


## REVENUE AND OTHER LEGISLATION AMENDMENT BILL

### First Reading

 **Hon. AP FRASER** (Mount Coot-tha—ALP) (Treasurer and Minister for State Development and Trade) (12.30 pm): I present a bill for an act to amend the Aboriginal Land Act 1991, City of Brisbane Act 2010, Duties Act 2001, First Home Owner Grant Act 2000, Judicial Review Act 1991, Land Tax Act 2010, Local Government Act 2009, Payroll Tax Act 1971, Queensland Competition Authority Act 1997, Right to Information Act 2009, Royal National Agricultural and Industrial Association of Queensland Act 1971, South East Queensland Water (Restructuring) Act 2007, Sustainable Planning Act 2009, Taxation Administration Act 2001, Water Act 2000 and Water Supply (Safety and Reliability) Act 2008 for particular purposes, and to repeal the Advance Bank Integration Act 1997, Bank Integration (Bank of Queensland) Act 1993, Bank Merger (BankSA and Advance Bank) Act 1996, Bank of New Zealand (Transfer of Undertaking) Act 1997, Challenge Bank (Transfer of Undertaking) Act 1996, Debits Tax Repeal Act 2005, Iconic Queensland Places Act 2008, New Tax System Price Exploitation Code (Queensland) Act 1999, State Bank of South Australia (Transfer of Undertaking) Act 1994 and Tobacco Products (Licensing) Act 1988. I present the explanatory notes, and I move—

That the bill be now read a first time.

Question put—That the bill be now read a first time.


Motion agreed to.

Bill read a first time.

*Tabled paper:* Revenue and Other Legislation Amendment Bill.

*Tabled paper:* Revenue and Other Legislation Amendment Bill, explanatory notes.

### Second Reading

 **Hon. AP FRASER** (Mount Coot-tha—ALP) (Treasurer and Minister for State Development and Trade) (12.31 pm): I move—

That the bill be now read a second time.

The Revenue and Other Legislation Amendment Bill 2011 includes amendments to the state's revenue legislation to maintain its currency and ensure it operates as intended. Several of the amendments provide new or extended exemptions and concessions. Other amendments clarify the operation of the legislation which will assist both taxpayers and the Office of State Revenue. The remaining amendments are necessary to protect the integrity of the tax system.

The amendments to the Land Tax Act 2010 and an amendment to the Duties Act 2001 in relation to vehicle registration duty are beneficial to taxpayers and will have retrospective effect, reflecting the fact that they have been operating under administrative arrangements.

The amendments to the Land Tax Act 2010 will remove an unintended consequence of the new extended payment arrangements which arises in limited circumstances where a reassessment to decrease the tax payable is made. The Commissioner of State Revenue will also be able to extend the use requirement period for vacant land acquired by a charitable institution when making an initial assessment, bringing this arrangement into line with that under the previous land tax legislation.

The retrospective amendment to the Duties Act 2001 provides a new vehicle registration duty concession where a vehicle has been modified for a person with a disability. Several amendments to the Duties Act 2001 will give prospective effect to existing administrative arrangements. The bill provides a transfer duty exemption for the trustees of special disability trusts acquiring homes for severely disabled persons, giving legislative effect to an initiative of the 2010-11 state budget. Transfer duty relief will also be available for certain transfers of land in relation to native title claims under the Commonwealth Native Title Act 1993. In addition, the transfer duty home concessions are being extended to include acquisitions by way of a vesting under statute or court order.

The other beneficial changes being made to the Duties Act 2001 remove the requirement for a person to pay duty before being entitled to a concession under the cancelled transfer provision or section 499, supplant the Commissioner of State Revenue's discretion in relation to whether or not a trust qualifies for the family trust concession with clear qualifying conditions, and continue the concessional vehicle registration duty arrangements for special vehicles following commencement of the Transport Operations (Road Use Management—Vehicle Registration) Regulation 2010.

