

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

(As read a first time)

SALES TAX LAWS AMENDMENT BILL 1987

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SCHEDULE

1985-86-87

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA
HOUSE OF REPRESENTATIVES

Presented and read a first time, 14 May 1987

(Minister Assisting the Treasurer)

A BILL

FOR

**An Act to amend the laws relating to sales tax, and for
related purposes**

BE IT ENACTED by the Queen, and the Senate and the House of
Representatives of the Commonwealth of Australia, as follows:

PART I—PRELIMINARY

Short title

5 1. This Act may be cited as the *Sales Tax Laws Amendment Act 1987*.

Commencement

2. (1) This Part shall come into operation on the day on which this
Act receives the Royal Assent.

10 (2) Section 28, the amendment made by paragraph 29 (d), and
subsection 31 (1) shall come into operation on 1 July 1987.

(3) The remaining provisions of this Act shall be deemed to have come into operation on 14 May 1987.

**PART II—AMENDMENT OF SALES TAX ASSESSMENT ACT
(No. 1) 1930**

Principal Act

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3. The *Sales Tax Assessment Act (No. 1) 1930*¹ is in this Part referred to as the Principal Act.

4. After section 20 of the Principal Act the following section is inserted in Part IV:

Non-exempt authorities

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“20A. (1) In this section, ‘authority’ means:

(a) an authority established before 14 May 1987, being an authority specified in Schedule 2; or

(b) an authority established on or after 14 May 1987, being:

(i) a corporation established for a public purpose by a law of the Commonwealth;

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(ii) a company in which the Commonwealth has a controlling interest; or

(iii) a company in which a corporation referred to in subparagraph (i) or a company referred to in subparagraph (ii) has a controlling interest.

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“(2) Subject to subsection (3), to the extent that, but for this section, an Act (whether enacted before, on or after 14 May 1987) would:

(a) exempt a particular authority from liability to pay tax under this Act; or

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(b) exempt a person from liability to pay tax under this Act in relation to goods for use by a particular authority;

then, by force of this section, the exemption has no effect.

“(3) Subsection (2) does not apply to an exemption if:

(a) the provision containing the exemption is enacted after 13 May 1987; and

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(b) the exemption expressly refers to sales tax (however described).

“(4) The regulations may amend Schedule 2 by:

(a) removing an authority from the Schedule; or

(b) adding to the Schedule an authority that:

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(i) was established before 14 May 1987; and

(ii) is a corporation or company of a kind referred to in subparagraph (b) (i), (ii) or (iii) of the definition of ‘authority’ in subsection (1).”

Heading to Schedule

5. The heading to the Schedule to the Principal Act is amended by omitting "SCHEDULE" and substituting "SCHEDULE 1".

Non-exempt authorities established before 14 May 1987

5 6. The Principal Act is amended by adding at the end the Schedule set out in the Schedule to this Act.

**PART III—AMENDMENT OF SALES TAX ASSESSMENT ACT
(No. 2) 1930**

Principal Act

10 7. The *Sales Tax Assessment Act (No. 2) 1930*² is in this Part referred to as the Principal Act.

Application of provisions of *Sales Tax Assessment Act (No. 1) 1930*

8. Section 12 of the Principal Act is amended by inserting in subsection (1) "20A," before "23".

15 **PART IV—AMENDMENT OF SALES TAX ASSESSMENT ACT
(No. 3) 1930**

Principal Act

9. The *Sales Tax Assessment Act (No. 3) 1930*³ is in this Part referred to as the Principal Act.

20 **Application of provisions of *Sales Tax Assessment Act (No. 1) 1930***

10. Section 12 of the Principal Act is amended by inserting in subsection (1) "20A," before "23".

**PART V—AMENDMENT OF SALES TAX ASSESSMENT ACT
(No. 4) 1930**

25 **Principal Act**

11. The *Sales Tax Assessment Act (No. 4) 1930*⁴ is in this Part referred to as the Principal Act.

Application of provisions of *Sales Tax Assessment Act (No. 1) 1930*

30 12. Section 12 of the Principal Act is amended by inserting in subsection (1) "20A," before "23".

