

1993

THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

STAMP DUTIES AND TAXES (AMENDMENT) BILL 1993

EXPLANATORY MEMORANDUM

Circulated by the Authority of the Chief Minister and Treasurer

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STAMP DUTIES AND TAXES (AMENDMENT) BILL 1993

Outline

The Stamp Duties and Taxes Act 1987 (the Act) provides for the imposition of stamp duties on a range of documents and transactions, including the imposition of duty on the initial registration or transfer of a motor vehicle.

The Act was amended with effect from 1 July 1990, at which time motor dealers were made liable to pay the stamp duty and required to lodge monthly returns with the Commissioner for ACT Revenue, providing details of sales of both new and used vehicles.

Liability for duty on private motor vehicles still rests with the purchaser and is paid at the time of transfer of registration.

This Bill proposes to amend the present scheme so that the liability for duty of dealer applies only to trading in used vehicles. Purchasers of new vehicles will be primarily responsible for the stamp duty on first registration. Dealers may continue to register new vehicles and pay the duty as an agent on behalf of the purchaser as a service of the dealership, however they will not be liable under the Act to pay the duty.

Financial Implications

The amendment as proposed will have no financial implications. It affects only the method of collection and not the liability in respect of the duty on newly registered vehicles.

Details of the Bill are attached.

DETAILS OF THE STAMP DUTIES AND TAXES (AMENDMENT) BILL 1993

Short title

Clause 1 - provides for the short title for this Act to be the Stamp Duties and Taxes (Amendment) Act 1993 (the Act).

Commencement

Subclause 2(1) - provides that the commencement date for sections 1,2 and 3 of the Act shall be the date of gazettal.

Subclause 2(2) - provides that the commencement date for the remaining provisions of the Act shall be 1 April 1993.

Principal Act

Clause 3 - refers to the Principal Act to be amended, being the Stamp Duties and Taxes Act 1987.

Interpretation

Clause 4 - amends subsection 4(1) of the Principal Act by including definitions of "trading stock" and "used vehicles".

Taxable sales

Clause 5 - amends section 56A of the Principal Act by inserting the word "used" and thereby making a licensed vehicle dealer liable for the determined amount of tax on used vehicles only. Liability for duty on new motor vehicles will rest with the purchaser of the vehicle and be paid at the time of registration.

Exempt sales

Clause 6 - amends section 56B of the Principal Act by providing that exempt sales, as they relate to sales made by a licensed vehicle dealer, only apply to sales of used vehicles.