

Serial 23  
Financial Integrity and Revenue Legislation Amendment Bill 2021  
Mr Gunner

*A Bill for an Act to amend the *Financial Management Act 1995*, the *Fiscal Integrity and Transparency Act 2001* and the *Racing and Betting Act 1983**



NORTHERN TERRITORY OF AUSTRALIA

FINANCIAL INTEGRITY AND REVENUE LEGISLATION AMENDMENT  
ACT 2021

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Act No. [ ] of 2021

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172 Transitional matters for *Financial Integrity and Revenue  
Legislation Amendment Act 2021*

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# NORTHERN TERRITORY OF AUSTRALIA

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Act No. [ ] of 2021

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An Act to amend the *Financial Management Act 1995*, the *Fiscal Integrity and Transparency Act 2001* and the *Racing and Betting Act 1983*

[Assented to [ ] 2021]  
[Introduced [ ] 2021]

The Legislative Assembly of the Northern Territory enacts as follows:

## Part 1 Preliminary matters

### 1 Short title

This Act may be cited as the *Financial Integrity and Revenue Legislation Amendment Act 2021*.

### 2 Commencement

This Act commences on 1 July 2021.

## Part 2 Amendment of Financial Management Act 1995

### 3 Act amended

This Part amends the *Financial Management Act 1995*.

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**4 Section 9 amended (Treasurer's annual financial statement)**

(1) Section 9(1)

*omit, insert*

- (1) The Treasurer must publicly release and table in the Legislative Assembly an annual financial statement for a financial year, in the form the Treasurer considers appropriate, within 4 months after the end of the financial year.
- (1A) If the Legislative Assembly is not sitting when an annual financial statement is publicly released, the statement must be tabled in the Legislative Assembly when it next sits.

(2) Section 9(5)

*omit*

**5 Section 10 amended (Annual financial statements of Government Business Divisions)**

(1) Section 10(1)

*omit, insert*

- (1) The Accountable Officer of an Agency responsible for a Government Business Division must prepare a financial statement in respect of the Government Business Division:
- (a) within 2 months after the end of the financial year; or
- (b) by the end of another period determined by the Treasurer.

(2) Section 10(4)

*omit, insert*

- (4) The Minister must publicly release and table in the Legislative Assembly the financial statement and the Auditor-General's report within 4 months after the end of the financial year or another period determined by the Treasurer.
- (5) If the Legislative Assembly is not sitting when the financial statement and the Auditor-General's report are publicly released, the statement and the report must be tabled in the Legislative Assembly when it next sits.

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**6 Section 11 amended (Other financial statements)**

- (1) Section 11(1)  
*omit*  
him or her  
*insert*  
the Accountable Officer
- (2) Section 11(1)  
*omit*  
or another financial reporting period determined by the Treasurer
- (3) Section 11(2)  
*omit, insert*
- (2) The financial statement for the financial year must be in the form the Treasurer directs and must be prepared:
- (a) within 2 months after the end of the financial year; or
- (b) by the end of another period determined by the Treasurer.
- (4) Section 11(4)  
*omit, insert*
- (4) The Minister must publicly release and table in the Legislative Assembly the financial statement and any Auditor-General's report within 4 months after the end of the financial year or another period determined by the Treasurer.
- (5) If the Legislative Assembly is not sitting when the financial statement and any Auditor-General's report are publicly released, the statement and the report must be tabled in the Legislative Assembly when it next sits.

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**7 Section 14 amended (Money to be committed by Accountable Officer)**

After section 14(3)

*insert*

- (4) The Accountable Officer of an Agency must not commit money for expenditure in a financial year if the expenditure would result in the Agency exceeding the Agency's final approved budget for the financial year.
- (5) Despite subsection (4), the Accountable Officer may commit money for expenditure in a financial year in excess of the Agency's final approved budget for the financial year if the Accountable Officer believes on reasonable grounds that the Agency will receive revenue that is equal to or greater than the value of the excess expenditure.
- (6) Subsection (4) does not apply in relation to money committed for expenditure that the Treasurer considers is eligible, in accordance with the Treasurer's Directions issued under section 38, for a portion of the Treasurer's Advance.
- (7) In this section:

**expense budget**, for an Agency, means the Agency's total expense budget for a financial year that is specified in the budget papers tabled in the Legislative Assembly for the financial year, less an amount equal to the value of the Agency's non-cash items.

**final approved budget**, for an Agency for a financial year, means the sum of:

- (a) the Agency's expense budget for the financial year as increased or decreased by a transfer or issue under section 18, 19A, 20 or 21; and
- (b) the greater of the following:
  - (i) an amount equal to 1% of the amount under paragraph (a);
  - (ii) \$500 000.

**non-cash items** means the items specified in the Treasurer's Directions issued under section 38 as non-cash items.



**8 Section 40 repealed (Offences)**

Section 40

*repeal*

**Part 3 Amendment of Fiscal Integrity and Transparency Act 2001**

**9 Act amended**

This Part amends the *Fiscal Integrity and Transparency Act 2001*.

