

1991

THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

RATES AND LAND TAX (AMENDMENT) BILL (NO 2) 1991

EXPLANATORY MEMORANDUM

Circulated by the Authority of the Chief Minister

Ms Rosemary Follett, MLA

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Outline of Amendment

The Rates and Land Tax Act 1926 (the Act) 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 1991/92.

General Rate

The general rate for land in the City Area and for rural land is to increase on average by 4%, in line with the CPI increase for 1991/92.

Financial Implications

Revenue from rates is estimated to be \$68.97 million in 1991/92, an increase of \$2.97 million on the 1990/91 estimate.

Details of the proposed Bill are attached.

DETAILS OF THE RATES AND LAND TAX (AMENDMENT) BILL (NO 2) 1991

Short title

Clause 1 - provides for the short title for this Act to be the Rates and Land Tax (Amendment) Act (No. 2) 1991.

Commencement

Sub-clause 2(1) - provides for Sections 1 and 2 to commence on the day the Act is notified in the Gazette.

Sub-clause 2(2) - provides that the remaining provisions commence on 1 July 1991.

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 rate and the rural rate.

Sub-clause (a) - provides that the rate for 1991/92 for City Area land, other than prescribed land, is 1.149 per cent per annum of the unimproved value of the land.

Sub-clause (b) - provides that the rate for 1991/92 for land outside the City Area and prescribed land is 0.5745 per cent per annum of the unimproved value of a parcel of land.

Payment of rates

Clause 5 - amends Section 15 of the Principal Act by:

a) omitting from subparagraph (5)(b)(i) the following
"and (6)"; and

b) omitting subsection (6).

Subsection (6) - provided for fractions of a cent derived from the calculation of rates instalments to be included in the last instalment amount. The provision and its reference are no longer required because of an amendment to the Principal Act, in the Rates and Land Tax (Amendment) Bill 1991, which makes all rates instalments equal amounts except the first instalment which includes the remainder.