Other beneficial changes being made by the bill ensure that payroll tax is not payable on benefits exempt under the Commonwealth Fringe Benefits Tax Assessment Act 1986, and remove the requirement under the Payroll Tax Act 1971 to group a company with another company as related corporations where one of the companies holds its interest in the other company on trust. Both measures will improve harmonisation of payroll tax arrangements with other states and territories.

The bill also contains important measures to ensure that the integrity of the revenue laws is protected and the revenue legislation operates as intended. It does this by extending the conditions for the change of trustee exemption to require that transfer duty has been paid on all previous dutiable trust surrenders for the trust and amending the definition of resale agreement in the cancelled agreement provision of the Duties Act 2001 to cover cases where a related person of the transferee receives a financial benefit. In addition, the circumstances in which the commissioner can impose administrative penalties as an alternative to prosecuting for an offence for certain duties self-assessment matters are extended. This will enable the commissioner to apply the appropriate sanction, taking into account the circumstances of the case, with prosecution usually being reserved for serious noncompliance.

The First Home Owner Grant Act 2000 will be amended to extend to five years the time for commencing a proceeding. This will align the prosecution time frame with that under the Taxation Administration Act 2001, which provides a five-year period for commencing a prosecution for offences relating to duties, land tax, payroll tax and the Community Ambulance Cover. It will also more closely align the prosecution time frame under the First Home Owner Grant Act 2000 with those applying under corresponding interstate legislation.

The Payroll Tax Act 1971 will be amended to ensure that, where two or more members of a group together have a controlling interest in a business, all the members of the group and the persons who carry on the business together constitute a group. The employee share scheme provisions of the Payroll Tax Act 1971 will also be amended to reflect changes to Commonwealth employee share scheme legislation. Consultation with the other state revenue offices was undertaken in developing the employee share scheme amendments, and the legislative changes harmonise with those being made by the other jurisdictions.

Other measures in the bill will clarify the operation of the corporate reconstruction duty exemption, the duty provisions relating to partitions of property and the meaning of registered managed investment scheme in the Duties Act 2001.

The bill will also repeal a number of acts. The Debits Tax Repeal Act 2005 will be repealed following abolition of debits tax on 1 July 2005 and the winding up of all outstanding matters. The Tobacco Products (Licensing) Act 1988 is also being repealed following a High Court decision in 1997 which invalidated comparable New South Wales legislation and cast doubt on the validity of Queensland's act. The confidentiality provisions under the Tobacco Products (Licensing) Act 1988 will be continued in the Taxation Administration Act 2001. Consequential amendments to the Judicial Review Act 1991 and the Right to Information Act 2009 are required as a consequence of the repeal of these acts.

The bill repeals the New Tax System Price Exploitation Code (Queensland) Act 1999. The price exploitation code was introduced to provide protection to consumers during the transition to the new tax system which introduced the goods and services tax.

During the 1990s there was a significant restructure of the banking industry in Australia following on from the re-regulation of the industry by the Commonwealth government. The state banking acts now being repealed were originally passed by parliament to assist with either the integration, merger or transfer of undertakings from one bank to a successor bank and addressed such matters as the transfer of ownership, the registration of assets and the assumption of liabilities. The acts have achieved their purpose and are no longer required.

In addition, the bill will repeal the Iconic Queensland Places Act and consolidate the protection of iconic places into the Sustainable Planning Act framework. The Iconic Queensland Places Act commenced in March 2008, its purpose to protect the four declared iconic places in Queensland: Noosa, Port Douglas, Blackall Range and the Central Capricorn Coast.

The act required the minister to review, within three years, the operation of the legislation, in particular the effectiveness of the iconic place development assessment panels. The review, which was carried out in 2010 and tabled in this parliament in December 2010, found that the intervention of iconic place panels in development assessment is not the most effective mechanism available for the protection of iconic values and that councils are already doing an excellent job in this regard. However, the requirement for councils to prepare a report for the minister's consideration on the impact of any proposed change to the provisions in local planning instruments that protect iconic values was found to be valid and will continue.

The bill proposes a new role for iconic panels as advisory panels to council in preparing its report on the impact on the iconic values when making or amending local planning instruments. In this way, the minister can be better informed about whether the iconic values have been appropriately considered and protected in the new planning instruments that will regulate and guide future development.

