

REVENUE LAWS AMENDMENT (ASSESSMENT) BILL 2007

Introduction and First Reading

Bill introduced, on motion by **Mr E.S. Ripper (Treasurer)**, and read a first time.

Explanatory memorandum presented by the Treasurer.

Second Reading

MR E.S. RIPPER (Belmont - Treasurer) [12.25 pm]: I move -

That the bill be now read a second time.

This bill proposes amendments to the Rates and Charges (Rebates and Deferments) Act 1992 to ensure that pensioner concession card holders do not lose their concession when their payment type changes under the commonwealth Welfare to Work initiative; to allow an eligible person to retrospectively register their entitlement after the death of their registered spouse or de facto partner; to remove the requirement for a registration application and certain other matters to be in writing; and to extend the time in which a rebated amount will satisfy a liability to pay a prescribed charge in exceptional circumstances. This bill also proposes an amendment to the Taxation Administration Act 2003 to complement changes to metropolitan region improvement tax arrangements contained in the Revenue Laws Amendment (Taxation) Bill 2007.

The amendment ensures that an assessment notice does not need to be issued when an amount of metropolitan region improvement tax is waived because it is less than a prescribed limit, currently \$20. The first of the rates and charges measures ensures that all pensioner concession card holders are eligible for rates and charges concessions and do not lose their eligibility when their payment type changes due to the commonwealth Welfare to Work initiative. Under the terms of the compensation for the extension of fringe benefits specific purpose payment, Western Australia has agreed to provide “core” concessions to all pensioner concession card holders, without discrimination between card holders. The core concessions covered by this agreement include rebates for local government and water charges under the Rates and Charges (Rebates and Deferments) Act 1992.

Currently, the act allows these concessions to pensioners based on their holding a pensioner concession card and being in receipt of specified payment types. However, under the commonwealth Welfare to Work initiative, which is aimed at assisting certain pensioners into the workforce, some people may be moved from pensions to alternative income support allowances such as Newstart. Although they may retain their pensioner concession card for a period of time, they could lose their entitlement to concessions under the rates and charges legislation. The proposed amendments ensure that those affected people who retain their pensioner concession card continue to be eligible pensioners for the purposes of the Rates and Charges (Rebates and Deferments) Act. This is in line with the approach taken by a number of other jurisdictions that, in effect, allow all persons who are entitled to a pensioner concession card to be eligible for the concessions.

This approach will address the Welfare to Work changes and also reduce the requirement for future amendments when pension and allowance types change under the commonwealth legislation. The second measure is to allow an eligible person to retrospectively register his entitlement after the death of his registered spouse or de facto partner. The act provides that in most instances when more than one person owns land, each eligible person is required to register his entitlement and the rebate is apportioned accordingly if not all the owners are eligible persons. However, an exception is made when a married or de facto couple jointly own and live together in a property so that only one of the partners needs to register in order to qualify for a rebate based on the extent of their combined interests. This can lead to problems when the registered partner dies and the unregistered surviving partner fails to register with the administrative authority by the commencement of the next rating year. In such cases, only a pro-rata rebate will be available if registration occurs during that rating year, and no rebate will be available if the entire year passes without registration occurring.

Importantly, there is no provision for retrospective registration in these circumstances. To address the inequity that arises in these circumstances, it is proposed to allow a surviving partner to retrospectively register for two charged periods after the charged period in which their registered partner died. While it is expected that this period of time will generally be sufficient, it is also intended that discretion be provided to allow for a longer period for a surviving partner to register when extenuating circumstances exist.

The third measure is to remove the requirement for a registration application and certain other matters to be in writing. The act currently requires a person to make a written application to an administrative authority to register his entitlement as regards the land. The requirement for the application to be in writing is restricting the ability of the administrative authorities to provide more flexible means by which an eligible person can apply. For example, an administrative authority has indicated that it may be more convenient for eligible persons, many of whom are elderly, to be able to make an application over the telephone by responding to a number of

questions. Accordingly, it is proposed to remove the restriction that an application is to be made in writing. Similar changes are proposed to provisions that require a registered person to notify an administrative authority in writing of changes to their circumstances.

The final measure is to extend the time in which a rebated amount will satisfy a liability to pay a prescribed charge in exceptional circumstances. Currently, the act allows an eligible pensioner to obtain a rebate on a prescribed charge paid before the end of the charged period. In most cases, the rebated amount must be paid by 30 June of the rating year. If it is not paid by 30 June, the full amount is payable, or in the case of certain pensioners, the full amount is deferred. No discretion is available to allow the rebate when payment is made after the end of the charged period.

The amendments contained in this bill will provide a discretion to allow eligible pensioners and seniors to access the rebate when they have not paid their rates by the cut-off date due to exceptional circumstances. A detailed explanation of the measures in this bill is contained in the associated explanatory memorandum. I commend the bill to the house.

Debate adjourned, on motion by **Mr G.M. Castrilli**.