

PARLIAMENT OF VICTORIA

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**State Taxation Acts Amendment Bill 2019**

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# PARLIAMENT OF VICTORIA

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Introduced in the Assembly

## **State Taxation Acts Amendment Bill 2019**

A Bill for an Act to amend the **Duties Act 2000**, the **Land Tax Act 2005**, the **Payroll Tax Act 2007** and the **Valuation of Land Act 1960** and for other purposes.

**The Parliament of Victoria enacts:**

### **Part 1—Preliminary**

#### **1 Purposes**

The main purposes of this Act are—

- 5
- (a) to amend the **Duties Act 2000** in relation to—
    - (i) public unit trust schemes; and
    - (ii) fixtures; and
    - (iii) economic entitlements in relation to land and landholders; and

Part 1—Preliminary

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- 5
- (iv) foreign purchasers; and
  - (v) motor vehicle duty; and
  - (vi) corporate reconstructions; and
  - (vii) transfers of certain commercial and industrial land in regional Victoria; and
- (b) to amend the **Land Tax Act 2005** in relation to—
- 10 (i) the principal place of residence exemption; and
  - (ii) the absentee owner surcharge; and
- (c) to amend the **Payroll Tax Act 2007** in relation to—
- 15 (i) regional employers; and
  - (ii) parental leave; and
  - (iii) certain rates and thresholds; and
- (d) to amend the **Valuation of Land Act 1960** in relation to the valuation of heritage land.

## 2 Commencement

- 20
- (1) This Act (except Divisions 4, 5, 6 and 7 of Part 2 and Part 4) comes into operation on the day after the day on which it receives the Royal Assent.
  - (2) Divisions 4, 5, 6 and 7 of Part 2 and Part 4 come into operation on 1 July 2019.

## Part 2—Amendment of Duties Act 2000

### Division 1—Public unit trust schemes

#### 3 Definitions—public unit trust scheme

5 In section 3(1) of the **Duties Act 2000**, in the definition of *public unit trust scheme*, for "is, or was at any time, a wholesale unit trust scheme or eligible for registration as such" **substitute** "is a wholesale unit trust scheme".

#### 10 4 Conversion of a private unit trust scheme to a public unit trust scheme

- (1) In the heading to section 89B of the **Duties Act 2000**, after "scheme" (where first occurring) **insert** "or wholesale unit trust scheme".
- 15 (2) In section 89B(1) of the **Duties Act 2000**, after "scheme" (where first occurring) **insert** "or wholesale unit trust scheme".
- (3) In section 89B(3) of the **Duties Act 2000**, after "scheme" (where first occurring) **insert** "or wholesale unit trust scheme".

### 20 Division 2—Fixtures

#### 5 Definitions—fixtures

- In section 3(1) of the **Duties Act 2000**—
- (a) **insert** the following definition—
- 25 "*tenant's fixtures* has the meaning given by section 22A(3);";
- (b) for the definition of *land-related interest substitute*—
- 30 "*land-related interest* means dutiable property referred to in section 10(1)(a), (ab), (ac), (ad) or (e);".
-

**6 What is dutiable property?**

(1) After section 10(1)(ac) of the **Duties Act 2000** insert—

5           "(ad) an interest in fixtures that is created, dealt with or held separately from an estate or interest in the land on which the fixtures are located;"

(2) After section 10(2) of the **Duties Act 2000** insert—

10           "(3) In this section—  
*fixtures* means—

(a) anything that constitutes a fixture at law; or

(b) any other items fixed to land, including tenant's fixtures."

15           **7 Aggregation of certain dutiable transactions**

(1) In section 24(1) of the **Duties Act 2000**, after "10(1)(a)" (where twice occurring) insert ", (ad)".

(2) At the foot of section 24(1) of the **Duties Act 2000** insert—

20           "**Notes**

1           See section 57FB for the calculation of duty on an aggregation of dutiable transactions in relation to an interest in fixtures referred to in section 10(1)(ad) and dutiable transactions in relation to land other than the  
25           land on which the fixtures are located.