The bill proposes that when the council's amalgamated planning scheme that addresses the iconic values to the minister's satisfaction takes effect, the advisory panel will be abolished. This means that councils will then have full responsibility for future planning and development decisions affecting

their iconic places. I am sure that councils will welcome this approach, and will continue to oversee our iconic Queensland places in accordance with their widely accepted role.

This bill proposes amendments to a number of pieces of legislation, to which I now turn. Late last year the government announced a number of measures to maximise bulk water efficiencies across the South-East Queensland water grid and help reduce the state's portion of household water bills. This included the further rationalisation of the bulk water sector with the merger of the region's two bulk water authorities—Seqwater and WaterSecure—into a more streamlined, cost-efficient operation. Other measures included revising down government's 10-year price path for bulk water sales to the council owned retail water entities, and moving parts of manufactured water assets into standby mode in acknowledgement of higher levels of water security.

To facilitate the merger of Seqwater and WaterSecure, the amendments to the South East Queensland Water (Restructuring) Act 2007 will incorporate a regulation-making power modelled on the Government Owned Corporations Act 1993. This will enable the transfer of assets, liabilities, instruments and employees from WaterSecure to Seqwater. This provision will also enable future transfers between bulk water authorities and other government entities, such as the special purpose vehicle construction companies established to deliver key water grid assets. The government has committed to no forced redundancies for EBA or award staff resulting from the merger, and the amendments include provisions enshrining this guarantee for three years.

The proposed amendment to the Royal National Agricultural and Industrial Association of Queensland Act 1971 will enable the Royal National Agricultural and Industrial Association of Queensland, the RNA, to maintain an Australian Taxation Office endorsement as an income tax exempt charitable institution under the Income Taxation Assessment Act 1997. The endorsement is necessary to facilitate the financial stability of the association as it commences redevelopment works at the association's Ekka site.

The Australian Taxation Office's private ruling about the eligibility for the charitable institution endorsement requires the removal of any opportunity for the members of the association to benefit from the distribution of surplus assets in the event of an insolvency event or the winding up of the association. The bill achieves that aim, enabling compliance with the private ruling and allowing the endorsement to be maintained.

The proposed amendments to the Local Government Act provide the local government change commissioner with greater discretion in calling for submissions and conducting public hearings when assessing an application for a change to a local government's boundaries, divisions, number of councillors, name and classification. Some applications, like a minor boundary change, are minor and unlikely to generate a significant level of public interest. The minister may also direct the commission in the assessment of an application if the circumstances of a particular application warrant it.

The proposed amendments to the Local Government Act and the City of Brisbane Act also facilitate the merger of the Local Government Superannuation Scheme and the Brisbane City Council Superannuation Plan under the Local Government Act. The combined fund will benefit members due to lower costs and improved services, including access to a larger number of investment options than was previously available.

The proposed amendment to the Aboriginal Land Act 1991 is required for the Cape York Peninsula tenure resolution program, which is coordinated by the honourable Minister for Environment and Resource Management. Through this program the government is establishing joint management of national parks with Aboriginal traditional owners and returning homelands to Aboriginal people on Cape York Peninsula.

The amendment will change the designation of areas in and near Mungkan Kandju, Lakefield, Iron Range, Cape Melville and the Flinders group national parks on Cape York Peninsula from 'claimable' to 'transferable'. Other national parks on Cape York Peninsula were made transferable in 2007. The proposed amendment will enable these five parks to be converted to jointly managed parks and enable adjacent areas to be granted as Aboriginal freehold land. Making the amendment at this time is necessary to prevent delays in this program, which has significant benefits for conservation and for Aboriginal people.

The bill contains amendments to section 20 of the Water Act 2000 to provide a mechanism for the state or local government to take water for the purpose of construction or maintenance of state infrastructure—for example, public roads, state railways, pipelines—across multiple water sources without a water licence or permit. This is an important amendment as it will significantly reduce the regulatory administration and burden on constructing authorities and the department by removing the need for obtaining a water licence or permit under the Water Act before accessing water necessary for construction activities.

