

FACT SHEET

TAXATION AND RELATED LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL 2008

- The Taxation and Related Legislation (Miscellaneous Amendments) Bill 2008 amends the Duties Act 2001, the First Home Owner Grant Act 2000, the Judicial Review Act 2000, the Land Tax Act 2000 and the Taxation Administration Act 1997.
- A number of minor amendments are contained within the Bill to clarify the original policy intent of the Acts, delete redundant provisions, make adjustments to administrative practices, and to ensure continued consistency with the comparable Acts of other jurisdictions.
- The Duties Act is to be amended to:
 - extend the current private hospital transfer exemption to include the transfer of an “medical establishment”, which includes a private hospital, a day-procedure centre and a residential care service;
 - update the definition of “recognised stock exchange” as a consequence of changes to the name of the Stock Exchange of Newcastle;
 - ensure that declarations of trust over both dutiable and non-dutiable property are treated as dutiable transactions in the first instance so that the concession provided in section 42 of the Act operates as intended;
 - extend the duty exemption provisions to include transfers of dutiable property made pursuant to an order granted under the Testator’s Family Maintenance Act 1912;
 - introduce a new exemption in respect of associations that are required to incorporate under the Corporations Act 2001 (Commonwealth);
 - amend the land-rich provisions by changing the current land-rich tests (i.e. the ‘assets test’ and ‘majority interest test’) to a basis consistent with other jurisdictions;
 - clarify provisions in respect of the duty payable on the acquisition of land use entitlements;
 - update the current provisions in section 181, as a consequence of amendments made to the Insurance Act 1973 (Commonwealth), to reflect the fact that insurers are now ‘authorised’ rather than ‘registered’ under the Commonwealth Act;
 - extend the current insurance duty exemption to include those policies taken out by self-insurers to indemnify themselves against liability or payment in relation to workers compensation claims;
 - clarify the original policy intent of provisions relating to exemptions in instances where a registered operator of a vehicle takes

ownership of that vehicle following the expiration of the lease on that vehicle;

- clarify the original policy intent of the duty exemption in relation to intergenerational rural transfers;
 - update inconsistent terminology; and
 - repeal provisions relating to the Duty Loan Scheme and include associated transitional provisions.
- The First Home Owner Grant Act is to be amended to:
 - update inconsistent terminology;
 - include provisions similar to those of the Taxation Administration Act 1997 in relation to accessing public records;
 - amend the offence provisions to capture instances where a grant applicant knowingly makes a false or misleading statement in connection with an application for a first home owner grant and increase the level of penalty that a court may impose in such instances; and
 - include provisions to enable interest to be charged where grant monies are not repaid in line with a Notice issued in accordance with section 38.
- Schedule 1 of the Judicial Review Act is to be amended to remove references to redundant pieces of legislation and update to include the correct references.
- The Land Tax Act is to be amended to:
 - extend the current provisions relevant to the recovery of unpaid land tax from an agent to ensure that land tax can be recovered from both a current agent and a person who was an agent at the time that the liability was raised;
 - replace the definition of “private hospital” with the broader term “medical establishment”, which will extend the current exemption provisions to apply to land used for purposes associated with the operation of a private hospital, day-procedure centre and a residential care service;
 - include new definitions for the terms “transfer” and “transmission”;
 - introduce a new exemption to cover all retirement village land in place of the current arrangements whereby retirement village land is apportioned between general land and principal place of residence land;
 - introduce a specific definition for the term “owner” that allows for an owner to be prescribed by Regulation;
 - include provisions to exempt land subject to the State Permanent Forest Estate Policy from land tax; and
 - clarify the original policy intent of provisions relating to claiming a land tax rebate in transitional circumstances.
- The Taxation Administration Act is to be amended to:

- clarify current provisions relating to the reduction of penalty tax for the disclosure of information by a taxpayer in respect of their tax default;
- clarify provisions relating to the conditions of approval of special tax return arrangements;
- extend the current debt recovery provisions to allow the recovery of any costs and expenses incurred by the Commissioner in connection with the recovery or attempted recovery of an amount of unpaid tax;
- remove duplicate provisions in respect of the disclosure of information; and
- amend the current payment of interest provisions so that interest is only payable on an amount refunded in instances where the amount of interest exceeds \$20