2           See section 64C for the calculation of duty on an aggregation of dutiable transactions in relation to eligible transfers (within the meaning of section 64A) if  
30           duty on at least one of the transactions is subject to a reduction of duty under section 64B and at least one of the transactions is either not an eligible transfer or is an eligible transfer subject to a reduction in duty calculated on a different percentage."

---

(3) After section 24(1) of the **Duties Act 2000**  
**insert—**

5           "(1A) Subsection (1)(a) does not apply in the case  
of an arrangement that comprises one or  
more dutiable transactions that relate to  
dutiable property referred to in section  
10(1)(ad).".

**8 New sections 57FA and 57FB inserted**

After section 57F of the **Duties Act 2000 insert—**

10           "**57FA Dealing with fixtures separately from land**

(1) No duty is chargeable under this Chapter on  
a dutiable transaction in relation to dutiable  
property referred to in section 10(1)(ad) if  
15           the unencumbered value of the fixtures to  
which the dutiable property relates does not  
exceed \$2 000 000.

(2) If the unencumbered value of the fixtures to  
which dutiable property referred to in  
section 10(1)(ad) relates exceeds \$2 000 000  
20           but does not exceed \$3 000 000, duty is  
chargeable on a dutiable transaction in  
relation to the dutiable property, subject to  
subsection (3), in accordance with the  
following formula—

25           
$$\left( \frac{A - \$2\,000\,000}{\$1\,000\,000} \right) \times B$$

where—

**A** is the unencumbered value of the  
fixtures to which dutiable property  
referred to in section 10(1)(ad) relates;

30           **B** is the duty that, apart from this  
subsection, would be chargeable on the  
dutiable transaction under this Chapter.



5 (3) This section does not apply if the dutiable transaction in relation to dutiable property referred to in section 10(1)(ad) is part of an arrangement that includes a dutiable transaction in relation to any estate or interest in the land on which the fixtures are located.

**57FB Calculation of duty for aggregated transactions involving fixtures and land**

- 10 (1) This section applies to the aggregation under section 24(1) of—
- 15 (a) one or more dutiable transactions in relation to dutiable property referred to in section 10(1)(ad) if the total unencumbered value of the fixtures to which the dutiable property relates does not exceed \$3 000 000; and
- 20 (b) one or more dutiable transactions in relation to land other than land on which the fixtures to which the dutiable property referred to in section 10(1)(ad) are located.
- 25 (2) The duty chargeable on the aggregated dutiable transactions is the sum of—
- 30 (a) the duty (if any) that would be chargeable on the dutiable transaction or transactions in relation to dutiable property referred to in section 10(1)(ad) in accordance with section 57FA, assuming they were the only dutiable transactions being aggregated; and
- 35 (b) the duty that would be chargeable on the other dutiable transactions in the aggregation, assuming they were the only dutiable transactions being aggregated."
-

**Division 3—Economic entitlements in relation to  
land and landholders**

**9 Definitions—economic entitlement**

5 In section 3(1) of the **Duties Act 2000**, for the  
definition of *economic entitlement substitute*—

*"economic entitlement—*

(a) in Part 4B of Chapter 2, has the  
meaning given by section 32XC(1); and

10 (b) in Part 2 of Chapter 3, has the meaning  
given by section 81(2);".

**10 New Part 4B inserted in Chapter 2**

After Part 4A of Chapter 2 of the **Duties Act 2000**  
insert—

15 **"Part 4B—Acquisition of economic  
entitlements in relation to relevant  
land**

**32XA Application of Part**

20 This Part applies if a person acquires an  
economic entitlement in relation to relevant  
land other than by a transaction that is a  
dutable transaction apart from this Part.

**32XB Definition**

In this Part—

25 *relevant land* means dutable property  
referred to in section 10(1)(a), (ab), (ac)  
or (ad).

