

## CLAUSE NOTES

### *Taxation and Related (Miscellaneous Amendments) Bill 2017*

#### Part 1

- Clause 1 This Act may be cited as the Taxation and Related Legislation (Miscellaneous Amendments) Act 2017.
- Clause 2 Part 2 will commence from Royal Assent. Parts 3, 4, 5, 6, 8, 9 and 10 are to commence on 1 July 2017. Part 7 will commence retrospectively from 1 July 2016.

#### Part 2

- Clause 3 In this part, the Duties Act 2001 is referred to as the Principal Act.
- Clause 4 Amends section 199(1) of the Principal Act to reduce the evidence to be provided to satisfy the requirements for an exemption from duty when transferring a motor vehicle from a deceased estate to the intended beneficiary. The amendment to section 199 will ensure that a beneficiary of a will is eligible for an exemption from motor vehicle duty by allowing for an executor named in the will to lodge the transfer application provided that they sign a statutory declaration validating, to the best of their knowledge, that the will is the last known will of the deceased person.

#### Part 3

- Clause 5 In this part, the Duties Act 2001 is referred to as the Principal Act.
- Clause 6 Amends section 3 of the Principal Act to include a definition of the 'Recorder of Titles'.
- Clause 7 Amends section 6 of the Principal Act to omit subparagraph (v) from section 6(1)(b) to remove the imposition of duty on applications to amend strata plans.
- Clause 8 Repeals section 42 of the Principal Act to remove the imposition of duty on the establishment of a trust relating to unidentified property or non-dutiable property.
- Clause 9 Amends section 43 of the Principal Act to omit subsection (1) to remove the imposition of duty on instruments relating to managed investment schemes which do not transfer, or have the effect of transferring, land in Tasmania.
- Clause 10 Repeals section 44 of the Principal Act to remove the imposition of duty on instruments that establish or amend governing provisions of superannuation funds and various other superannuation related instruments.
- Clause 11 Repeals section 243 of the Principal Act and substitutes it with a new section that more clearly describes the intent of the section to prohibit the registration of dutiable instruments unless they are appropriately stamped or endorsed.

**Clause 12** Inserts section 244 to provide for the mechanism by which electronic documents have duty verified and the means by which electronic documents are endorsed.

#### **Part 4**

**Clause 13** In this part, the Land Tax Act 2000 is referred to as the Principal Act.

**Clause 14** Amends section 6 of the Principal Act to provide for land classified as principal residence land (PRL) and previously the place of residence of a deceased person who was the sole owner, to continue to be classified as PRL for the financial year following death to allow sufficient time for administration of the estate.

The provisions seek to ensure that an extension of PRL applies only to a prior home of a deceased person.

For this reason, checks include confirming the land was PRL at the previous 1 July, the deceased was the sole owner of the land, and the land is not sold (in full or part) other than to a personal representative of the deceased person. For simplicity, adjoining land is included as PRL, provided it meets the same criteria as the land, and section 26 (apportioned assessed land value for principal residence land) of the Principal Act does not apply.

**Clause 15** Amends section 11 of the Principal Act to omit subsection (2) to reflect changes in reporting between the Recorder of Titles and the Commissioner of State Revenue which result from the wider Commonwealth third party reporting changes.

#### **Part 5**

**Clause 16** In this part, the Land Titles Act 1980 is referred to as the Principal Act.

**Clause 17** Amends section 170A of the Principal Act to omit obsolete legislative references and remove duplication of information collected.

**Clause 18** Repeals section 170B of the Principal Act and substitutes it with a section to detail what information relating to land transfers the Recorder of Titles must provide to local government, the Commissioner of State Revenue and the Valuer-General.

#### **Part 6**

**Clause 19** In this part, the Local Government Act 1993 is referred to as the Principal Act.

**Clause 20** Amends section 121 of the Principal Act to omit obsolete legislative references and other minor consequential amendments which result from the wider Commonwealth third party reporting changes.

## **Part 7**

- Clause 21** In this part, the Payroll Tax Act 2008 is referred to as the Principal Act.
- Clause 22** Amends section 29 of the Principal Act to contemporise the provision following a change in Commonwealth law and to maintain harmonisation with New South Wales and Victoria.
- The amendment ensures that the motor vehicle allowance amount that can be paid to an employee before it is subject to payroll tax correctly aligns with changes to the Income Tax Assessment Act 1997 (Cth).
- As this amendment has already commenced in New South Wales and Victoria, it is to commence retrospectively from 1 July 2016 to ensure that Tasmanian employers also have an exempt component of motor vehicle allowances available to them for the 2016-17 financial year.

## **Part 8**

- Clause 23** In this part, the Taxation Administration Act 1997 is referred to as the Principal Act.
- Clause 24** Amends section 3 of the Principal Act to include a definition of the 'Recorder of Titles'.
- Clause 25** Amends section 20A of the Principal Act to provide a framework for the Commissioner to collect information that is required to be reported to the Australian Government and to provide to the Recorder of Titles and Valuer-General any of that information required under their respective Acts.
- Clause 26** Amends section 77 of the Principal Act to allow a tax officer to disclose information obtained in relation to the administration of a taxation law to the Recorder of Titles, in circumstances where that information is required for the administration of the Land Titles Act 1980. This will avoid the duplication of information being collected by multiple agencies.

## **Part 9**

- Clause 27** In this part, the Taxation Administration Regulations 2010 are referred to as the Principal Regulations.
- Clause 28** Amends regulation 6(1) of the Principal Regulations to allow a relevant lodging to include documents received electronically and to attract an administrative fee in the same circumstances as a paper based lodgement.

## **Part 10**

- Clause 29** In this part, the Valuation of Land Act 2001 is referred to as the Principal Act.
- Clause 30** Repeals section 55 of the Principal Act as this method of providing a notice of sale to the Recorder of Titles will not be necessary, as the required information will instead be collected by the Commissioner of State Revenue from 1 July 2017.

## Part II

**Clause 31** This Act will be repealed 365 days after it commences.