

Australian Federal Police Amendment Regulations 2000 (No. 1) 2000 No. 137

EXPLANATORY STATEMENT

STATUTORY RULES 2000 No. 137

issued by the Authority of the Minister for Justice and Customs

Australian Federal Police Act 1979

Australian Federal Police Amendment Regulations 2000 (No. 1)

Section 70 of the *Australian Federal Police Act 1979* (the Act) provides that the Governor-General may make Regulations for the purposes of the Act. In particular, paragraphs 70(c) and (d) of the Act provide that the Governor-General may make regulations in relation to police services that may be rendered by the Australian Federal Police (the AFP) at the request of, inter alia, a member of the public or a prescribed authority of the Commonwealth, and the payment and recovery of fees for those police services.

Regulation 46 of the Australian Federal Police Regulations (the Principal Regulations) made under the Act prescribes:

- * the services that might be rendered by the AFP for a fee (column 2 of an item in Schedule 6 of the Principal Regulations); and
- * the fee that applies for each prescribed service (column 3 of an item in Schedule 6 of the Principal Regulations).

The fees are prescribed in column 3 of Schedule 6 as either: a specified dollar amount or by reference to the "cost to AFP for use of member's time". As far as is relevant, the Q6cost to AFP for use of member's time" is defined in subregulation 2(1) of the Principal Regulations as the sum of the remuneration payable to the member for the period during which he or she renders the service, plus a percentage of his or her base salary for the period.

Following the commencement of the *A New Tax System (Goods and Services Tax) Act 1999* (the GST Act), the AFP will have to remit a percentage of the fees received to the Australian Taxation Office, thereby eroding its revenue base. To offset this loss, these Regulations increase the fees payable by increasing the amounts set out in column 3 of Schedule 6 to the Principal Regulations and the percentage included in the definition of 44cost to AFP for use of member's time". These Regulations also insert a new subregulation 46(2) to provide that the fee set out in column 3 is the price of the taxable supply within the meaning of the GST Act, that is, it is an amount inclusive of a goods and services tax component. Consequential on the insertion of subregulation 46(2), is the renumbering of regulation 46 as subregulation 46(1).

The increase has taken into account any savings from the abolition of the Wholesale Sales Tax and other indirect taxes, and has been determined in accordance with the guidelines prescribed under the *Financial Management and Accountability Act 1997*, and those provided by the Australian Competition and Consumer Commission.

The Regulations commence on 1 July 2000.