**32XC What is an *economic entitlement*?**

- 5
- (1) For the purposes of this Part, a person acquires an *economic entitlement* if—
- (a) an arrangement is made in relation to relevant land that has an unencumbered value that exceeds \$1 000 000; and
- 10 (b) under that arrangement the person is or will be entitled, whether directly or through another person, to any one or more of the following—
- (i) to participate in the income, rents or profits derived from the relevant land;
- 15 (ii) to participate in the capital growth of the relevant land;
- (iii) to participate in the proceeds of sale of the relevant land;
- 20 (iv) to receive any amount determined by reference to subparagraphs (i), (ii) or (iii);
- (v) to acquire any entitlement described in subparagraph (i), (ii), (iii) or (iv).
- 25 (2) It is immaterial whether or not the person who acquires the economic entitlement is a party to the arrangement by which it is acquired.
- 30 (3) For the avoidance of doubt, a person may acquire an economic entitlement by any means, including, but not limited to, the creation of the economic entitlement or the transfer of the economic entitlement to the person.

**32XD Economic entitlement taken to be beneficial ownership of relevant land**

- 5 (1) A person who acquires an economic entitlement in relation to relevant land is taken to have acquired beneficial ownership of the relevant land and, subject to this Part, duty is chargeable under this Chapter accordingly.
- 10 (2) For the purposes of subsection (1), the beneficial ownership of the relevant land that a person is taken to have acquired is a percentage determined under section 32XE.

**32XE Calculation of percentage of beneficial ownership taken to have been acquired**

- 15 (1) Subject to subsection (2), the beneficial ownership acquired under an economic entitlement is the percentage of the total of all entitlements referred to in section 32XC(1)(b)(i), (ii), (iii), (iv) or (v) (as the case requires) that the person is or will be
- 20 entitled to receive or acquire under the economic entitlement.
- (2) The beneficial ownership acquired under an economic entitlement is 100% if—
- 25 (a) the arrangement under which the economic entitlement is acquired does not specify the percentage of the economic entitlement referred to in subsection (1); or
- 30 (b) the arrangement under which the economic entitlement is acquired, in addition to specifying the percentage of the economic entitlement referred to in subsection (1), includes any other
- 35 entitlement of, or amount payable to, the person or an associated person; or

5 (c) the arrangement under which the economic entitlement is acquired entitles the person or an associated person to 2 or more of the entitlements referred to in section 32XC(1)(b)(i), (ii), (iii), (iv) and (v).

10 (3) Despite subsection (2), the Commissioner may determine a lesser percentage than the percentage referred to in that subsection in any particular case if the Commissioner considers it appropriate in the circumstances.

**32XF Dutiable value of relevant land to which an economic entitlement relates**

15 Despite section 20, the dutiable value of relevant land to which an economic entitlement relates is the unencumbered value of the relevant land at the time that the economic entitlement is acquired.

**32XG Phasing-in of duty**

20 If the unencumbered value of relevant land in relation to which an economic entitlement is acquired exceeds \$1 000 000 but does not exceed \$2 000 000, duty is chargeable under this Chapter in accordance with the following formula—

25 
$$\left( \frac{A - \$1\,000\,000}{\$1\,000\,000} \right) \times B$$

where—

**A** is the unencumbered value of the relevant land;

30 **B** is the duty that, apart from this section, would be chargeable under this Chapter on the acquisition of the economic entitlement.

**32XH Aggregation of dutiable transactions**

5 Section 24(2) does not apply in relation to the aggregation of dutiable transactions under section 24 if any of the dutiable transactions subject to aggregation are dutiable transactions because of this Part.

**32XI Reduction of duty on subsequent transfer of relevant land to person holding economic entitlement**

10 The amount of duty payable on a transfer of relevant land to a person who, before the transfer, held an economic entitlement in relation to the relevant land is to be reduced by the amount of duty the person paid under  
15 this Part in respect of the acquisition of the relevant entitlement to the extent that, after the transfer, the beneficial ownership of the relevant land represented by the economic entitlement is held as a result of the transfer  
20 rather than under the arrangement giving rise to the economic entitlement."

**11 What are land holdings?**

For section 72(1) of the **Duties Act 2000** substitute—

25 "(1) For the purposes of this Part, a *land holding* is—

- 30 (a) an interest in land other than the estate or interest of a mortgagee, chargee, or other secured creditor or a profit à prendre; or
- (b) dutiable property referred to in section 10(1)(ad); or
- 35 (c) an interest in relevant land taken to be beneficially owned under section 32XD."

