

TASMANIA

TAXATION LEGISLATION (AFFORDABLE HOUSING AND EMPLOYMENT SUPPORT) BILL 2024

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TAXATION LEGISLATION (AFFORDABLE HOUSING AND EMPLOYMENT SUPPORT) BILL 2024

This Public Bill originated in the House of Assembly, and, having this day passed, is now ready for presentation to the Legislative Council for its concurrence.

LAURA ROSS, *Clerk of the House*
11 June 2024

*(Brought in by the Treasurer, the Honourable Michael Darrel
Joseph Ferguson)*

A BILL FOR

An Act to amend the *Duties Act 2001*, the *Land Tax Act 2000*, the *Land Tax Rating Act 2000* and the *Payroll Tax Rebate (Apprentices, Trainees and Youth Employees) Act 2017*

Be it enacted by Her Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:

PART 1 – PRELIMINARY

1. Short title

This Act may be cited as the *Taxation Legislation (Affordable Housing and Employment Support) Act 2024*.

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Support) Act 2024
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Part 1 – Preliminary

2. Commencement

- (1) Except as provided in subsection (2), the remaining provisions of this Act commence on 1 July 2024, but if this Act does not receive the Royal Assent by that date, the remaining provisions of this Act are taken to have commenced on 1 July 2024.
- (2) Part 3 is taken to have commenced on 18 February 2024.

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PART 2 – DUTIES ACT 2001 AMENDED

3. Principal Act

In this Part, the *Duties Act 2001** is referred to as the Principal Act.

4. Section 46J amended (Interpretation of Division 2B)

Section 46J of the Principal Act is amended by omitting “30 June 2024” from the definition of *eligible period* and substituting “30 June 2025”.

*No. 15 of 2001

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Support) Act 2024
Act No. of 2024*

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Part 3 – Duties Act 2001 Further Amended

PART 3 – DUTIES ACT 2001 FURTHER AMENDED

5. Principal Act

In this Part, the *Duties Act 2001** is referred to as the Principal Act.

6. Section 3 amended (Interpretation)

Section 3 of the Principal Act is amended by inserting “, and Division 2 of Part 6 of Chapter 2,” after “2B of Part 5 of Chapter 2” in paragraph (b) of the definition of *home*.

7. Chapter 2, Part 6, Division 1: Heading inserted

Part 6 of Chapter 2 of the Principal Act is amended by inserting the following heading before section 52:

Division 1 – Exemptions in general

8. Chapter 2, Part 6, Division 2 inserted

After section 57B of the Principal Act, the following Division is inserted in Part 6:

Division 2 – First home buyer duty exemption

57C. Interpretation of Division 2

In this Division –

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eligible first home buyer – see section 57E;

eligible period means the period commencing on 18 February 2024 and ending on 30 June 2026;

eligible transaction – see section 57F;

established home means a home other than a new home;

new home has the same meaning as in the *First Home Owner Grant Act 2000*;

owner has the same meaning as in the *First Home Owner Grant Act 2000*;

residence requirement means a requirement that a person occupy an established home as the person's principal place of residence in accordance with section 57H(1).

57D. Extension of eligible period

- (1) The Minister, by order and on one or more occasions, may extend the eligible period by omitting the date on which the period ends and substituting a new date.

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Part 3 – Duties Act 2001 Further Amended

- (2) Sections 47(3), (3A), (4), (5), (6) and (7) of the *Acts Interpretation Act 1931* apply to an order under subsection (1) as if the order were regulations within the meaning of that Act.
- (3) An order under subsection (1) –
 - (a) is a statutory rule for the purposes of the *Rules Publication Act 1953*; and
 - (b) is not an instrument of a legislative character for the purposes of the *Subordinate Legislation Act 1992*.

57E. Eligible first home buyer

- (1) For the purposes of this Division, a person is an eligible first home buyer if the Commissioner is satisfied that the person –
 - (a) is a natural person; and
 - (b) has attained the age of 18 years; and
 - (c) subject to subsection (3), is an Australian citizen or a permanent resident.
- (2) The Commissioner may exempt a person from the requirement in subsection (1)(b), in respect of a transfer

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of land on which an established home is situated, if the Commissioner is satisfied that –

- (a) the person will comply with the residence requirement in relation to that home; and
 - (b) the transfer of land to the person does not form part of a scheme to circumvent requirements affecting eligibility for duty not to be chargeable under section 57G.
- (3) If, in respect of an eligible transaction, there is more than one transferee and at least one of the transferees is an Australian citizen or a permanent resident, it is not necessary for the other transferees to be Australian citizens or permanent residents.
- (4) A person is not an eligible first home buyer if –
 - (a) the person or the person's spouse has previously been the owner of a home in Tasmania or a home in any other State or a Territory; or
 - (b) the person or the person's spouse has previously been paid a first home owner grant under the *First Home Owner Grant Act 2000*; or

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Part 3 – Duties Act 2001 Further Amended

- (c) a previous transfer of property to that person or to the person's spouse attracted a duty concession under Division 2A of Part 5; or
- (d) no duty was charged on a previous transfer of property to that person or to the person's spouse under this Division.

57F. Eligible transaction

- (1) For the purposes of this Division, an ***eligible transaction*** means a transfer of land on which an established home is situated if that transfer meets the following requirements:
 - (a) the transfer occurs within the eligible period;
 - (b) each of the transferees is an eligible first home buyer;
 - (c) the Commissioner is satisfied that each of the transferees intends to meet the residence requirement in relation to the established home;
 - (d) the dutiable value of the dutiable property does not exceed the prescribed amount or, if no amount is prescribed, \$750 000.

