



# NORTHERN TERRITORY OF AUSTRALIA

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No. 77 of 1992

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## AN ACT

to amend the *Mineral Royalty Act*

[Assented to 14 December 1992]

**B**E it enacted by the Legislative Assembly of the Northern Territory of Australia, with the assent as provided by the *Northern Territory (Self-Government) Act 1978* of the Commonwealth, as follows:

### 1. SHORT TITLE

This Act may be cited as the *Mineral Royalty Amendment Act 1992*.

### 2. COMMENCEMENT

(1) Sections 4 and 5(1) shall be deemed to have come into operation immediately after the commencement of the *Mineral Royalty Act 1987*.

(2) The remaining provisions of this Act shall come into operation on the day on which the Administrator's assent to this Act is declared.

### 3. PRINCIPAL ACT

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

### 4. APPLICATION

For the avoidance of doubt, section 3(3) of the Principal Act is amended by omitting "clause 3 of the Special Mineral Lease" and substituting "clause 6 of the Special Mineral Lease".

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## Mineral Royalty Amendment

### 5. DEFINITIONS

(1) For the avoidance of doubt, section 4 of the Principal Act is amended by omitting from the definition of "mining tenement" the words "from land," and substituting "from land (including Special Mineral Lease 11 held by Gove Aluminium Limited and Swiss Aluminium Australia Limited and dated 30 May 1969)".

(2) Section 4 of the Principal Act is further amended -

- (a) by omitting from the definition of "mineral commodity" all words after "that mineral"; and
- (b) by omitting the definition of "saleable mineral commodity" and substituting the following:

"'saleable mineral commodity', in relation to a production unit, means a mineral commodity, other than a mineral commodity treated or processed to a stage declared by the Minister, by notice in writing to the royalty payer, as the stage at or beyond which it ceases to be a saleable mineral commodity for the purposes of this Act;"

### 6. NEW SECTION

The Principal Act is amended by inserting after section 4A the following:

#### "4AA. CONVERSION OF SALEABLE MINERAL COMMODITY BEFORE SALE, &c.

"Where a saleable mineral commodity produced on a production unit is used on that production unit in the production of a mineral commodity that is not a saleable mineral commodity, the saleable mineral commodity so used shall be taken to have been sold immediately before the stage at or beyond which it ceased to be a saleable mineral commodity, and royalty shall be payable under this Act accordingly."

### 7. NEW SECTION

The Principal Act is amended by inserting after section 4C the following:

#### "4CA. ADDITIONAL DEDUCTIONS

"The Minister may, by agreement in writing with a royalty payer, agree that there may be claimed as an additional deduction in the royalty year during which -

*Mineral Royalty Amendment*

- (a) a production unit first commences the production of a commercial quantity of a saleable mineral commodity; or
- (b) this Act first applies to and in relation to an already producing mine,

such amounts of expenditure directly relating to the production unit or mine as were expended at any time by the royalty payer or a company which, in the opinion of the Minister, is or was at the time a company related to the royalty payer, as are specified in the agreement and, subject to section 4D, those amounts may be deducted in calculating the royalty payable under Part II accordingly."

8. RATE OF ROYALTY

Section 10(2) of the Principal Act is amended -

- (a) by omitting "GR - (OC + CRD + EEE)" and substituting "GR - (OC + CRD + EEE + AD)"; and
- (b) by omitting all words after "for the royalty year;" and substituting the following:

"CRD is the capital recognition deduction;

EEE is the eligible exploration expenditure, if any; and

AD is the additional deduction, if any, under section 4CA."

9. DEFAULT ASSESSMENT

Section 19 of the Principal Act is amended -

- (a) by omitting all words before "the Secretary may" and substituting the following:

"(1) If -

- (a) a person makes default in delivering a statement referred to in section 12;
- (b) the Secretary is not satisfied that a statement delivered by a royalty payer is a full and accurate statement; or
- (c) the Secretary is of the opinion that an amount stated by the royalty payer to be the gross value of a saleable mineral commodity is not reasonable,"; and

*Mineral Royalty Amendment*

(b) by adding at the end the following:

"(2) In the circumstances referred to in subsection (1)(c) the Secretary shall, in assessing the net value of the saleable mineral commodity, by notice in writing to the royalty payer, declare the amount the Secretary considers to be a reasonable gross value for the mineral commodity concerned, and the net value shall be assessed by reference to the gross value so declared."

10. FURTHER AMENDMENTS

The Principal Act is further amended as set out in the Schedule.

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SCHEDULE

Section 10

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Provision	Amendment	
	omit	substitute
Section 4 - definition of "eligible research and development expenditure"	"mineral commodity"	"saleable mineral commodity"
- definition of "mining tenement"	"exploration retention lease"	"exploration retention licence"
Section 4A(1)(a)(i)	"mineral commodities"	"saleable mineral commodities"
Section 4A(1)(a)(ii)	"mineral commodity"	"saleable mineral commodities"
Section 4A(1)(a)(iii)	"mineral commodity" (first occurring)	"saleable mineral commodity"
Section 4A(2) and (3)	"mineral commodities" (first occurring)	"saleable mineral commodities"
Section 4B(1)(a) and (2)	"mineral commodity"	"saleable mineral commodity"
Section 5(2)	"mineral commodity" (twice occurring)	"saleable mineral commodity"

*Mineral Royalty Amendment*

Section 10(1), (5)(a), (6)(b) and (8)	"mineral commodity" (wherever occurring)	"saleable mineral commodity"
Section 19	"mineral commodity"	"saleable mineral commodity"
Section 20(4)	"mineral commodity" (first occurring)	"saleable mineral commodity"
Section 40(1)(a)	"mineral commodity"	"saleable mineral commodity"

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