## 12 New section 72A inserted

After section 72 of the **Duties Act 2000** insert—

### "72A Land holdings of unit trust schemes where section 32XD applies

- 5
- (1) A land holding that is taken to be beneficially owned by a trustee of a unit trust scheme under section 32XD is taken to be a land holding of the scheme if the trustee holds the interest on trust in the capacity as trustee of the scheme.
- 10
- (2) A land holding that is taken to be beneficially owned by a custodian or other agent of a trustee of a unit trust scheme under section 32XD is taken to be a land holding of the scheme if the custodian or other agent holds the interest as a custodian or agent of the trustee of the scheme."
- 15

## 13 Acquisition of economic entitlement

- 20
- (1) In the heading to section 81 of the **Duties Act 2000**, after "entitlement" insert "in relation to private landholder".
- (2) In section 81(2) of the **Duties Act 2000**—
- (a) paragraphs (b), (c) and (d) are **repealed**;
- (b) in paragraph (e) **omit** ", (b), (c) or (d)";
- 25
- (c) in paragraph (f) **omit** ", (b), (c), (d)".
- (3) For section 81(3) and (4) of the **Duties Act 2000** **substitute**—
- 30
- "(3) The interest acquired under an economic entitlement is the proportion of the total dividends or income of the private landholder that the person is entitled to receive or acquire under the economic entitlement."
-

#### **Division 4—Foreign purchasers**

##### **14 Foreign purchasers—duty in respect of change of use of land**

In section 18A(3) of the **Duties Act 2000**—

5

(a) in paragraph (b)—

(i) after "2016" **insert** "but before 1 July 2019";

(ii) for "transferred." **substitute** "transferred; or";

10

(b) after paragraph (b) **insert**—

"(c) if the foreign purchaser forms the intention on or after 1 July 2019—8% of the dutiable value of the interest at the time that it was transferred.".

15

##### **15 Rate for additional duty chargeable for foreign purchasers—residential property**

In section 28A(2) of the **Duties Act 2000**, for "7%" **substitute** "8%".

#### **Division 5—Motor vehicle duty**

20

##### **16 Definitions—motor vehicle duty**

In section 3(1) of the **Duties Act 2000** **insert** the following definitions—

25

***green car*** means a passenger car that is of a model that has combined tailpipe carbon dioxide emissions of less than 120 grams per kilometre;

***primary producer*** means a person—

30

(a) engaged solely or substantially in agricultural, horticultural, viticultural, dairying, pastoral or other like activities; or



(b) who is the holder of a licence under the **Fisheries Act 1995** to take fish for sale;

***primary producer passenger car*** means a passenger car that is—

- 5 (a) registered or to be registered in the name of a person who is a primary producer; and
- 10 (b) used or to be used primarily in the business of the person as a primary producer;

***service demonstrator vehicle*** means a motor vehicle that is—

- 15 (a) used for the purposes of the sale of another vehicle of the same class; and
- 20 (b) made available without charge by a licensed motor car trader to a customer of the trader for use while the customer's motor vehicle is being serviced;".

20 **17 What is the rate of duty?**

For section 218(1) of the **Duties Act 2000** substitute—

- 25 "(1) The rate of duty on an application for registration or transfer of registration of a motor vehicle that is a passenger car is as set out in the Table.

**TABLE**

<i>Item</i>	<i>Motor vehicle</i>	<i>Rate of duty per \$200, or part, of the dutiable value of the motor vehicle</i>
1	Green car	\$8.40
2	Primary producer passenger car	\$8.40

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Part 2—Amendment of Duties Act 2000

<i>Item</i>	<i>Motor vehicle</i>	<i>Rate of duty per \$200, or part, of the dutiable value of the motor vehicle</i>
3	Other passenger car the dutiable value of which does not exceed the luxury car tax threshold	\$8.40
4	Other passenger car the dutiable value of which exceeds the luxury car tax threshold but does not exceed \$100 000	\$10.40
5	Other passenger car the dutiable value of which exceeds \$100 000 but does not exceed \$150 000	\$14.00
6	Other passenger car the dutiable value of which exceeds \$150 000	\$18.00

(1A) The rate of duty on an application for registration of a motor vehicle that is not a passenger car is—

5

(a) if the motor vehicle has not previously been registered in Victoria or elsewhere—\$5.40 per \$200, or part, of the dutiable value of the motor vehicle; or

10

(b) if the motor vehicle has previously been registered in Victoria or elsewhere—\$8.40 per \$200, or part, of the dutiable value of the motor vehicle.

