

**1997**

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

**FINANCIAL MANAGEMENT (AMENDMENT) BILL (No. 3) 1997**

**EXPLANATORY MEMORANDUM**

**Circulated by authority of**

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TREASURER**

## **FINANCIAL MANAGEMENT (AMENDMENT) BILL (No. 3) 1997**

The amendment to the Financial Management Act 1996 will authorise payments that are to be made by the Territory to meet its obligations under an agreement with the Commonwealth which requires the Territory to pay amounts to various persons in respect of tax or duty they have paid to the Commonwealth.

The amendment will allow the Territory to pay the amounts without the need for further appropriation.

Clause 1 states the short title of the Act

Clause 2 provides that the Act commences on the day on which it is notified in the Gazette.

Clause 3 deals with interpretation for the purposes of the Bill.

Clause 4 provides for the insertion of a new section 19A into the *Financial Management Act 1996* which will allow the Territory to meet its obligations under an agreement with the Commonwealth which requires the Territory to pay amounts to a person in respect of tax or duty paid by that person to the Commonwealth. The Commonwealth proposes to require the Territory to enter an agreement providing for such payments as a condition of agreeing to levy taxes and duties to reimburse the Territory for revenues lost as a result of the recent decision of the High Court in *Ha & Anor -v- State of New South Wales & Ors* (5 August 1997).