**PART VI—AMENDMENT OF SALES TAX ASSESSMENT
ACT (No. 5) 1930**

Principal Act

35 13. The *Sales Tax Assessment Act (No. 5) 1930*⁵ is in this Part referred to as the Principal Act.

Application of provisions of Sales Tax Assessment Act (No. 1) 1930

14. Section 12 of the Principal Act is amended by inserting in subsection (1) "20A," before "23".

**PART VII—AMENDMENT OF SALES TAX ASSESSMENT ACT
(No. 6) 1930**

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Principal Act

15. The *Sales Tax Assessment Act (No. 6) 1930*⁶ is in this Part referred to as the Principal Act.

Application of provisions of Sales Tax Assessment Act (No. 1) 1930

16. Section 12 of the Principal Act is amended by inserting in subsection (1) "20A," before "23". 10

**PART VIII—AMENDMENT OF SALES TAX ASSESSMENT ACT
(No. 7) 1930**

Principal Act

17. The *Sales Tax Assessment Act (No. 7) 1930*⁷ is in this Part referred to as the Principal Act. 15

Application of provisions of Sales Tax Assessment Act (No. 1) 1930

18. Section 12 of the Principal Act is amended by inserting in subsection (1) "20A," before "23".

**PART IX—AMENDMENT OF SALES TAX ASSESSMENT ACT
(No. 8) 1930**

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Principal Act

19. The *Sales Tax Assessment Act (No. 8) 1930*⁸ is in this Part referred to as the Principal Act.

Application of provisions of Sales Tax Assessment Act (No. 1) 1930

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20. Section 12 of the Principal Act is amended by inserting in subsection (1) "20A," before "23".

**PART X—AMENDMENT OF SALES TAX ASSESSMENT ACT
(No. 9) 1930**

Principal Act

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21. The *Sales Tax Assessment Act (No. 9) 1930*⁹ is in this Part referred to as the Principal Act.

Application of provisions of *Sales Tax Assessment Act (No. 1) 1930*

22. Section 12 of the Principal Act is amended by inserting in subsection (1) "20A," before "23".

**PART XI—AMENDMENT OF SALES TAX ASSESSMENT ACT
(No. 10) 1985**

Principal Act

23. The *Sales Tax Assessment Act (No. 10) 1985*¹⁰ is in this Part referred to as the Principal Act.

Application of provisions of *Sales Tax Assessment Act (No. 1) 1930*

24. Section 12 of the Principal Act is amended by inserting in subsection (1) "20A," before "23".

**PART XII—AMENDMENT OF SALES TAX ASSESSMENT ACT
(No. 11) 1985**

Principal Act

25. The *Sales Tax Assessment Act (No. 11) 1985*¹¹ is in this Part referred to as the Principal Act.

Application of provisions of *Sales Tax Assessment Act (No. 1) 1930*

26. Section 16 of the Principal Act is amended by inserting in subsection (1) "20A," before "23".

**PART XIII—AMENDMENT OF SALES TAX (EXEMPTIONS AND
CLASSIFICATIONS) ACT 1935**

Principal Act

27. The *Sales Tax (Exemptions and Classifications) Act 1935*¹² is in this Part referred to as the Principal Act.

28. After section 6AB of the Principal Act the following section is inserted:

Sales tax not payable on proportion of value of certain goods

"6AC. Notwithstanding anything contained in any law relating to sales tax, where, under by-laws made for the purposes of item 15 in Part I of Schedule 4 to the Customs Tariff, a proportion only of the value of goods to which that item applies is not liable to duties of Customs, sales tax is not payable on the equivalent proportion of the amount that is the sale value of the goods under the *Sales Tax Assessment Act (No. 5) 1930*."

First Schedule

29. The First Schedule to the Principal Act is amended:

(a) by adding at the end of item 74 the following definition:

“In this item, ‘authority’ does not include an authority as defined by subsection 20A (1) of the *Sales Tax Assessment Act (No. 1) 1930.*”; 5

(b) by adding at the end of item 77 the following definition:

“In this item, ‘public transport authority’ does not include an authority as defined by subsection 20A (1) of the *Sales Tax Assessment Act (No. 1) 1930.*”; 10

(c) by adding at the end of item 78 the following definition:

“In this item, ‘public authority’ does not include an authority as defined by subsection 20A (1) of the *Sales Tax Assessment Act (No. 1) 1930.*”; and 15