**10 Schedule amended (Fiscal integrity and transparency framework)**

(1) Schedule, clause 3(1)

*insert*

**borrowing amount limit**, for Part 3, see clause 5(1)(ca).

(2) Schedule, after clause 5(1)(c)

*insert*

(ca) the Government must ensure that the Territory's borrowings, excluding leases, in relation to the Territory non-financial public sector does not exceed \$15 billion (the **borrowing amount limit**);

(3) Schedule, after clause 5(2)

*insert*

(3) In this clause:

**borrowing** means receiving money, property or other value with an obligation to repay, regardless of whether the repayment is of the same kind or same amount as the valued received.

*Examples for definition borrowing*

1 A loan.

2 The issue of debentures, bonds or stock by any means or by discounted securities, promissory notes or any other security (not including equity shares).

3 A lease of any real or personal property.

4 Any other arrangement (or an arrangement of a kind) where there is an obligation to repay.

- (4) Schedule, after clause 5, in Part 3

*insert*

**5A Suspension of principle related to Territory's borrowings**

- (1) The Treasurer may, by *Gazette* notice, while an emergency declaration is in force suspend the operation of the principle in clause 5(1)(ca) for a specified period of up to 12 months.

- (2) In this clause:

***emergency declaration*** means:

- (a) an emergency situation under section 18 of the *Emergency Management Act 2013*; or
- (b) a state of emergency under section 19 of the *Emergency Management Act 2013*; or
- (c) a state of disaster under section 21 of the *Emergency Management Act 2013*; or
- (d) a public health emergency under section 48 of the *Public and Environmental Health Act 2011*.

**5B Reporting in relation to Territory's borrowings**

- (1) The Treasurer must prepare a report in accordance with subclause (2) within 3 months of the following:

- (a) the Government exceeding the borrowing amount limit;
- (b) the Government projecting it will exceed the borrowing amount limit at any time during the budget year or the following 3 budget years;
- (c) the Treasurer suspending the operation of the principle mentioned in clause 5(1)(ca).

- (2) The report must include the following details:

- (a) the reasons why the borrowing amount limit has been exceeded, or is projected to be exceeded, or suspended;
- (b) the actions the Government will take to address the borrowing amount limit being exceeded, or projected to be exceeded, or suspended;

- (c) the estimated impact of the actions mentioned in paragraph (b) for the budget year and the following 3 budget years.
- (3) The Treasurer must table the report in the Legislative Assembly within 6 sitting days after it is prepared.

## **Part 4 Amendment of Racing and Betting Act 1983**

### **11 Act amended**

This Part amends the *Racing and Betting Act 1983*.

### **12 Section 106 amended (Bookmaker's liability to pay tax)**

- (1) Section 106(1)(b)
  - omit*
  - 10%
  - insert*
  - 5%
- (2) Section 106(2), before "bookmaker"
  - insert*
  - sports
- (3) Section 106(2)(a)
  - omit, insert*
  - (a) an amount equal to the monetary value of 1 000 000 revenue units calculated in accordance with the *Revenue Units Act 2009*; or
- (4) Section 106(7)
  - omit*

### **13 Section 109Z amended (Liability to pay tax)**

- (1) Section 109Z(1)
  - omit*
  - all words after "a month"

*insert*

is the total amount of commission retained or received by the operator during the month.

- (2) Section 109Z(2)(b)

*omit*

10%

*insert*

5%

- (3) Section 109Z(3)(a)

*omit*

500 000

*insert*

1 000 000

#### **14 Part X, Division 5 inserted**

After section 171

*insert*

### **Division 5 Transitional matters for Financial Integrity and Revenue Legislation Amendment Act 2021**

#### **172 Transitional matters for *Financial Integrity and Revenue Legislation Amendment Act 2021***

This Act, as in force immediately before 1 July 2021, continues to apply in relation to the following:

- (a) the rate of tax payable by a sports bookmaker under section 106(1)(b) for a calendar month that ends before 1 July 2021;
- (b) the maximum amount of tax payable in accordance with section 106(2) by a sports bookmaker for a financial year that ends before 1 July 2021;

- (c) the bets taken into account in determining the gross monthly profit of a sports bookmaker, other than a country bookmaker, for a calendar month that ends before 1 July 2021;
- (d) the rate of tax payable by a betting exchange operator under section 109Z(2)(b) for a calendar month that ends before 1 July 2021;
- (e) the maximum amount of tax payable by a betting exchange operator for a financial year that ends before 1 July 2021;
- (f) the commissions taken into account in determining a betting exchange operator's gross monthly profit for a month that ends before 1 July 2021.

## **Part 5 Repeal of Act**

### **15 Repeal of Act**

This Act is repealed on the day after it commences.