

STAMP AMENDMENT BILL 2001

Recommittal

MR J.C. KOBELKE (Nollamara - Leader of the House) [10.55 am]: I move -

That the Stamp Amendment Bill 2001 be reconsidered in detail for the purpose of considering the Treasurer's amendments to clauses 100, 141 and 142 as listed on the Notice Paper.

We appreciate that the Leader of the Opposition has assisted the Government to bring on this matter at this time. A suite of 10 Bills relates to revenue matters. They basically update the statutes. This process started in the time of the previous Government. It is always difficult to time these matters because we cannot bring the legislation on at budget time if adjustments follow on from the budget. It is a matter of timing and how these matters can proceed through both Houses of the Parliament. Nine of the Bills were passed some time ago. This Bill covered an area in which changes flowed from the last budget. Therefore, it was necessary to hold up the passage of this Bill to complete the repackaging of the laws in this area. Today it will be recommitted so that amendments that were made previously to the principal Act can be incorporated in this Bill and it can then be sent to the other place, where it will form part of the total package of 10 Bills. For that reason I have moved that these clauses be reconsidered.

MR C.J. BARNETT (Cottesloe - Leader of the Opposition) [10.57 am]: We agree to the motion. Essentially, these are technical amendments that reflect matters that have already been debated in the House. The Opposition is happy to go into consideration in detail to tidy up the Bill.

Question put and passed.

Consideration in Detail

Clause 100: Part IIIC replaced (sections 76B to 76CB) -

Mr E.S. RIPPER: I move -

Page 76, after line 7 - To insert the following definitions -

"Commonwealth Act" means the *Interstate Road Transport Act 1985* of the Commonwealth;

"corresponding State law" means a law of any other State or a Territory corresponding to the *Road Traffic Act 1974*;

Page 77, after line 9 - To insert the following definition -

"heavy vehicle" means a vehicle with a gross vehicle mass of more than 4.5 tonnes;

As the Leader of the House has explained, this piece of legislation is part of the tax administration package, which rewrites the administration provisions of our tax legislation. Since the House first considered this piece of legislation, and indeed the rest of the tax administration package, there has been an intervening budget. In that budget, changes were made to the stamp duty arrangements for the transfer of heavy motor vehicle licences. Those changes were made to the existing law. This package amends that existing law; consequently we need to amend this package also so that the budget concessions for stamp duty on heavy motor vehicle licences can continue once the new package has replaced the existing law. I think that is the best way to explain it, but I have other information should members require it.

Mr C.J. Barnett: Does this pick up the concessional rate for heavy duty motor vehicles?

Mr E.S. RIPPER: Yes. If we did not put this into the Stamp Act as it is being amended for the new taxation administration package, we would lose that budget initiative. The heavy vehicle industry would probably like us to go further, but at the very least it would want us to retain that budget initiative.

Mr R.F. JOHNSON: How does this new rate compare with the rate in Queensland? The problem before the rate was reduced was that people would go to Queensland to purchase heavy duty trucks and would then drive them back here. What is the differential between Queensland and this State with this new rate of tax?

Mr E.S. RIPPER: I do not have that precise information in front of me. My recollection is that the Queensland rates of duty are still more generous than the Western Australian rates. However, it is important that we have narrowed the gap to a sufficient extent to prevent that business from flowing to Queensland; and of course certain costs are associated with doing the business in Queensland rather than in Western Australia. The industry would probably like us to match the lowest tax rates in the country, but I think we have done enough to keep the business in Western Australia.

Mr R.F. Johnson: Perhaps if we had gone a bit further and been a bit more competitive than Queensland, people in Queensland would come to Western Australia to buy heavy duty trucks.

Mr E.S. RIPPER: Policy options such as that are always available to the Government. The trouble is that no option is cost free.

Amendments put and passed.

Clause, as amended, put and passed.

Clause 141: Second Schedule amended -

Mr E.S. RIPPER: I move -

Page 114, line 17 - To insert after “ “issue” ” the following -
in each place where it occurs

This amendment also relates to the rate of duty imposed on the issue or transfer of heavy motor vehicle licences. When this Bill was introduced in December 2001, the Stamp Act had one rate of duty that applied to all vehicle transfers. The Stamp Amendment Bill 2001 includes at clause 141(5)(b) an amendment that replaces a reference in item 14 to the term “issue” with a reference to the term “grant”. This is necessary because the Road Traffic Act now refers only to a grant of a motor vehicle licence whereas previously it used the terms “grant” and “issue” interchangeably. When the concessional rate of duty for the grant or transfer of heavy motor vehicle licences was enacted in the budget legislation, additional subitems (2) and (3) were added to item 14 such that it now specifies three separate duty rates that will apply to non-heavy vehicles, new heavy vehicles and used heavy vehicles. This amendment will ensure that the additional two references to “issue” in subitems (2) and (3) of the second schedule are also updated to refer to “grant”. I put that on the record so that the people who read *Hansard* will understand what we are doing. The point I am making is the same as for the previous amendment; namely, we are making sure that the budget initiatives on heavy motor vehicle licence transfers are maintained in the rewritten tax legislation.

Amendment put and passed.

Mr E.S. RIPPER: I move -

Page 114, line 25 - To delete “paragraphs (a), (b) and (c)” and substitute “subitem (1)”.

This amendment is consistent with the explanation that I have given about preserving the heavy motor vehicle stamp duty concessions.

Amendment put and passed.

Mr E.S. RIPPER: I move -

Page 115, after line 3 - To insert the following -

- (8) Item 16(1)(c) is amended as follows:
 - (a) by deleting “ - on the amount calculated under section 96(2)”;
 - (b) by inserting after “8%” -
“ of the amount calculated under section 96(2) ”.

An examination of the Bill for the purposes of putting in place the stamp duty concessions in the budget revealed a small error in the second schedule to the Stamp Act. This amendment rectifies that error. In item 16 of the second schedule the percentage rate of duty specified in the second column is followed by a description of the amount upon which the percentage is calculated. In subitem 16(1)(c) that explanation is located in the first column of the item. This amendment shifts the description of the amount calculated under section 96(2) from the first column to the second column to maintain the structural consistency of the schedule. That means in essence that the figure was in the wrong column. An examination of the Bill has revealed that error, and we are taking this opportunity to correct it. I cannot understand how a Parliament of such expertise and talent managed to make that error.

Amendment put and passed.

Clause, as amended, put and passed.

Clause 142: Third Schedule amended -

Mr E.S. RIPPER: I move -

Page 116, line 11 - To delete “RTA” and substitute “*Road Traffic Act 1974*”.

This again updates the taxation administration package to reflect amendments that were made in the budget legislation. It relates to the issue of heavy vehicle motor licences and stamp duty. The budget amendments removed the definition of RTA from item 9(3) of the third schedule and replaced it with the fully defined term “Road Traffic Act 1974”. As this Bill retains a reference to the previously defined term “RTA”, we need to put in place the same way of referring to the issue as in the budget legislation; in other words, we need to spell out that we are talking about the Road Traffic Act 1974. It is a hugely important amendment to replace RTA with Road Traffic Act 1974.

Amendment put and passed.

Clause, as amended, put and passed.