

1995

THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY

STAMP DUTIES TAX (AMENDMENT) BILL 1995

EXPLANATORY MEMORANDUM

Circulated by the authority of the Chief Minister and Treasurer

Kate Carnell, MLA

STAMP DUTIES AND TAXES (AMENDMENT) BILL 1995

Summary

The Stamp Duties and Taxes Act 1987 provides for, among other things, the imposition of stamp duty on the registration of a motor vehicle under the Motor Traffic Act 1936

The Federal Interstate Registration Scheme (FIRS) is a Commonwealth scheme for the registration of vehicles which carry goods across State and Territory borders. Vehicles registered under FIRS are not subject to ACT stamp duty. FIRS will be gradually phased out after 1 July 1995.

The Bill will amend the Stamp Duties and Taxes Act 1987 to provide an exemption for vehicles transferring from FIRS to ACT registration. The exemption is limited to FIRS as at 30 June 1995 and where

- a) the registration under the Motor Traffic Act is the first such registration on or after 1 July 1995, and
- b) the person nominated as the registered owner under the Motor Traffic Act was also a registered owner of the vehicle as it was registered under FIRS

Financial Implications

The value of the concession cannot be accurately quantified. It is dependant on the value of the ACT FIRS fleet which is not known. It is also dependant upon the number of ACT FIRS vehicles which would choose to register in the ACT where they have alternative interstate garaging addresses and could legitimately register in other jurisdictions.

If all ACT FIRS vehicles were to transfer to ACT registration, the ACT would collect registration fees estimated at \$360,000 to \$380,000 per year. If FIRS vehicles register in NSW then registration fees for those vehicles would be paid to NSW.

Details of the Bill are attached

DETAILS OF THE STAMP DUTIES AND TAXES (AMENDMENT) BILL 1995

Clauses 1, 2 and 3 deal with administrative matters of the Act

Exemption -- transfer from registration under the *Interstate Road Transport Act 1985* of the Commonwealth to ACT registration

Clause 4 inserts a new section (60B) which provides an exemption from tax for vehicles which were registered under the *Interstate Road Transport Act 1985* immediately before 1 July 1995 and

- a) it is the first registration of the vehicle under the Motor Traffic Act since 30 June 1995, and
- b) the person nominated as the registered owner under the Motor Traffic Act was also a registered owner of the vehicle as it was registered under the *Interstate Road Transport Act*