

Financial Institutions Duty (Amendment) Bill

EXPLANATORY MEMORANDUM

Clause 1 outlines the purpose of the Bill.

Clause 2 is the commencement provision.

Clause 3 defines the **Financial Institutions Duty Act 1982** to be the Principal Act for the purposes of the Bill.

Clause 4 provides that amounts paid into exempt bank accounts which are not paid in accordance with the Act (under section 32 (1)) are financial institutions duty chargeable under the Act and therefore assessable under section 46 (3B). The clause also amends obsolete references to the Companies (Victoria) Code.

Sub-clause (a) expands the definition of “financial institutions duty” in section 3 (1) to include amounts payable under section 32 (1) as financial institutions duty.

Sub-clause (b) amends Section 12 (1) (a), (d) and (2) (a) to replace obsolete references to the “Code” with the “Corporations Law”.

Clause 5 amends section 38 to enable the Commissioner to place short-term dealers on an annual payment cycle.

Clause 6 amends section 46 to enable the Commissioner to issue estimated assessments of liability for an exempt account holder to financial institutions duty. The clause also enables him to amend any assessment made under the section.

Sub-clause (1) amends section 46 (3B) to remove the reference to monies paid into or out of an exempt account, to clarify that the Commissioner is able to issue estimated assessments where it is suspected that an exempt bank account holder is liable to pay financial institutions duty.

Sub-clause (2) amends section 46 to insert a new sub-section (6A) which enables the Commissioner to amend an assessment made under that section.

Clause 7 amends the definition of “taxing Act” in the **Administrative Appeals Tribunal Act 1984** to include the **Debits Tax Act 1990**, thereby allowing appeals under the **Debits Tax Act 1990** to be made to the Administrative Appeals Tribunal.