(d) by omitting subitem 114 (2). 15

PART XIV—SUPPLEMENTARY**Avoidance of sales tax**

30. Where:

(a) at any time (in this section called the “relevant time”) after 7.30 in the evening, by standard time in the Australian Capital Territory, on 13 May 1987 and before 14 May 1987 a person entered into, performed or carried out a transaction, act or operation (in this section called the “dealing”) in relation to goods; and 20

(b) the person entered into, performed or carried out the dealing at the relevant time for the purpose, or for purposes that included the purpose, of enabling any person to avoid liability to pay an amount, or part of an amount, of sales tax that would have been, or might reasonably be expected to have been, payable in relation to the dealing under the laws relating to sales tax if the dealing had been entered into, performed or carried out on 14 May 1987; 25 30

then, for the purposes of those laws, the dealing shall be deemed to have been entered into, performed or carried out on 14 May 1987.

Application of amendments

31. (1) The amendments made by section 28 and paragraph 29 (d) apply in relation to transactions, acts and operations effected or done in relation to goods at or after the commencement of this subsection. 35

(2) The other amendments made by this Act apply in relation to transactions, acts and operations effected or done in relation to goods at or after the commencement of this subsection.

SCHEDULE

Section 6

SCHEDULE TO BE ADDED TO SALES TAX ASSESSMENT ACT (No. 1) 1930

SCHEDULE 2

Section 20A

NON-EXEMPT AUTHORITIES ESTABLISHED BEFORE 14 MAY 1987

Army and Air Force Canteen Service
Aussat Pty Ltd
Australian Canned Fruits Corporation
Australian Capital Territory Gaming and Liquor Authority
Australian Dairy Corporation
Australian Dried Fruits Corporation
Australian Honey Board
Australian Industry Development Corporation
Australian Meat and Live-stock Corporation
Australian Meat and Live-stock Research and Development Corporation
Australian National Airlines Commission
Australian Postal Commission
Australian Shipping Commission
Australian Telecommunications Commission
Australian Tobacco Board
Australian Wheat Board
Australian Wine and Brandy Corporation
Australian Wool Corporation
Building and Construction Industry Long Service Leave Board
Commonwealth Accommodation and Catering Services Ltd
Commonwealth Banking Corporation
Commonwealth Serum Laboratories
Housing Loans Insurance Corporation
Overseas Telecommunications Commission
Phosphate Mining Corporation of Christmas Island
Qantas Airways Ltd
Snowy Mountains Engineering Corporation
Stevedoring Industry Finance Committee
Superannuation Fund Investment Trust

NOTES

1. No. 25, 1930, as amended. For previous amendments, see No. 62, 1930; No. 25, 1931; Nos. 39 and 64, 1932; Nos. 17 and 47, 1933; Nos. 16 and 29, 1934; Nos. 8, 45 and 61, 1935; No. 78, 1936; Nos. 30 and 64, 1940; No. 54, 1942; No. 1, 1953; No. 40, 1962; No. 93, 1966; No. 216, 1973; No. 197, 1978 (as amended by No. 47, 1985); No. 19, 1979; No. 134, 1980; Nos. 51 and 122, 1982; No. 39, 1983; No. 123,

NOTES—continued

1984 (as amended by No. 47, 1985); Nos. 47, 123 and 144, 1985; and Nos. 41, 48 and 99, 1986.

