

1997

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

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

**ASSEMBLY AMENDMENTS
EXPLANATORY MEMORANDUM**

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**KATE CARNELL, MLA
TREASURER**

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

The amendments to the Financial Management (Amendment) Bill (No. 3) 1997 will replace the proposed new section 19A of the *Financial Management Act 1996*.

The amendment will provide for a standing appropriation to 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).

The amendment will provide for a standing appropriation to provide for expenditure relating to administering the payment of amounts under section 19A, subsection (1). This may include money payable for salaries. Any funding issued for this purpose will be reported in the notes to the financial statements of the department.

The amendment provides a sunset clause for the new provisions under subsection (1) and (2), so that they have effect for a period to the end of the 1999-2000 financial year.