The amendment will enable more timely access to water by these authorities for the maintenance and construction of community infrastructure in ordinary circumstances. However, significantly,

this amendment is well timed as it will greatly assist in rapidly progressing the much needed recovery operations following the recent natural disasters in the state.


Urban water regulatory arrangements that apply outside the South-East Queensland region are being reviewed by the Department of Environment and Resource Management to ensure the regulatory framework continues to deliver safe and reliable water and sewerage services while achieving regulatory efficiency and reducing regulatory burden on service providers. The bill makes changes to the Water Act 2000 and Water Supply (Safety and Reliability) Act 2008 to defer or remove certain planning and reporting requirements to reduce unnecessary regulatory burden on urban water service providers, which in most areas of Queensland is the relevant local government.

Specifically, these changes will reschedule the due date for preparation of system leakage management plans by service providers to 2013; remove the annual reporting requirements relating to issuing water advices to residential tenants; and remove the requirement for the preparation of outdoor water use conservation plans, other than where the regulator is satisfied a service provider faces a water security risk and has not implemented adequate water efficiency measures. I commend the bill to the House.

Debate, on motion of Mr Dempsey, adjourned.

## ~~NORTH STRADBROKE ISLAND PROTECTION AND SUSTAINABILITY BILL~~

### ~~First Reading~~

~~ **Hon. KJ JONES** (Ashgrove ALP) (Minister for Environment and Resource Management) (12.46 pm): I present a bill for an act to provide for the ending of mining in the North Stradbroke Island region, and to amend particular other acts to provide for Indigenous joint management of particular land in the region. I present the explanatory notes, and I move —~~

~~That the bill be now read a first time.~~

~~Question put — That the bill be now read a first time.~~


~~Motion agreed to.~~

~~Bill read a first time.~~

~~Tabled paper: North Stradbroke Island Protection and Sustainability Bill.~~

~~Tabled paper: North Stradbroke Island Protection and Sustainability Bill, explanatory notes.~~

### ~~Second Reading~~

~~ **Hon. KJ JONES** (Ashgrove ALP) (Minister for Environment and Resource Management) (12.46 pm): I move —~~

~~That the bill be now read a second time.~~

~~I am pleased to introduce the North Stradbroke Island Protection and Sustainability Bill 2011 which provides the foundation for implementation of the government's vision for a more economically and environmentally sustainable North Stradbroke Island. This bill provides certainty about the phasing out of mining on North Stradbroke Island, mandates an end to large scale sand mining on the island by 2019 and all mining by 2025, limits the path of the island's largest mine to minimise its environmental impact, establishes processes for dedicating national parks and other protected areas over freehold title under the Aboriginal Land Act 1991 and establishes a joint management framework between the state and the traditional owners, the Quandamooka people, in the management of those protected areas.~~

~~Mining on North Stradbroke Island will end forever in 2025. Through this bill, the island will transform into an ecotourism hot spot, ideally located on Brisbane's doorstep. For generations its economy has been fuelled by sand mining that has created an unsightly footprint on the island's landscape. This bill will reshape the island's future. Instead of trucks and earthmoving equipment, we will see tour vehicles, four wheel drives and campsites taking in the island's natural assets, not its finite resources. For the first time, large sections of the island will be open for families, nature lovers, walkers and campers to explore and enjoy. We want to see whale watching, great walks, all manner of water activities, campgrounds and island tours in the island's new economy.~~

~~The phase out will occur through three main stages: the closure of Yarraman Mine as announced by the mining company will occur in 2015; all heavy mineral sand mining will cease with the expiry of the mining leases on Enterprise Mine by the end of 2019; and the expiry of mining leases at the smaller Vance mine, which is a silica mine and involves a much smaller disturbance of land, in 2025 signals the permanent end to mining activities on the island.~~

~~To provide certainty to all stakeholders regarding this timetable, several mining leases not being used for active mining will be terminated prior to their current expiry date. However, no mining leases on which mining is actively occurring will be terminated in advance of the company's own intended~~