

1994

THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

RATES AND LAND TAX (AMENDMENT) BILL 1994

EXPLANATORY MEMORANDUM

Circulated by the Authority of the Chief Minister and Treasurer

Rosemary Follett, MLA

## **RATES AND LAND TAX (AMENDMENT) BILL 1994**

The Rates and Land Tax Act 1926 provides for the imposition of municipal rates and land tax in the Australian Capital Territory.

This Bill amends the Act by providing for a change to the urban and rural rates for 1994/95.

### **General Rate**

For 1994/95 the general rate is to be increased for land in the City Area from 0.985% to 0.990% and for rural land from 0.4925% to 0.495% to take into account increases in the CPI.

### **Financial Implications**

Revenue from rates is estimated to be \$86.2 million in 1994/95, an increase of \$2.1 million on the existing forward estimates. This increase maintains general rates revenue in real terms.

## **DETAILS OF THE RATES AND LAND TAX (AMENDMENT) BILL 1994**

### **Short Title**

Clause 1 - provides for the short title for this Act to be the Rates and Land Tax (Amendment) Act 1994.

### **Commencement**

Clause 2 - provides for the Act to commence on 1 July 1994.

### **Principal Act**

Clause 3 - refers to the Principal Act being amended, being the Rates and Land Tax Act 1926.

### **Imposition of rates**

Clause 4 - amends Section 13 of the Principal Act which provides for the City Area and the Rural rates.

Sub-clause 4(a) - provides that the rate for 1994/95 for City Area land is 0.990 percent per annum of the unimproved value of a parcel of land.

Sub-clause 4(b) - provides that the rate for 1994/95 for land outside the City Area is 0.495 percent of the unimproved value of a parcel of land.