

1994

THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

Financial Institutions Duty (Validation) Bill 1994

EXPLANATORY MEMORANDUM

Circulated by the Authority of the Chief Minister and Treasurer

Rosemary Follett, MLA

FINANCIAL INSTITUTIONS DUTY (VALIDATION) BILL 1994

Outline

The Financial Institutions Duty Act 1987 provides for the imposition of financial institutions duty, including duty in respect of short term dealings, in the ACT.

This Bill validates the application of that Act and the Taxation (Administration) Act 1987 to the imposition and collection of short term financial institutions duty at a rate of 0.005 of a cent in the dollar for the period 1 November 1992 to 16 May 1994 inclusive

Financial Implications

Approximately \$0.53m has been collected from payments from short term dealings during this period.

DETAILS OF THE FINANCIAL INSTITUTIONS DUTY (VALIDATION) BILL 1994

Short Title

Clause 1 - provides for the short title for this Act to be the Financial Institutions Duty (Validation) Act 1994.

Commencement

Clause 2 - provides for this Act to commence on notification in the Gazette.

Interpretation

Clause 3 - provides for the terminology used in this Act to have the same meaning as terminology used in the Financial Institutions Duty Act 1987.

Validation

Clause 4 - provides for the short term dealing rate of financial institutions duty of 0.005 cent in the dollar, which is determined by the Minister under section 11 and subsection 15(2) of the Financial Institutions Duty Act 1987, to be the rate applying for the period 1 November 1992 until the expiration of 16 May 1994 for the purposes of the Financial Institutions Duty Act 1987 and the Taxation (Administration) Act 1987.

This provision fixes the rate of financial institutions duty in respect of short term dealings conducted during the period 1 November 1992 to the expiration of 16 May 1994 and corrects the inadvertent omission of the short term dealing rate of duty from Determination No. 154 of 1992, published in ACT Special Gazette No. S179 of 12 October 1992.