

Taxation Administration (Rates - City Centre Marketing and Improvements Levy) Determination 2007 (No 1)

Disallowable instrument DI2007-135

made under the

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

EXPLANATORY STATEMENT

Purpose

1. The purpose of this Instrument is to determine the percentage rates for the calculation of the city centre marketing and improvements levy. This levy is a new charge, which commences on 1 July 2007.

Summary

2. The city centre marketing and improvements levy will be raised as an annual charge on commercial properties within prescribed collection areas. The collection areas are determined in a Disallowable Instrument made under section 1.2 (2) of Schedule 1 of the *Rates Act 2004* (the Rates Act).
3. The *Taxation Administration Act 1999* (the TAA) deals with the administration of various tax laws relating to the imposition and collection of certain taxes, duties and licence fees. These tax laws are specified in section 4 of the TAA and include the Rates Act, which imposes duty on a range of transactions at determined rates.
4. Section 139 of the TAA empowers the Minister to determine the amount of taxes, duties and licence fees payable under a tax law, including the Rates Act. This determination is a disallowable instrument.

Determination

5. This Instrument determines the percentage rates applied to the AUV to calculate the city centre marketing and improvements levy for Schedule 1 sections 1.2 (4) and 3.1A (4) of the Rates Act.
6. Different percentage rates will apply to the two collection areas. The percentage rate for Area A, or the Retail Core, is 0.2992 per cent of the AUV. The percentage rate for Area B, or the Non-Retail Core, is 0.2161 per cent of the AUV.
7. This Instrument commences on 1 July 2007.