15

(1B) The rate of duty on an application for transfer of registration of a motor vehicle that is not a passenger car is \$8.40 per \$200, or part, of the dutiable value of the motor vehicle."

**18 Licensed motor car traders—trading stock, demonstrator vehicles and driver education**

(1) **Insert** the following heading to section 231 of the **Duties Act 2000**—

5                   "**Licensed motor car traders—trading stock, demonstrator vehicles, service demonstrator vehicles and driver education**".

(2) In section 231(2)(a) of the **Duties Act 2000**—

10                   (a) for "either or both" **substitute** "one or more";

(b) in subparagraph (ii), for "vehicle; or" **substitute** "vehicle;";

(c) after subparagraph (ii) **insert**—

15                   "(iii) the use of the motor vehicle as a service demonstrator vehicle; or".

**19 Primary producer vehicles**

In section 233(5) of the **Duties Act 2000** the definition of *primary producer* is **repealed**.

**20 Duty on statement of change of use**

20                   (1) For section 238(2) of the **Duties Act 2000** **substitute**—

25                   "(2) Within 14 days after there is a change in the predominant use of a motor vehicle of the kind referred to in subsection (1), the registered operator of the vehicle must lodge with the Commissioner a statement of the change in use and pay duty at the rate set out in the Table.

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Part 2—Amendment of Duties Act 2000

**TABLE**

<i>Item</i>	<i>Motor vehicle</i>	<i>Rate of duty per \$200, or part, of the dutiable value of the motor vehicle</i>
1	Green car	\$8.40
2	Primary producer passenger car	\$8.40
3	Other passenger car the dutiable value of which does not exceed the luxury car tax threshold	\$8.40
4	Other passenger car the dutiable value of which exceeds the luxury car tax threshold but does not exceed \$100 000	\$10.40
5	Other passenger car the dutiable value of which exceeds \$100 000 but does not exceed \$150 000	\$14.00
6	Other passenger car the dutiable value of which exceeds \$150 000	\$18.00
7	Motor vehicle that is not a passenger car	\$8.40

".

- (2) In section 238(3)(a) and (4) of the **Duties Act 2000**, for "subsection (2)(b)" substitute "subsection (2)".

5

**Division 6—Corporate reconstructions**

**21 Amendment of headings—corporate reconstructions**

- (1) In the heading to Chapter 11 of the **Duties Act 2000**, after "exemptions" insert "and concessions".

(2) In the heading to Division 1 of Part 2 of Chapter 11 of the **Duties Act 2000**, for "**exemption**" substitute "**concession and exemptions**".

5 (3) In the heading to Division 1A of Part 2 of Chapter 11 of the **Duties Act 2000**, for "**exemption**" substitute "**concession**".

## 22 What is a corporate group?

In section 250(1) of the **Duties Act 2000**—

10 (a) in the definition of *parent corporation*, in paragraph (b), for "subsidiary;" substitute "subsidiary.";

(b) the definition of *relevant corporate group* is repealed.

## 15 23 What is an eligible transaction—corporate reconstructions

In section 250A of the **Duties Act 2000**, in the definition of *eligible transaction*—

(a) after paragraph (b) insert—  
20 "(ba) the granting of a lease referred to in section 7(1)(b)(v) by one member of a corporate group to another member of the group; or

(bb) the transfer or assignment of a lease referred to in section 7(1)(b)(va) from one member of a corporate group to another member of the group; or";

25 (b) in paragraph (c), for "to register" substitute "referred to in section 214(1) for the registration or transfer of registration of".  
30

