

DUTIES AMENDMENT BILL (NO. 2) 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) [4.10 pm]: I move —

That the bill be now read a second time.

The Duties Amendment Bill (No. 2) 2011 amends the Duties Act 2008 to introduce an exemption from vehicle licence duty for transfers of vehicle licences between spouses or de facto partners of at least two years. This measure was announced as part of the state government's 2011–12 budget. Under the Road Traffic Act 1974, a vehicle licence can only be registered in one person's name. For varying reasons spouses will often want to change the vehicle licence registration from one to the other, only to discover that there is a duty cost of doing so. This duty exemption will allow the transfer of a vehicle licence from one spouse or de facto partner to the other spouse or partner with only minimal cost. The proposed exemption is similar to the existing duty exemption for the transfer of a principal place of residence from one spouse to the joint ownership of both spouses.

To ensure that the exemption applies only to a vehicle used for private or non-commercial purposes, the bill requires that the vehicle qualifies for the family vehicle licence concession under the Road Traffic Act 1974. This concession applies to cars and wagons of up to three tonnes and provides a \$67 reduction in the annual vehicle registration fee. The proposed exemption will save spouses or eligible de facto partners \$275 on the transfer of a licence for a \$10 000 vehicle, \$550 for a \$20 000 vehicle and \$1 050 for a \$30 000 vehicle. A transfer fee of around \$15 will continue to apply to cover the Department of Transport's administrative costs. Similar exemptions presently apply in Victoria, Queensland, South Australia and the Northern Territory. The measure is expected to have a negligible revenue impact and is consistent with the state government's objective of providing a fair and efficient tax system that is competitive with the other states while raising sufficient revenue to meet the needs of the Western Australian community.

The exemption is intended to commence on 1 July 2011. Subject to this bill being passed by the Parliament and receiving royal assent, spouses or eligible de facto partners who transfer a vehicle between 1 July 2011 and the date of royal assent will be able to apply to the Commissioner of State Revenue for reassessment and refund of the duty paid. A detailed explanation of the bill is contained in the associated explanatory memorandum.

I commend the bill to the house.

Debate adjourned, on motion by **Ms R. Saffioti**.