

FACT SHEET

Taxation and Related Legislation (Miscellaneous Amendments) Bill 2016

- Taxation and Related Legislation (Miscellaneous Amendments) Bill 2016 amends the *Duties Act 2001*, *Land Tax Act 2000*, *First Home Owner Grant Act 2000*, *Payroll Tax Act 2008*, and the *Taxation Administration Act 1997*.
- The Duties Act is to be amended to:
 - Include the vesting of dutiable property transactions in the list of dutiable transactions to be treated as transfers, in accordance with the intention of the Act.
 - Exempt a number of statutory vesting transactions where a duty liability was never intended, with the amendment to commence retrospectively from 1 July 2001.
 - Allow a refund of duty previously paid on a transfer of matrimonial or de facto relationship property consequent upon a marriage or de facto relationship break-down where a financial agreement made under various sections of the *Family Law Act 1975* (Commonwealth) subsequently approves the transfer.
 - Enable the Commissioner, upon provision of a valuation from a taxpayer upon objection, to treat the value of the property identified in that valuation as the unencumbered value of the property (rather than requiring the Commissioner to assess duty in accordance with that valuation) or, if not satisfied with the valuation provided, to obtain a new valuation and treat that valuation as the unencumbered value of the property.
- The Land Tax Act is to be amended to:
 - Ensure that the special rate of land tax for land owned by a club or body of persons (where the land is used for certain sporting activities) is also able to obtain the benefit of the tax-free threshold available to other land tax payers.
- The First Home Owner Grant Act is to be amended to:
 - Implement an increase to the First Home Owner Grant from \$10 000 to \$20 000 for eligible first home buyers of newly constructed homes, those who have new homes constructed, and owner-builders. The increased grant is to be available from 1 July 2016 to 30 June 2017 (with retrospective commencement to 1 July 2016). The Government is also honouring its commitment to eligible applicants who entered into agreements between 1 January 2016 and 30 June 2016 by paying the additional \$10 000 by way of grant deed.
 - Clarify that, in the case of a movable dwelling, grants are only payable to eligible first home owners who install a newly constructed moveable home on land in which they have an interest.
- The Payroll Tax Act is to be amended to:
 - Ensure harmonisation with Victoria and New South Wales in relation to the payroll tax treatment of owner-driver contracts and anti-avoidance provisions

related to excluded contracts ; and remove the relevant contractor exclusions for insurance and door-to-door sales in line with New South Wales amendments

- Replace references to the previous payroll tax threshold with the current payroll tax threshold for designated group employers and for the provisions in the Act that require employers to register for payroll tax for the first time.
- Introduce a five year time limit for refunds of payroll tax to align with the refund timeframes in the Victorian and New South Wales Payroll Tax Acts; and enable the Commissioner to offset a refund of payroll tax against other tax liabilities of the employer.
- The Taxation Administration Act is to be amended to:
 - Extend the standard reassessment timeframe from three to five years and extend a taxpayer's entitlement to a refund from three to five years (or for four financial years where land tax was paid by instalments) to better align with Victorian and New South Wales reassessment and refund timeframes.
 - Enable the Commissioner to remit unfair preference payments (and other payments that constitute voidable transactions for the purposes of the Corporations Act) directly to a liquidator to the extent he is lawfully required to do so.
 - Enable the Commissioner to offset refunds of overpaid tax, and interest payable on such refunds to the taxpayer, against other tax liabilities of the taxpayer.