

1986

THE PARLIAMENT OF THE
COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

AUSTRALIAN LAND TRANSPORT (FINANCIAL ASSISTANCE)
AMENDMENT BILL 1986

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Transport
the Hon. Peter Morris, MHR)

AUSTRALIAN LAND TRANSPORT (FINANCIAL
ASSISTANCE) AMENDMENT BILL 1986

Outline

The purpose of the Bill is to amend the Australian Land Transport (Financial Assistance) Act 1985.

On 12 June 1986 the Minister for Transport announced that the rate of duty of Excise or duty of Customs payable to the Australian Land Transport Program would be reduced by 0.235 cents per litre from 1 July 1986.

The Bill varies the rate of duty calculated in accordance with section 14 of the Principal Act legislation from 3.845 cents per litre to 3.610 cents per litre (a reduction of 0.235 cents per litre) to apply from 1 July 1986.

Repayments will be made from the Australian Land Transport Trust Fund to the Consolidated Revenue Fund equal to the revenue generated by the 0.235 cents per litre adjustment, subsequent indexation adjustments and any interest earned by these funds whilst they are retained in the Australian Land Transport Trust Fund.

Structure of Bill

The Bill consists of two provisions which amend the rate of duty payable to the Australian Land Transport Trust Fund in accordance with the Australian Land Transport legislation. The Bill also corrects a minor drafting point.

NOTES ON CLAUSES

Clause 1: Short title

This is the formal clause providing for the citation of the Principal Act and the Amending Act.

Clause 2: Commencement

This clause provides for the Act to come into operation on the day on which it receives Royal Assent.

Clause 3: Modification of rate applicable under Section 14

Clause 3 provides for the insertion of section 14A of which subsection (1) provides for a lower rate of duty of 3.610 cents per litre to be the effective rate from 1 July 1986 at which payments are to be made into the Australian Land Transport Trust Fund.

Subsection (2) provides that the validity of payments made into the Fund prior to the commencement of the section will not be affected by subsection (1).

Clause 4: Indexation of relevant rate

Clause 4 amends the wording of section 15 subsection (7) of the Principal Act by substituting "a" for the words "the relevant" to correct a minor drafting point.

Clause 5: Transitional arrangements

Section 5 subsection (1) enables the rate of duty determined in section 14A to be indexed from 1 July 1986 in accordance with provisions of section 15 of the Principal Act.

Section 5 subsection (2) provides for the repayment from the Australian Land Transport Trust Fund to the Consolidated Revenue Fund of the revenue generated in the transitional period by the 0.235 cents per litre adjustment, subsequent indexation adjustments and any interest earned by these funds whilst retained in the Australian Land Transport Trust Fund.