**24 Concession and exemptions for certain transactions arising out of corporate reconstruction**

- 5 (1) In the heading to section 250B of the **Duties Act 2000**, for "**Exemption**" substitute "**Concession and exemptions**".
- (2) For section 250B(1), (2) and (3) of the **Duties Act 2000** substitute—
- 10 "(1) Subject to this section, the duty chargeable on an eligible transaction is 10% of the duty that would otherwise be chargeable under this Act on the eligible transaction.
- (2) No duty is chargeable on an eligible transaction to the extent that—
- 15 (a) duty is chargeable on an earlier eligible transaction in relation to the same dutiable property; and
- (b) the earlier eligible transaction occurred within 30 days of the eligible transaction; and
- 20 (c) each of the transactions is between members of the same corporate group.
- (3) For the purposes of subsection (2), if either or both of the eligible transactions referred to in that subsection is a relevant acquisition, a reference to dutiable property in relation to the relevant acquisition is a reference to the land holdings of the landholder in which the relevant acquisition is made.
- 25
- 30 (3A) No duty is chargeable under this Act on an eligible transaction that is an application for the registration or transfer of registration of a motor vehicle if—

- 5 (a) duty is chargeable on an earlier eligible transaction that is an application for the registration or transfer of registration of the same motor vehicle; and
- (b) the earlier eligible transaction occurred within 30 days of the eligible transaction; and
- (c) each of the transactions is between members of the same corporate group."
- 10 (3) In section 250B(4) of the **Duties Act 2000**—
- (a) for "exemptions granted and refunds made" **substitute** "concessions and exemptions";
- (b) in paragraph (a)—
- (i) **omit** "relevant";
- 15 (ii) for "an exemption or refund" **substitute** "a concession or exemption";
- (c) in paragraph (b), for "exemption and the amount of any refund" **substitute** "concession or exemption".
- 20 **25 Sections 250C and 250D repealed**
- Sections 250C and 250D of the **Duties Act 2000** are **repealed**.
- 26 What is an eligible transaction—corporate consolidations**
- 25 In section 250DC(1) of the **Duties Act 2000**—
- (a) after paragraph (b) **insert**—
- (ba) the granting of a lease referred to in section 7(1)(b)(v) by one member of a corporate group to another member of the group; or
- 30

(bb) the transfer or assignment of a lease referred to in section 7(1)(b)(va) from one member of a corporate group to another member of the group; or";

5 (b) in paragraph (c), for "to register" **substitute** "referred to in section 214(1) for the registration of a motor vehicle or for the transfer of registration of".

10 **27 Concession for certain transactions arising out of corporate consolidation**

(1) In the heading to section 250DD of the **Duties Act 2000**, for "**Exemption**" **substitute** "**Concession**".

15 (2) For section 250DD(1) of the **Duties Act 2000** **substitute**—

"(1) The duty chargeable on an eligible transaction is 10% of the duty that would otherwise be chargeable under this Act on the eligible transaction."

20 (3) Section 250DD(2), (3) and (4) of the **Duties Act 2000** are **repealed**.

(4) In section 250DD(5) of the **Duties Act 2000**—

(a) for "exemptions granted and refunds made" **substitute** "concessions";

25 (b) in paragraph (a), for "an exemption or refund" **substitute** "a concession";

(c) in paragraph (b), for "exemption and the amount of any refund" **substitute** "concession".



**28 Sections 250DE and 250DF repealed**

Sections 250DE and 250DF of the **Duties Act 2000** are **repealed**.

**29 Section 250DI substituted**

5 For section 250DI of the **Duties Act 2000** substitute—

**"250DI Concession for relevant acquisitions**

10 The duty chargeable on a relevant acquisition to which section 83 applies made by an exchanging member in the course of, or as a result of, a roll-over, is 10% of the duty that would otherwise be chargeable under this Act on the relevant acquisition if—

- 15 (a) the shares or units in the stapled entities to which the roll-over relates are listed; or
- 20 (b) the Commissioner is satisfied that the shares or units in the stapled entities to which the roll-over relates are intended to be listed within 3 years from the date of the relevant acquisition."

**30 Sections 250DJ and 250DK repealed**

25 Sections 250DJ and 250DK of the **Duties Act 2000** are **repealed**.

**31 Division 2 of Part 2 of Chapter 11 repealed**

Division 2 of Part 2 of Chapter 11 of the **Duties Act 2000** is **repealed**.