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- (2) Subsection (1)(b) does not apply in relation to a transfer of land on which an established home is situated if the Commissioner is satisfied that there are good reasons why a transferee is not an eligible first home buyer.

57G. First home buyer duty exemption

Duty is not chargeable under this Chapter on an eligible transaction.

57H. Residence requirements

- (1) If duty is not chargeable on a transfer of land in accordance with section 57G, each transferee must occupy the established home situated on that land as the person's principal place of residence for a continuous period of at least 6 months (or any lesser period approved by the Commissioner under subsection (2)) commencing –
- (a) within the 12-month period immediately after the eligible transaction; or
 - (b) within such longer period as is approved by the Commissioner.
- (2) The Commissioner may approve a lesser period of occupation of an established home under subsection (1) if the

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Commissioner is satisfied that there are good reasons why the transferee cannot comply with the requirement to occupy the home for 6 months.

- (3) A decision to approve a lesser period of occupation of an established home under subsection (2), or to approve a longer period before occupation is commenced under subsection (1)(b), may be made at any time before the Commissioner makes a reassessment of duty under section 57I on the transfer of the land on which that established home is situated.
- (4) The Commissioner may, in respect of an eligible transaction, exempt a transferee (the ***non-complying transferee***) from the requirements of this section if –
 - (a) the transferee is one of 2 or more joint transferees; and
 - (b) at least one of the transferees complies with the residence requirement; and
 - (c) there are, in the Commissioner's opinion, good reasons to exempt the non-complying transferee from the residence requirement.
- (5) If duty is not chargeable on a transfer of land in accordance with section 57G, each transferee must retain the person's

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interest in that land until the residence requirement has been satisfied.

(6) If –

- (a) duty is not chargeable on a transfer of land in accordance with section 57G; and
- (b) a transferee fails to comply with subsection (1) or (5) –

the transferee must give written notice of that fact to the Commissioner within 14 days after the failure to comply.

Penalty: Fine not exceeding 100 penalty units.

57I. Reassessment of exemption

- (1) If the Commissioner becomes aware that a dutiable transaction for a transfer of land, in respect of which duty was not chargeable in accordance with section 57G, did not satisfy the requirements of section 57F, the Commissioner may reassess the duty that would otherwise be payable in respect of that transaction.
- (2) If –
 - (a) duty is not chargeable on a transfer of land in accordance with section 57G; and

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Part 3 – Duties Act 2001 Further Amended

- (b) the Commissioner becomes aware that a transferee failed to comply with the requirements of section 57H –

the Commissioner may reassess the duty that would otherwise be payable in respect of that dutiable transaction as if the transaction was not an eligible transaction.

57J. Refund provisions

If the Commissioner is satisfied that no duty is payable in respect of a dutiable transaction under section 57G, the Commissioner is to refund any amount of duty paid in relation to the relevant dutiable transaction.

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Support) Act 2024
Act No. of 2024*

Part 4 – Land Tax Act 2000 Amended

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PART 4 – LAND TAX ACT 2000 AMENDED

9. Principal Act

In this Part, the *Land Tax Act 2000** is referred to as the Principal Act.

10. Section 19D amended (Limited exempt land: new properties available for rent)

Section 19D(1)(c) of the Principal Act is amended by omitting “30 June 2024” and substituting “30 June 2026”.

11. Section 19E amended (Limited exempt land: former short-stay accommodation properties)

Section 19E(3) of the Principal Act is amended by omitting “30 June 2024” from the definition of *eligible period* and substituting “30 June 2026”.

*No. 74 of 2000

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Support) Act 2024
Act No. of 2024*

s. 12

Part 5 – Land Tax Rating Act 2000 Amended

PART 5 – LAND TAX RATING ACT 2000 AMENDED

12. Principal Act

In this Part, the *Land Tax Rating Act 2000** is referred to as the Principal Act.

13. Schedule 1 amended (Rate of land tax)

Schedule 1 to the Principal Act is amended as follows:

- (a) by omitting “\$100 000” from column 2 of item 1 in the table and substituting “\$125 000”;
- (b) by omitting “\$100 000” from column 2 of item 2 in the table and substituting “\$125 000”;
- (c) by omitting “\$100 000” from column 3 of item 2 in the table and substituting “\$125 000”;
- (d) by omitting “\$1 850” from column 3 of item 3 in the table and substituting “\$1 737.50”.

*No. 73 of 2000

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Part 6 – Payroll Tax Rebate (Apprentices, Trainees and Youth Employees)
Act 2017 Amended

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**PART 6 – PAYROLL TAX REBATE (APPRENTICES,
TRAINEES AND YOUTH EMPLOYEES) ACT 2017
AMENDED**

14. Principal Act

In this Part, the *Payroll Tax Rebate (Apprentices, Trainees and Youth Employees) Act 2017** is referred to as the Principal Act.

15. Section 3 amended (Interpretation)

The definition of *eligible period* in section 3 of the Principal Act is amended as follows:

- (a) by omitting from paragraph (a) “30 June 2024” and substituting “30 June 2025”;
- (b) by omitting from paragraph (ab)(ii) “30 June 2024” and substituting “30 June 2025”;
- (c) by omitting from paragraph (b)(ii) “30 June 2024” and substituting “30 June 2025”.

16. Section 29 amended (Repeal of Act)

Section 29 of the Principal Act is amended by omitting “30 June 2027” and substituting “30 June 2028”.

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Support) Act 2024
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Part 7 – Repeal of Act

PART 7 – REPEAL OF ACT

17. Repeal of Act

This Act is repealed on the first anniversary of the day on which the last of the uncommenced provisions of this Act commence.