

## EXPLANATORY STATEMENT

### AUSTRALIAN CAPITAL TERRITORY BUSINESS FRANCHISE (TOBACCO AND PETROLEUM PRODUCTS) (AMENDMENT) ORDINANCE (NO.3) 1987.

NO. 65 of 1987

The Business Franchise (Tobacco and Petroleum Products) (Amendment) Ordinance (No.3) 1987 ("the Ordinance") amends the Business Franchise (Tobacco and Petroleum Products) (Amendment) Ordinance (No.2) 1987 ("the principal Ordinance") to clarify the operation of the principal Ordinance and to prevent any unintended retrospective operation of the provisions imposing a petrol tax.

The Ordinance is deemed to have come into operation on 1 November 1987, the date of commencement of the principal Ordinance.

The principal Ordinance imposed a tax on the sale of petroleum products by way of a licence fee payable by persons engaged in the wholesaling or retailing of those products.

A licence for petroleum wholesaling is renewable monthly, the fee being payable within 7 days before the start of the month for which the licence is to be granted. The fee is calculated by applying a determined rate per litre to the volume of petroleum products sold in the month which was 2 months before the month for which the licence is to be granted.

The Ordinance prevents the licence fees for December 1987 being calculated on sales made in October 1987 under the terms of provisions which were not introduced until 1 November 1987 and avoids any retrospective application of the petrol tax.

Details of the proposed Ordinance are as follows.

Section 1 provides that the Ordinance may be cited as the Business Franchise (Tobacco and Petroleum Products) (Amendment) Ordinance (No.3) 1987.

Section 2 deems the Ordinance to have come into operation on 1 November 1987.

Section 3 amends section 16 of the principal Ordinance by adding subsection (2) to provide that, notwithstanding the amendments made by paragraph 4(c) and section 9 of the principal Ordinance, the fee to be paid for a petroleum wholesaler's licence or a group petroleum wholesaler's licence in respect of December 1987 is the fee which would have been payable if those amendments had not been made. The amendments referred to had the effect of making the licence fees calculable by reference to the total volume of petroleum products sold, rather than just the volume sold in the course of interstate trade.

Issued by authority of the Minister  
of State for the Arts, Sport,  
the Environment, Tourism and Territories