



Federal Financial Relations Amendment (National Health Reform) Act 2012

No. 61, 2012

An Act to amend the *Federal Financial Relations Act 2009*, and for related purposes

Note: An electronic version of this Act is available in ComLaw (<http://www.comlaw.gov.au/>)

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No. 61, 2012

An Act to amend the *Federal Financial Relations Act 2009*, and for related purposes

[Assented to 25 June 2012]

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *Federal Financial Relations Amendment (National Health Reform) Act 2012*.

Federal Financial Relations Amendment (National Health Reform) Act 2012 No. 61, 2012

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2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provision(s)	Commencement	Date/Details
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	25 June 2012
2. Schedule 1, item 1	The day after this Act receives the Royal Assent.	26 June 2012
2A. Schedule 1, item 2	The day this Act receives the Royal Assent.	25 June 2012
2B. Schedule 1, items 3 and 4	The day after this Act receives the Royal Assent.	26 June 2012
2C. Schedule 1, items 5 and 6	The day this Act receives the Royal Assent.	25 June 2012
3. Schedule 2	The day this Act receives the Royal Assent.	25 June 2012
4. Schedule 3	The day after this Act receives the Royal Assent.	26 June 2012

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3 Schedule(s)

Each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 1—Aged care and disability services

Federal Financial Relations Act 2009

1 Section 4 (at the end of the definition of *Intergovernmental Agreement*)

Add “, as amended from time to time”.

2 Section 4

Insert:

National Health Reform Agreement means the National Health Reform Agreement agreed to by the Council of Australian Governments on 2 August 2011, as amended from time to time.

3 Paragraph 13(2)(c)

Omit “indexed”, substitute “adjusted”.

4 Subsection 13(4)

Omit “indexed”, substitute “adjusted”.

5 After paragraph 21(a)

Insert:

- (aa) if the determination relates to financial assistance under section 13 or 15A—the National Health Reform Agreement; and

6 Application

The amendments made by this Schedule apply in relation to financial assistance for the financial year starting on 1 July 2011 and each later financial year.

Schedule 2—National health reform payments

Federal Financial Relations Act 2009

1 After paragraph 3(b)

Insert:

- (ba) national health reform payments, to be spent by the States in accordance with the National Health Reform Agreement; and

2 Section 10

Repeal the section.

3 After Part 3

Insert:

Part 3A—National health reform payments

15A National health reform payments

- (1) The Minister may determine that an amount specified in the determination is to be paid to a State specified in the determination for the purpose of making a grant of financial assistance for the purpose of expenditure in accordance with the National Health Reform Agreement.
- (2) A determination under subsection (1) is a legislative instrument, but section 42 (disallowance) of the *Legislative Instruments Act 2003* does not apply to the determination.
- (3) Financial assistance is payable to a State under this section on condition that the financial assistance is spent in accordance with the National Health Reform Agreement.

4 Paragraphs 17(b) and 18(1)(b) and (2)(b)

After “3”, insert “or 3A”.

6 Section 22

After “Part 3”, insert “, Part 3A”.

7 Application

The amendments made by this Schedule apply in relation to financial assistance for the financial year starting on 1 July 2012 and each later financial year.

Schedule 3—Determinations of amounts affecting GST revenue

Federal Financial Relations Act 2009

1 Subsections 6(1), (2), (3) and (4)

Repeal the subsections, substitute:

- (1) The Minister must determine the amounts described in subsections (3) and (4) for a payment year.
- (2) The *GST revenue* for a payment year is the difference between:
 - (a) the sum of all the amounts described in subsection (3) and determined for the payment year; and
 - (b) the amount described in subsection (4) and determined for the payment year.
- (3) For the purposes of paragraph (2)(a) the amounts are:
 - (a) the amount that is the total of the following:
 - (i) the GST that was collected;
 - (ii) the payments made to the Commissioner of Taxation representing amounts of GST that would have been payable if the Constitution did not prevent tax from being imposed on property of any kind belonging to a State and section 5 of the GST Imposition Acts had not been enacted;
 - (iii) the additional GST that would have been collected if the Commonwealth and Commonwealth entities could be made subject to taxation by a Commonwealth law and section 177-1 of the GST Act made those entities actually liable rather than notionally liable; and
 - (b) the amount of general interest charge that was collected to the extent that it is attributable to:
 - (i) unpaid GST; or
 - (ii) unpaid general interest charge payable in respect of unpaid GST; and
 - (c) the amount, determined in a manner agreed by the Commonwealth and all of the States, that represents amounts

of voluntary GST payments that should have, but have not, been paid by local government bodies.

- (4) For the purposes of paragraph (2)(b) the amount is the total of the following, so far as each of them is attributable to GST:
- (a) payments under the GST refund provisions;
 - (b) what was payable under the GST refund provisions and was (rather than being paid directly under those provisions) allocated, applied or refunded in accordance with Part IIB of the *Taxation Administration Act 1953*.

2 Application

The amendment made by this Schedule applies to determinations for the 2011-12 payment year and later payment years.

*[Minister's second reading speech made in—
House of Representatives on 22 March 2012
Senate on 18 June 2012]*

(21/12)

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