

**REVENUE LAWS AMENDMENT BILL 2011**

*Introduction and First Reading*

Bill introduced, on motion by **Mr C.C. Porter (Treasurer)**, and read a first time.

Explanatory memorandum presented by the Treasurer.

*Second Reading*

**MR C.C. PORTER (Bateman — Treasurer)** [11.10 am]: I move —

That the bill be now read a second time.

This bill seeks to make amendments to the Duties Act 2008, Stamp Act 1921, Pay-roll Tax Assessment Act 2002, Land Tax Assessment Act 2002, Taxation Administration Act 2003, First Home Owner Grant Act 2000, and Rates and Charges (Rebates and Deferments) Act 1992. Due to the large number of amendments in the bill, today I intend to highlight only four changes of significance. However, I would also refer members to the comprehensive explanation of the remaining amendments contained in the explanatory memorandum associated with this bill.

The first amendment of note concerns a situation faced by some first home buyers who have received the \$7 000 first home owner grant, but have not been able to access the associated first home owner transfer duty concession of up to \$17 765 due to the manner in which the purchase contract was effected. Amendments to the Duties Act in this bill seek to rectify this anomaly by ensuring that, subject to the requisite home value limits being met, the first home owner duty concession is available to all first home buyers who are eligible to receive the \$7 000 first home owner grant.

Moving on to the second matter, the bill includes further Duties Act amendments to extend the time limit that applies to duty refunds when a transaction to purchase property does not proceed. Under current arrangements, the Taxation Administration Act provides that a reassessment and subsequent refund of duty on a cancelled transaction can only be made within five years from the date that the original assessment of duty was made. In the majority of cases when a transaction is cancelled, the five-year limit provides ample opportunity for the purchaser to recover any duty paid. However, in some cases, particularly when a property has been purchased off the plan and there have been building delays or protracted legal disputes, purchasers have not been able to obtain a refund of the duty because the cancellation occurs outside the five-year reassessment time limit. The bill proposes to address this inequity by amending the Duties Act to allow a longer period for taxpayers to access a duty refund on a cancelled transaction, provided the application is made by the later of five years from the date of assessment, or twelve months from the date of cancellation of their transaction. Similar amendments to the Stamp Act will ensure that the extended period of time to apply for a refund will also be available to taxpayers who paid duty on their contract prior to 1 July 2008.

The bill also contains proposed amendments to the First Home Owner Grant Act to clarify the point at which the Commissioner of State Revenue can exercise the existing discretions in the act to vary the residency requirements placed on grant applicants. To be eligible for a grant, the applicant must commence residing in their home within twelve months of the date of completion of the eligible transaction and must then reside in that home for a minimum period of six months. The act currently provides the commissioner with discretion to vary the time periods; however, it does not clearly specify the point in time at which these discretions can be exercised. These amendments will provide the commissioner with the power to vary the residence requirements at any time, provided he is of the opinion that the applicant has submitted good reasons for not being able to meet the particular time limit.

Finally, the bill proposes amendments to provisions of the Pay-roll Tax Assessment Act that were amended with effect from 1 July 2010 as part of the pay-roll tax harmonisation process being overseen by the Council of Australian Governments. The pay-roll tax amendments in this bill seek to update the employee share scheme provisions to incorporate new references contained in the commonwealth Income Tax Assessment Act 1997; make the operation of the parental leave exemption provisions clearer; and make minor amendments to the registration and grouping provisions. I note that although the Pay-roll Tax Assessment Act amendments are only very minor, as they deal with harmonised legislation, they may need to be referred to the Standing Committee on Uniform Legislation and Statutes Review.

The remaining amendments contained within this bill seek to make relatively minor changes to statutes administered by the Commissioner of State Revenue that will improve the equity and efficiency of the state's taxation and grant and subsidy schemes. The proposed amendments in this bill will have a negligible impact on revenue.

I commend the bill to the house.

Debate adjourned, on motion by **Mr D.A. Templeman**.