TERRITORY AUTHORITIES (FINANCIAL PROVISIONS) BILL 1978

Date Introduced: 23 February 1978
House: House of Representatives
Presented by: Honourable E.L. Robinson, M.P.,
Minister for Finance

Short Digest of Bill

Purpose
To provide complementary legislation concerning appropriations, loans and taxation for authorities established under territory Ordinances.

Main Provisions
Clause 6 provides that moneys appropriated by Parliament for prescribed territory authorities are payable to the authority and that the Minister for Finance may give directions about the amounts and timing of the payments.

Clause 7 authorizes the Minister for Finance to lend to prescribed territory authorities, funds appropriated by Parliament, on terms and conditions determined by the Minister for Finance; approval is also given for the Minister for Finance to guarantee loans entered into by authorities.

Clause 8 exempts certain non-commercial territory authorities listed in Part I of the Schedule from taxation under Commonwealth and State laws; the exemption may be removed by regulation. Clause 9 provides that certain commercial territory authorities are to be liable for Commonwealth taxes but exempt from State taxes; the exemption from State taxes may be removed by regulation. There are also technical provisions in sub-clauses 9(4) and (5) relating to the position of the Canberra Commercial Development Authority (which is listed in Part II of the Schedule as being liable to Commonwealth taxes) under the Income Tax Assessment Act 1936 and the Sales Tax (Exemptions and Classifications) Act 1935.

Background
The Bill is the same as that introduced on 27 October 1977 and which lapsed at the end of the session except that references to the Treasurer are replaced by references to the Minister for Finance.
It contains provisions of a kind which are usually included in a Act setting up a statutory authority. If such provisions were included in subordinate legislation, such as a territory Ordinance, they might be treated as inconsistent with Acts passed by the Parliament and therefore not within the scope of the power to make Ordinances. For example, if Parliament has appropriated moneys for the purposes of a territory Authority it might be thought to be inconsistent with the Appropriation Act for the territory Ordinance to provide that these funds are only payable to the authority in such amounts and at such times as the Treasurer directs. Similar problems arise with the terms and conditions of loans to territory authorities and with the position of the authorities under taxation laws.

The Territory Authorities (Financial Provisions) Act 1973 which is repealed by this Bill made provision for the Treasurer's control over moneys appropriated by Parliament for territory authorities but did not make any provisions relating to loans or taxation.