

1999

**THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY**

**LAND (PLANNING AND ENVIRONMENT) (AMENDMENT) BILL (No.2) 1999**

**EXPLANATORY MEMORANDUM**

*Mr Moore*

**Outline**

The Land (Planning and Environment) (Amendment) Bill (No.2) 1999 (the Bill) amends certain provisions of the Land (Planning and Environment) Act 1991 (the Principal Act).

The Principal Act establishes a methodology for the assessment and imposition of a charge on any variation of a Crown lease. The charge is known as a 'change of use charge'. The rate of charge, set out in sections 184A and 187A of the Principal Act, is 75% of the value added to a lease by a variation to that lease. The Land (Planning and Environment) Regulations may prescribe remissions of, or increases in, the charge assessed under the Principal Act.

Sections 184B and 187B of the Principal Act provide that the rate of charge is to become 100% of assessed added value on 31 August 1999. The Bill provides for amendments to remove those "sunset" provisions, so that the rate of charge will remain as set out in sections 184A and 187A.

**Financial Implications**

The Bill may have some positive revenue impact if the changes result in increased development activity.

## CLAUSE NOTES

**Clauses 1, 2 and 3 - Short Title, and Commencement** - are machinery provisions that specify the short title of the Bill, the date of commencement of the Bill and the name of the Act being amended – the *Land (Planning and Environment) Act 1991*.

**Clause 4 – New change of use charge formula** - Section 184B is amended by changing the date of effect of the new rate of change of use charge from 31 August 1999 to 31 March 2000. The effect of the amendment is that the 75% rate of charge set out in section 184A of the Act continues until 31 March 2000, when the charge becomes 100% of the added value resulting from a lease variation.

**Clause 5 – New change of use charge formula** - Section 187B is amended by changing the date of effect of the new rate of change of use charge from 31 August 1999 to 31 March 2000. The effect of the amendment is that the 75% rate of charge set out in section 187A of the Act continues until 31 March 2000, when the charge becomes 100% of the added value resulting from a consolidation or subdivision.