

Commonwealth Places (Mirror Taxes) Amendment Regulations 2002 (No. 1) 2002 No. 14

EXPLANATORY STATEMENT

STATUTORY RULES 2002 No. 14

Issued by the Authority of the Minister for Revenue and Assistant Treasurer

Commonwealth Places (Mirror Taxes) Act 1998

Commonwealth Places (Mirror Taxes) Amendment Regulations 2002 (No. 1)

Authority

Section 3 of the *Commonwealth Places (Mirror Taxes) Act 1998* (the Act) provides that a "**State taxing law**" includes a State law that imposes tax and is prescribed by regulations and that an **applied law** means the provisions of a State taxing law that apply in relation to a Commonwealth place in accordance with the Act.

Subsection 25(1) of the Act provides that the Governor-General may make regulations prescribing matters required or permitted by the Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the Act.

Subsection 25(2) of the Act provides that subsection 48(2) of the *Acts Interpretation Act 1901* does not apply to regulations made under the Act, that is, regulations may operate retrospectively.

Purpose

Certain State taxes are either invalid or possibly invalid in relation to Commonwealth places. The Act provides the framework for the imposition of taxes, in relation to Commonwealth places located in the States, which mirror those State taxes. Revenue collected will be returned to the States. Examples of Commonwealth places are Commonwealth airports and post offices.

The *Stamps Act 1958 (Vic)*, the *Stamp Act 1894 (Qld)*, the *Stamp Duties Act 1931 (Tas)* and the *Land and Income Taxation Act 1910 (Tas)* are prescribed or scheduled State taxing laws. These Acts have been, or will be, repealed and new laws have been, or will be, enacted.

The purpose of the, proposed Regulations is to add new laws to the list of prescribed State taxing laws so that they become applied laws in relation to Commonwealth places located in the States. The new laws to be prescribed comprise the *Duties Act 2000 (Vic)* (commenced on 1 July 2001), the *Duties Act 2001 (Qld)* and the *Taxation Administration Act 2001 (Qld)* (both to commence on 1 March 2002), the *Duties Act 2001 (Tas)* and the *Debits Duties Act 2001 (Tas)* (both commenced on 1 July 2001), and the *Land Tax Act 2000 (Tas)* (commenced on 1 January 2001). The new laws will have retrospective effect from the operative date of 6 October 1997 of the mirror tax regime.

The proposed Regulations commence, or are taken to have commenced, as follows:

- (a) Regulations 1 to 3 and Schedule 1 - on 1 January 2001;
- (b) Schedule 2 - on 1 July 2001;
- (c) Schedule 3 - on 1 March 2002.

