

Australian Capital Territory

Taxation Administration (Amounts Payable – Home Buyer Concession Scheme) Determination 2005 (No 3)

Disallowable instrument DI2005—158

made under the

Taxation Administration Act 1999, s 139 Determination of amounts payable under tax laws

EXPLANATORY STATEMENT

1. The purpose of this instrument is to revoke disallowable instruments DI2004-263 and DI2005-123, and to determine the property value thresholds for an **eligible property** and the land value thresholds for an **eligible vacant block** for the purposes of the calculation of duty payable under the Home Buyer Concession Scheme.
2. The values determined by this instrument are identical to those in the revoked DI2005-123. The instrument has been remade to ensure consistency in the definitions used in the instrument that determines the eligibility criteria for the Home Buyer Concession Scheme.
3. Property value threshold amounts for the calculation of concessional duty for eligible property are as follows:
 - a. The lower threshold is the highest sale price in the lowest 25% of all sale prices for residential properties for the two quarters between October 2004 and March 2005. I have determined this value to be \$285,000. This is the same as determined by DI2005-123 and a 0.88% increase from the threshold determined by DI2004-263.
 - b. The upper threshold is the highest sale price in the lowest 65% of all sale prices for residential properties for the two quarters between October 2004 and March 2005. I have determined this value to be \$385,000. This is the same as determined by DI2005-123 and a 0.26% decrease from the threshold determined by DI2004-263.

4. Land value threshold amounts for the calculation of concessional duty for an eligible vacant block are calculated using the same percentages as the movement in the corresponding eligible property (house and land) thresholds because they are far less volatile and better reflect underlying movements in the property market, particularly for new home owners. The value threshold amounts for the calculation of concessional duty for eligible vacant blocks is as follows:
 - a. The lower threshold is the same as that determined by DI2005-123 and a 0.88% increase from the threshold determined in DI2004-263. I have determined this value to be \$123,100.
 - b. The upper threshold is the same as that determined by DI2005-123 and a 0.26% decrease from the threshold determined in DI2004-263. I have determined this value to be \$184,500.
5. For eligible property and eligible vacant land at or below the lower threshold, the minimum duty of \$20 is payable. The amount of the concession reduces for eligible property and eligible vacant land up to the higher threshold where the concession is zero.
6. Under section 139 of the *Taxation Administration Act 1999* the Minister has authority to determine, in writing by disallowable instrument, amounts payable under the tax laws as specified in section 4 of the *Taxation Administration Act 1999*. The *Duties Act 1999* is such a tax law.
7. This determination takes effect on the day after notification.

Authorised by the Treasurer
Ted Quinlan MLA