SALES TAX (EXEMPTIONS AND CLASSIFICATIONS) AMENDMENT BILL (No. 3) 1979

Date Introduced: 21 August 1979
House: House of Representatives
Presented by: Hon. Michael MacKellar, M.P., Minister for Immigration and Ethnic Affairs and Minister Assisting the Treasurer.

Short Digest of Bill

Purpose

To amend the Sales Tax (Exemptions and Classifications) Act 1935 by exempting the following goods - imported antiques, player piano rolls, goods for use by blind or deaf persons, goods for use in the conversion of internal combustion engines to liquefied petroleum gas (LPG) or natural gas, non-oil burning domestic space heating appliances and various solar energy appliances.

Background

Exemption is being provided for imported antiques to give them a taxation position equal to Australian antiques. Player piano rolls are being exempted to give assistance to a highly specialised industry.

The Act also exempts certain goods used by blind people and deaf people. However, this failed to cover many new aids and appliances. This amendment broadens the exemption to goods made expressly for use by blind people and deaf people.

Outlined in the Prime Minister's Energy Policy Speech, 27 June 1979, are the exemptions aimed at encouraging the conservation of scarce sources of energy. The exemptions in this amendment are designed to promote the use of energy sources such as natural gas, LPG, coal-based electricity and solar energy away from petroleum products. It was estimated in the above Speech that the cost to revenue of the tax exemption on household non-oil fuel space heating appliances and on solar appliances would be $3m. in a full year.
Provisions

Clause 3 amends the First Schedule to the Principal Act. The First Schedule specifies items exempt from sales tax. Paragraphs (a) and (d) of clause 3 omit sub-item 42(4) and item 123 of the First Schedule and replace them with a new item 123 which will provide for exemption in respect of a range of goods for use by blind persons or by deaf persons.

Paragraphs (b) and (c) of clause 3 will amend the First Schedule so that imported antiques are exempt from sales tax.

Paragraph (e) of clause 3 will insert a new item 140A to exempt rolls for player-pianos.

Paragraph (f) of clause 3 will add three new items - 151, 152, 153. Item 151 will exempt goods to be used in the conversion of internal combustion engines to enable them to operate on natural gas or LPG. Item 152 will exempt space heating appliances used for household purposes, except for appliances that use kerosene or other refined petroleum oils and air conditioners. Item 153 will exempt goods connected with the use of solar energy. Further details are contained in the Explanatory Memorandum to the Bill.

Goods for use by blind persons or deaf persons, imported antiques and rolls for piano players will be deemed to be exempt from sales tax from 22 August 1979. The remaining goods - conversion kits, heating appliances and goods using solar energy - shall be deemed to be exempt from sales tax from 28 June 1979. (Clause 2).

29 August 1979