

1999

**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

AMBULANCE SERVICE LEVY (AMENDMENT) BILL 1999

EXPLANATORY MEMORANDUM

Circulated by the authority of the Chief Minister and Treasurer

Kate Carnell MLA

Amendments to the Ambulance Service Levy Act 1990

Summary

The amendments to the *Ambulance Service Levy Act 1990* provide for an increase in the amount used in the calculation of the Ambulance Service levy payable by a health benefits organisation (HBO) in the ACT from 63 cents to 83 cents per week. They also

- sever the direct, mandatory link for CPI and average weekly wage adjustments between
 - ◆ the setting of the amount and the equivalent amount (the NSW rate) under the NSW Health Insurance Levies Act 1982 (NSW Act); and
 - ◆ the fixing of the amount by the Minister by notice in the Gazette and the publication in NSW of the NSW rate; and
- allow the amount to be set by the Minister by determination.

Revenue/Cost Implications

The amendments will result in additional estimated revenue of \$674,000 per annum.

Details of the amendments are attached.



Details of the amendments to the Ambulance Service Levy Act 1990

Formal Clauses

Clauses 1, 2 and 3 are formal requirements. They refer to the short title of the Bill, and its commencement date, and the definition of the Principal Act. The Bill commences on 1 July 1999.

Calculation of ambulance levy

Clause 4 makes the following amendments to section 8 of the Principal Act:

- subclause 4 (a) omits subsections 8 (4) and 8 (5) which are the provisions that tie the setting and notification of the amount under the Principal Act to the NSW rate and its publication under the NSW Act;
- subclause 4 (b) amends paragraph 8 (6) (a) by removing the requirement that the amount be fixed by the Minister under the omitted subsection 8 (4) of the Principal Act and instead provides that the amount shall be the amount as determined by the Minister under the *Taxation Administration Act 1999* (Tax Administration Act); and
- subclause 4 (c) amends paragraph 8 (6) (b) by providing that, where a determination under the Tax Administration Act of the amount is not in force, the amount shall be 83 cents.

Returns

Clause 5 is a house-keeping amendment to section 9 of the Principal Act which replaces obsolete requirements for HBOs' monthly returns with more practical requirements upon which the calculation of the appropriate levy payable is made.

Consequential amendments of the Tax Administration Act

Clause 6 makes the necessary consequential amendment to the Tax Administration Act which vests in the Minister the power to set the amount by determination under section 139 of the Tax Administration Act.