

Business Franchise Acts (Further Amendment) Bill 1983

EXPLANATORY MEMORANDUM

Clauses 1 and 2. These clauses contain the usual citation and commencement provisions.

Clause 2 gives effect to the Government's Budget decision to bring the new rates into operation from 1 December 1983.

Clause 3:

Sub-clause (1) implements the Budget decision to increase the *ad valorem* tobacco licence fee from 12 per centum to 25 per centum and adjusts the fraction which is applied to the value on tobacco so that duty on duty is not imposed.

Sub-clause (2) is a transitional provision which ensures that if a person obtains a licence prior to the commencement of the new rates that person must make up the difference between the old and new licence fees prior to 31 December 1983.

Clause 4:

Sub-clause (1) implements the Budget decision to increase the petroleum licence fees—

for motor spirit from 5·4 per centum to 7·8 per centum; and

for diesel fuel from 8·6 per centum to 11 per centum—

respectively.

Sub-clause (2) contains transitional provisions similar to that relating to tobacco under clause 3 (2) to ensure that the new rates are payable by 31 December 1983 on licences taken out prior to 1 December 1983.

Clause 5. This clause applies interest to amounts which are payable under clauses 3 (2) and 4 (2) if the additional amounts payable under those provisions are not paid by 31 December 1983. A further penalty is provided for non-payment by the due date which is that the licence concerned will cease to be current after 31 December 1983.

Clause 6. This clause inserts a new section 19C to enable the Commissioner to refund overpayments, and amounts paid in respect of an unexpired portion of a retailer's licence. At present unlike other taxing legislation, the Business Franchise Acts do not contain refund provisions. In the past it has been necessary to deal with refunds on an *ex gratia* basis.

Sub-clause (4) of the new section 19C makes the necessary appropriation from the Consolidated Fund.

Clause 7. This clause is a technical amendment to correct two references in section 19B (1) of the *Business Franchise (Tobacco) Act 1974*.

