Date Introduced: 8 May 1985
House: House of Representatives
Presented by: Hon. John Kerin, M.P., Minister for Primary Industry

Short Digest of Bill

Purpose

To impose tax, and amend the Wool Tax Act (No. 4) 1964 (the Principal Act) to remove the provision for apportionment of wool tax receipts between wool market support, wool research, and the general purposes of the Australian Wool Corporation.

Background

The Bill amends the fourth of five Wool Tax Acts. These Acts are essentially identical but each covers a different method of selling shorn wool. The Wool Tax Act (No. 4) covers shorn wool subjected by a manufacturer to a process of manufacture.

For a background on the amendments proposed by the Bill, refer to the Bills Digest on the Wool Tax (No. 1) Amendment Bill 1985.

Main Provisions

A detailed analysis of the provisions of the Bill is contained in the Explanatory Memorandum.

The present apportionment arrangements will no longer apply as a result of the repeal of section 5 of the Principal Act. Instead, the proposed new section 5 imposes a tax on shorn wool subjected by a manufacturer to a process of manufacture at the rate of 8% of the sale value of the wool, or at a lower rate, if a lower rate is prescribed by new subsequent regulations (clause 3).

The Bill also empowers the Governor-General to make regulations which prescribe a tax on shorn wool at a rate lower than 8% (sub-clause 4(1)) providing that any such lower rate exceeds 4% and does not differ from the rate of tax imposed by the other four Tax Acts (sub-clause 4(2)).
For further information, if required, contact:

Economics and Commerce Group
LEGISLATIVE RESEARCH SERVICE

2 July 1985

References