

1996

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

STAMP DUTIES AND TAXES (AMENDMENT) BILL (NO. 2) 1996

EXPLANATORY MEMORANDUM

Circulated by the authority of the Chief Minister and Treasurer

Kate Carnell MLA

Stamp Duties and Taxes (Amendment) Bill (No. 2) 1996

Summary

The *Stamp Duties and Taxes Act 1987* (the Act) provides for the imposition of stamp duties on, among other things, the conveyance of property

This Bill amends the Act to provide that a sub-lease of a Crown lease to the Territory or the Commonwealth will attract the determined amount of stamp duty, in accordance with section 17 of the Act

Financial Implications

This amendment removes a loophole in the legislation which could have allowed sub-leases of Crown leases to the Territory or the Commonwealth to attract prescribed stamp duty of \$20.00, rather than full ad valorem duty. The amendment will protect revenues collected and ensure that ad valorem duty continues to be collected on conveyances of commercial leases, as intended in 1991.

Details of the Stamp Duties and Taxes (Amendment) Bill (No. 2) 1996

Title

Clause 1 - provides for the short title of this Act to be the Stamp Duties and Taxes (Amendment) Act (No 3) 1996

Commencement

Clause 2 - provides for this Act to commence on the day it is notified in the Gazette

Principal Act

Clause 3 - refers to the Principal Act being amended as the Stamp Duties and Taxes Act 1987

Schedule 1

Clause 4 - amends Schedule 1 (a) of the Principal Act to provide that

- i) the prescribed rate of duty does not apply in respect of sub-leases of Crown leases to the Territory or the Commonwealth, which are dutiable at full ad valorem rates, and
- ii) the amendment has retrospective application and applies from 5 October 1991 when Schedule 1 (a) was introduced