

Taxation Administration (Amounts Payable—Thresholds—Pensioner Duty Concession Scheme) Determination 2009 (No 1)

Disallowable instrument DI2009–114

made under the

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

EXPLANATORY STATEMENT

Introduction

1. This instrument is the *Taxation Administration (Amounts Payable—Thresholds—Pensioner Duty Concession Scheme) Determination 2009 (No 1)*.
2. This instrument commences on 1 July 2009.
3. This instrument determines 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 section 31 of the *Duties Act 1999* (the Act) by an eligible pensioner under the Pensioner Duty Concession Scheme commencing on 1 July 2009. The duty is payable to the Territory.
4. Under section 139 of the *Taxation Administration Act 1999* the Minister has authority to determine, in writing by disallowable instrument, amounts payable under tax laws. The Act is a tax law specified in section 4 of the *Taxation Administration Act 1999*.

Thresholds and calculation

5. The property value threshold amounts for the calculation of concessional duty for eligible property are as follows:
 - (a) the lower threshold is equal to the median sale price of all sale prices for ACT residential properties for the 2 quarters between October 2008 and March 2009. The determined value for the lower threshold is \$415,000, which is a decrease of 1.66% from the previous threshold of \$422,000; and
 - (b) the upper threshold is the lowest sale price of the highest 25% of all sale prices for ACT residential properties for the 2 quarters between October 2008 and March 2009. The determined value for the upper

threshold is \$510,000, which is a decrease of 3.77% from the previous threshold of \$530,000.

6. The land value threshold amounts for the calculation of concessional duty for an eligible vacant block are the same as the land value thresholds calculated for the Home Buyer Concession Scheme. They are as follows:
 - (a) the lower threshold is determined at \$189,000; and
 - (b) the upper threshold is determined at \$229,400.
7. For eligible properties and eligible vacant blocks at or below the lower threshold, duty of \$20 is payable. The amount of the concession reduces for eligible properties and eligible vacant blocks up to the higher threshold where the concession is zero.

Application of this instrument and changes

8. This instrument revokes Disallowable Instrument DI2008-287. However, DI2008-287 continues to apply to transactions that occurred for the period 1 January 2009 to 30 June 2009 inclusive.
9. This instrument has been updated to include the concessional duty rates that are calculated in accordance with the Disallowable Instrument that determines the eligibility criteria and the method of calculating the concession (the other instrument).
10. The concessional duty rates are calculated in accordance with section 6(1)(a), and section 6(1)(b) of the other instrument. They are \$22.15 (in respect of section 6(1)(a)), and \$16.50 (in respect section 6(1)(b)), for every \$100 (or part thereof) of the dutiable value of the subject property that exceeds the lower threshold.

Authorised by the Treasurer
Katy Gallagher