

# FACT SHEET

## TAXATION AND RELATED LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL 2011

- The Taxation and Related Legislation (Miscellaneous Amendments) Bill 2011 amends the *Duties Act 2001*, the *First Home Owner Grant Act 2000*, the *Land Tax Act 2000* and the *Payroll Tax Act 2008*.
- The amendments proposed are designed to maintain the operational integrity of the Acts by improving equity of application, maintaining interjurisdictional consistency, and ensuring clarity and certainty for taxpayers.
- The Duties Act is to be amended to:
  - provide that if a dutiable transaction is effected by more than one instrument, one instrument is to be stamped with the duty payable on the dutiable transaction, and each other instrument is to be stamped with nil duty payable;
  - define and exclude “excluded costs” for the purposes of the sub-sale provisions so that, in circumstances where a transferee reimburses the purchaser under the contract for incidental costs, such as legal costs, the sub-sale provisions are not activated and the transaction is not captured because there is no “additional consideration”;
  - provide that, where a subsequent purchaser has obtained an increased transfer right, or another person has obtained a transfer right, the dutiable value of the subsequent transaction is to be calculated only to the extent of the increased transfer right obtained; and
  - ensure that terminology and duty refund provisions that apply on the breakdown of a marriage or other relationship are consistent.
- The First Home Owner Grant Act is to be amended to:
  - require an applicant to retain ownership of their interest in the subject property during the required residency period; and
  - insert a note to clarify that where no consideration is given, no grant is payable.
- The Land Tax Act is to be amended to correct a number of deficiencies in the Act with respect to shack land by:
  - acknowledging that, under the Constitution, Tasmania cannot discriminate against non-Tasmanian residents with regards to shack land. This amendment will commence retrospectively on 1 July 2010, the date on which the shack exemption commenced;

- replacing provisions relating to common ownership of shacks that are not operating as intended; and
  - correcting several references to the classes of land under the Act, being general, residential and primary production land, to also refer to shack land.
- The Payroll Tax Act is to be amended to make two minor corrections designed to maintain interjurisdictional harmonisation, by inserting a note in the legislation to clarify that the place where wages are paid or payable is sometimes relevant to determining whether the wages are liable to payroll tax, and by correcting a minor spelling error.