2. No. 27, 1930, as amended. For previous amendments, see No. 64, 1930; No. 27, 1931; Nos. 40 and 64, 1932; Nos. 17 and 48, 1933; Nos. 16 and 30, 1934; Nos. 45 and 61, 1935; No. 78, 1936; No. 93, 1966; No. 216, 1973; No. 198, 1978; No. 123, 1984; No. 47, 1985; and Nos. 48 and 99, 1986.
3. No. 29, 1930, as amended. For previous amendments, see No. 65, 1930; No. 29, 1931; Nos. 41 and 64, 1932; Nos. 17 and 49, 1933; No. 16, 1934; Nos. 45 and 61, 1935; No. 78, 1936; No. 93, 1966; No. 216, 1973; No. 199, 1978; No. 123, 1984; No. 47, 1985; and Nos. 48 and 99, 1986.
4. No. 31, 1930, as amended. For previous amendments, see No. 66, 1930; No. 31, 1931, Nos. 42 and 64, 1932; Nos. 17 and 50, 1933; No. 16, 1934; Nos. 45 and 61, 1935; No. 78, 1936; No. 93, 1966; No. 216, 1973; No. 200, 1978; No. 123, 1984; No. 47, 1985; and Nos. 48 and 99, 1986.
5. No. 33, 1930, as amended. For previous amendments, see No. 67, 1930; No. 33, 1931; Nos. 43 and 64, 1932; Nos. 17, 25 and 51, 1933; Nos. 16 and 62, 1934; Nos. 45 and 61, 1935; No. 78, 1936; No. 26, 1939; No. 71, 1953; No. 45, 1963; No. 93, 1966; No. 109, 1968; No. 216, 1973; No. 91, 1976; No. 201, 1978; Nos. 51 and 80, 1982; No. 123, 1984 (as amended by No. 144, 1985); No. 144, 1985; and Nos. 48 and 99, 1986.
6. No. 35, 1930, as amended. For previous amendments, see No. 68, 1930; No. 35, 1931; Nos. 44 and 64, 1932; Nos. 17, 25 and 52, 1933; Nos. 16 and 62, 1934; Nos. 45 and 61, 1935; No. 78, 1936; No. 93, 1966; No. 216, 1973; No. 202, 1978; No. 123, 1984; No. 47, 1985; and Nos. 48 and 99, 1986.
7. No. 37, 1930, as amended. For previous amendments, see No. 69, 1930; No. 37, 1931; Nos. 45 and 64, 1932; Nos. 17, 25 and 53, 1933; Nos. 16 and 62, 1934; Nos. 45 and 61, 1935; No. 78, 1936; No. 93, 1966; No. 216, 1973; No. 203, 1978; No. 123, 1984; No. 47, 1985; and Nos. 48 and 99, 1986.
8. No. 39, 1930, as amended. For previous amendments, see No. 70, 1930; No. 39, 1931; Nos. 46 and 64, 1932; Nos. 17, 25 and 54, 1933; Nos. 16 and 62, 1934; Nos. 45 and 61, 1935; No. 78, 1936; No. 93, 1966; No. 216, 1973; No. 204, 1978; No. 123, 1984; No. 47, 1985; and Nos. 48 and 99, 1986.
9. No. 41, 1930, as amended. For previous amendments, see No. 71, 1930; No. 41, 1931; No. 47, 1932; No. 55, 1933; Nos. 9 and 61, 1935; No. 78, 1936; No. 13, 1946; No. 93, 1966; No. 216, 1973; No. 205, 1978; No. 123, 1984; Nos. 47 and 144, 1985; and Nos. 48 and 99, 1986.
10. No. 43, 1985. For previous amendments, see Nos. 48 and 99, 1986.
11. No. 179, 1985. For previous amendments, see No. 48, 1986.
12. No. 60, 1935, as amended. For previous amendments, see No. 41, 1936; No. 78, 1938; No. 32, 1939; Nos. 29 and 76, 1940; No. 32, 1941; No. 6, 1942; Nos. 35 and 44, 1943; No. 31, 1944; No. 36, 1945; Nos. 12 and 67, 1946; No. 65, 1947; No. 42,

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1948; No. 54, 1949; No. 37, 1950; No. 42, 1951; No. 44, 1952; No. 53, 1953; No. 45, 1954; No. 5, 1956; No. 71, 1957; Nos. 17 and 92, 1959; Nos. 65 and 88, 1960; Nos. 1 and 76, 1961; No. 4, 1962; No. 44, 1963; No. 30, 1965; Nos. 26 and 62, 1966; Nos. 21, 29 and 80, 1967; No. 78, 1970; Nos. 67 and 87, 1972; Nos. 17, 181 and 216, 1973; No. 24, 1975; No. 175, 1976; No. 107, 1978; Nos. 3, 94 and 157, 1979; No. 142, 1981; Nos 64, 93 and 115, 1982; Nos. 63, 84 and 136, 1983; Nos. 81, 123 and 165, 1984; Nos. 65 and 67, 1985; and Nos. 28, 76 and 98, 1986.

