increase the interest rate to the point where it is uneconomical to use the Government as a source of finance.

Circulated by authority of the Chief Minister and Treasurer
Rosemary Follett, MLA