

Serial 4
Taxation (Administration) Amendment Bill (No. 2) 2005
Mr Stirling

**A BILL
for
AN ACT**

to amend the *Taxation (Administration) Act*

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NORTHERN TERRITORY OF AUSTRALIA
TAXATION (ADMINISTRATION) AMENDMENT ACT 2005

Act No. [] of 2005

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NORTHERN TERRITORY OF AUSTRALIA

Act No. [] of 2005

AN ACT

to amend the *Taxation (Administration) Act*

[Assented to [] 2005]
[Second reading [] 2005]

The Legislative Assembly of the Northern Territory enacts as follows:

PART 1 – PRELIMINARY MATTERS

1. Short title

This Act may be cited as the *Taxation (Administration) Amendment Act 2005*.

2. Commencement

(1) The provisions of this Part (except section 3) come into operation on the day on which the Administrator's assent to this Act is declared.

(2) Section 3 and Parts 2 and 3 are taken to have come into operation on 3 May 2005.

(3) Parts 4 and 5 are taken to have come into operation on 1 July 2005.

3. Principal Act amended

This Act amends the *Taxation (Administration) Act*.

**PART 2 – AMENDMENTS RELATING TO EXEMPTION FROM DUTY
FOR CERTAIN LAND-OWNING CORPORATIONS**

4. Amendment of section 56C (Interpretation)

- (1) Section 56C(9), definition of "land", paragraphs (a), (b) and (c) –

omit, substitute

- (a) an interest that is a relevant acquisition in a corporation entitled to prescribed property is acquired by virtue of a transaction that would be in accordance with section 8E of the *Stamp Duty Act* if the transaction was a conveyance of prescribed property within the meaning of section 8E(1) of that Act;

- (2) Section 56C(9), definition of "land", paragraph (d) –

omit

of the family members

substitute

person

- (3) Section 56C(9), definition of "land", paragraph (d), after "used" –

insert

solely or principally

**PART 3 – AMENDMENT RELATING TO EXTENSIONS OF PERIODS
OR TIMES**

5. Repeal and substitution of section 117

Section 117 –

repeal, substitute

117. Commissioner may extend specified periods or times

(1) If this Act requires a person to take an action in respect of a specified period or within a specified time, the Commissioner may extend the period or time before or after its expiry.

(2) The extension of the period or time must be by written notice, directed to a particular person or to a class of persons, and may include conditions.

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(3) If the notice is directed to a particular person, the Commissioner must serve the notice on the person.

(4) If the notice is directed to a class of persons, the Commissioner must publish the notice in the manner the Commissioner considers appropriate.

(5) A person required to take an action to which a notice of an extension of a period or time relates must do so in accordance with the notice.

**PART 4 – AMENDMENTS RELATING TO ABOLITION OF
ELECTRONIC DEBIT TRANSACTION DUTY**

6. Amendment of section 4 (Interpretation)

Section 4(1), definition of "return" –

omit

29N, 42, 48,

substitute

42, 48

7. Repeal of Part III, Division 3B

Part III, Division 3B –

repeal

8. Amendment of section 81 (Assessment)

Section 81(1) –

omit

3B

substitute

6

9. Amendment of section 123A (Regulatory offences)

Section 123A –

omit

29J, 29N,

10. Amendment of section 126 (Books, accounts etc.)

Section 126(1) –

omit

Divisions 3B, 6, 7 and 13 of Part III

substitute

Part III, Division 6, 7 or 13

11. New Part X

After section 135 –

insert

**PART X – TRANSITIONAL MATTERS FOR TAXATION
(ADMINISTRATION) AMENDMENT ACT 2005**

**136. Application of Act to certain electronic debit transactions made before
1 July 2005**

Despite the amendments effected by Part 4 of the *Taxation (Administration) Amendment Act 2005*, this Act as in force immediately before 1 July 2005 continues to apply in relation to a liable debit transaction if the debit was entered in the liable account as a result of a withdrawal made before 1 July 2005.

**PART 5 – AMENDMENT RELATING TO ASSESSMENTS OF DUTY IF
CONTINGENT CONSIDERATION NOT PAID**

12. New section 97A

After section 97 –

insert

97A. Amendment of assessments if contingent consideration not paid

(1) This section applies if payment of any part of the consideration (the "contingent consideration") in respect of which a conveyance of dutiable property or marketable securities was charged with ad valorem duty is contingent on the occurrence of a future event and, on an application under subsection (3), it is shown to the satisfaction of the Commissioner that –

- (a) the instrument effecting the conveyance was executed on or after 1 July 2005;

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- (b) the contingent consideration has not been paid;
 - (c) the event did not occur or did not occur within the time specified in the instrument; and
 - (d) either –
 - (i) the event cannot occur in the future; or
 - (ii) the time for the occurrence of the event, as specified in the instrument, has passed or expired and cannot be extended.
- (2) The contingent consideration is taken not to be, and never to have been, part of the consideration in respect of which the instrument is chargeable and the Commissioner must amend the assessment of the duty payable on the instrument accordingly.
- (3) The application for amendment of the assessment must be made –
- (a) in an approved form by the person liable to pay the duty; and
 - (b) within 3 years after the date of the assessment.
- (4) In amending the assessment, the Commissioner must assess duty on whichever of the following is the greater:
- (a) the consideration, calculated by subtracting the contingent consideration from the consideration in respect of which the conveyance was charged with ad valorem duty;
 - (b) the unencumbered value of the dutiable property or marketable securities.
- (5) In subsection (1), a reference to the occurrence of an event includes a reference to an event not occurring.

ALTERATION TO SECTION HEADING

On the day on which the *Taxation (Administration) Act* is amended by Part 5 of this Act, in addition to any alteration to section headings indicated in the text of this Act, the heading to section 97 of the *Taxation (Administration) Act* is altered by omitting "assessment" and substituting "assessments generally".

