



HOUSE OF REPRESENTATIVES

Supplementary Order Paper

Tuesday, 2 December 1997

TAXATION (REMEDIAL PROVISIONS) BILL (NO. 2)

Proposed Amendments

Rt. Hon. BILL BIRCH, in Committee, to move the following amendments:

That after Part 3 (line 16 on page 36) be inserted the following Part:

PART 3A

STAMP AND CHEQUE DUTIES ACT 1971

44A. Stamp and Cheque Duties Act 1971—The Stamp and Cheque Duties Act 1971 is amended by this Part.

44B. Interpretation—(1) In section 86A, before the definition of “cardholder”, the following is inserted:

“Automatic withdrawal of funds’ means obtaining through the use of a credit card a supply of goods, services, money or money’s worth from an automatic teller machine (ATM) operated by a credit card agency, whether or not it is the credit card agency that issued the credit card and whether or not payment in respect of the supply is made by another credit card agency.”

(2) In section 86A, after the definition of “credit card agency”, the following is inserted:

“Electronic transfer of funds’ means using a credit card to make payment to a merchant by electronic means, or a process that temporarily replaces the electronic means, from an account of a cardholder, whether or not through an agent of either or both of them, for which the credit card agency does not assume liability for payment for goods, services, money, or money’s worth, other than a liability that is not a primary liability but is in the nature of a guarantee, and includes an electronic funds transfer at point of sale (EFTPOS) and an automatic payment (AP).”

(3) In section 86A, in the definition of “liable transaction”, after “issued by itself”, insert:

“or an automatic withdrawal of funds or an electronic transfer of funds”

(4) **Subsections (1) to (3)** are deemed to have come into force on 10 July 1981.

(5) Notwithstanding **subsection (4)**, **subsections (1) to (3)** do not apply with respect to a transaction that is a liable transaction (as defined in law before **subsections (1) to (3)** are enacted) entered into before 1 December 1997 if, before that date, details of the liable transaction have been forwarded to the Commissioner in the manner prescribed under section 86D and the credit card transaction duty on the liable transaction has been paid.

44c. Repeal—(1) Part VIA is repealed on 1 April 1998.

(2) Notwithstanding **subsection (1)**, sections 86A to 86E continue to apply to liable transactions that occur before 1 April 1998.

EXPLANATORY NOTE

This Supplementary Order Paper amends the Taxation (Remedial Provisions) Bill (No. 2) by introducing amendments to the Stamp and Cheque Duties Act 1971. One amendment confirms that from 10 July 1981, the date of introduction of credit card transaction duty, EFTPOS transactions and certain ATM withdrawals, excluding withdrawals from credit card accounts as commonly understood, are not subject to the credit card transaction duty imposed by that Act. A second amendment repeals Part VIA on 1 April 1998 with the exception of sections 86A to 86E which continue to apply to liable transactions that occur before 1 April 1998.