

NORTHERN TERRITORY OF AUSTRALIA
MINERAL ROYALTY AMENDMENT ACT 2003

Act No. 37 of 2003

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NORTHERN TERRITORY OF AUSTRALIA

Act No. 37 of 2003

AN ACT

to amend the *Mineral Royalty Act*

[Assented to 30 June 2003]
[Second reading 28 May 2003]

The Legislative Assembly of the Northern Territory enacts as follows:

1. Short title

This Act may be cited as the *Mineral Royalty Amendment Act 2003*.

2. Commencement

This Act comes into operation on 1 July 2003.

3. Principal Act

The *Mineral Royalty Act* is in this Act referred to as the Principal Act.

4. Application

Section 3 of the Principal Act is amended by omitting subsection (9).

5. Definitions

Section 4 of the Principal Act is amended by omitting the definition of "eligible exploration expenditure" and substituting the following:

" 'eligible exploration expenditure' means –

- (a) until 1 July 2010, in respect of work carried out in the Territory –
 - (i) if a production unit was, at the commencement of this Act, exempted under section 3(2) from the operation of this Act – an amount expended by the royalty payer or any other person after the date on which this Act first applied to or in relation to that production unit and before 1 July 2003; or
 - (ii) in the case of any other production unit – an amount expended by the royalty payer or any other person after the commencement of this Act and before 1 July 2003,

in relation to the exploration for, or the determining of the existence, location, extent or quality of, a mineral occurrence in the Territory and in respect of which amount the Secretary has issued an exploration expenditure certificate under section 7 or, if the Secretary is considering an application for an exploration expenditure certificate, until the application is refused; and

- (b) in respect of work carried out outside the Territory or work carried out in the Territory for which a royalty payer expended an amount on or after 1 July 2003 –
 - (i) if a production unit was, at the commencement of this Act, exempted under section 3(2) from the operation of this Act – an amount expended by the royalty payer after the date on which this Act first applied to or in relation to that production unit; or
 - (ii) in the case of any other production unit – an amount expended by the royalty payer after the commencement of this Act,

in relation to a mineral occurrence on a mining tenement which forms part of the production unit, which amount was, in the opinion of the Secretary, reasonably expended by the royalty payer after the date referred to in subparagraph (i)

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or (ii) directly in respect of the exploration for, or the determining of the existence, location, extent or quality of, a mineral occurrence on the land comprised in the mining tenement or the exploration retention lease, within the meaning of the *Mining Act*, from which it was derived,

or so much of those amounts the inclusion of which, in calculating the royalty payable in respect of a royalty year, does not –

- (c) if the royalty is payable in respect of a royalty year commencing on or after 1 July 2003 and on or before 30 June 2004 – reduce the royalty payable by more than 30% of the amount of royalty that would be payable had eligible exploration expenditure not been taken into account, whichever is the lesser; or
- (d) if the royalty is payable in respect of a royalty year commencing on or after 1 July 2004 – reduce the royalty payable by more than 25% of the amount of royalty that would be payable had eligible exploration expenditure not been taken into account, whichever is the lesser;".

6. Exploration expenditure certificates

Section 7 of the Principal Act is amended by omitting from subsection (1) "expends money after the commencement of this Act" and substituting "expends money before 1 July 2003".

7. Royalty return

Section 12 of the Principal Act is amended by inserting in subsection (5) "within the meaning of paragraph (a) of the definition of 'eligible exploration expenditure' " before "is taken into account".

8. Amendment of assessment

Section 20 of the Principal Act is amended by omitting from subsection (5) "as an eligible deduction expenditure referred to in paragraph (b)" and substituting "eligible exploration expenditure within the meaning of paragraph (a)".

9. Transitional: deduction of eligible exploration expenditure in respect of royalty years that commenced before 1 July 2003

If, on or after the commencement of this Act, eligible exploration expenditure is deductible in respect of a royalty year that commenced before 1 July 2003, the eligible exploration expenditure that is deducted in respect of the

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royalty year is eligible exploration expenditure within the meaning of the Principal Act as in force immediately before the commencement of this Act.