**Division 7—Transfers of commercial and industrial land in regional Victoria**

**32 New Division 5A inserted in Part 5 of Chapter 2**

5 After Division 5 of Part 5 of Chapter 2 of the Duties Act 2000 insert—

**"Division 5A—Commercial and industrial land in regional Victoria**

**64A Definitions**

In this Division—

10 *AVPCC* means an Australian Valuation Property Classification Code based on the Valuation Best Practice Specifications Guidelines;

15 *eligible transfer* means a transfer of dutiable property referred to in section 10(1)(a) or (ad) that—

- (a) is wholly in regional Victoria; and
- (b) the transferee intends to use solely or primarily for a qualifying use;

20 *qualifying use* means a land use described in an AVPCC in the following ranges—

- (a) 210 to 299;
- (b) 310 to 499;

25 *regional Victoria* has the same meaning as in section 18(8) of the **First Home Owner Grant Act 2000**;

*Valuation Best Practice Specifications Guidelines* has the same meaning as in the **Valuation of Land Act 1960**.

**64B Reduction in duty in relation to eligible transfers**

5

The duty chargeable under section 28(1) on an eligible transfer the contract, arrangement or agreement for which was entered into on a date referred to in column 2 of the following Table is to be reduced by the percentage set out in column 3 opposite that date.

**TABLE**

<i>Column 1</i>	<i>Column 2</i>	<i>Column 3</i>
<i>Item</i>	<i>Date contract, arrangement or agreement for eligible transfer was entered into</i>	<i>Percentage</i>
1	On or after 1 July 2019 but before 1 July 2020	10%
2	On or after 1 July 2020 but before 1 July 2021	20%
3	On or after 1 July 2021 but before 1 July 2022	30%
4	On or after 1 July 2022 but before 1 July 2023	40%
5	On or after 1 July 2023	50%

**64C Calculation of duty for certain aggregated transactions**

10

(1) The duty chargeable in the case of transactions that are aggregated under section 24(1) is to be calculated under this section if—

15

(a) at least one of the dutiable transactions is an eligible transfer subject to a reduction of duty under section 64B; and

- (b) at least one of the dutiable transactions is—
- (i) a dutiable transaction that is not an eligible transfer; or
  - (ii) an eligible transfer that is subject to a reduction in duty under section 64B calculated on a different percentage to the eligible transfer referred to in paragraph (a).
- (2) The duty chargeable on aggregated transactions referred to in subsection (1) is the sum of the duty for each dutiable transaction, where the duty for each dutiable transaction is calculated in accordance with the following formula—
- $$D = A \times \frac{B}{C} \times (1 - R)$$
- where—
- D** is the amount of duty that is payable for each dutiable transaction;
  - A** is the duty that would be chargeable on the aggregated transactions, without taking into account any reduction in duty under section 64B;
  - B** is the dutiable value of the dutiable transaction;
  - C** is the total dutiable value of all dutiable transactions that are aggregated;
  - R** is—
    - (a) if the dutiable transaction is an eligible transfer—the relevant percentage in the Table set out in

section 64B, expressed as a fraction; or

- (b) if the dutiable transaction is not an eligible transfer—0.

5

**64D Election to receive reduction or other concession or exemption**

10

- (1) A transferee who, but for this section, would be entitled in respect of an eligible transfer to a reduction in duty under section 64B and any other exemption or concession from duty under this Act, must, by notice in writing to the Commissioner, elect to receive—

15

- (a) the reduction in duty under section 64B; or
- (b) the other exemption or concession from duty under this Act.
- (2) A transferee referred to in subsection (1) who elects to receive the other exemption or concession under this Act or who does not make an election under this section is not entitled to the reduction in duty under section 64B in respect of the eligible transfer.

20

**64E Use requirement**

25

A reduction in duty under section 64B is subject to the requirement that the land is used solely or primarily for a qualifying use for a continuous period of at least 12 months commencing within the 2-year period immediately after the transferee became entitled to possession of the land.

30

**64F Variation of use requirement**

If satisfied that there is a good reason for doing so, the Commissioner may—

- 5 (a) reduce the required period of qualifying use; or
- (b) determine that a temporary cessation of qualifying use does not break the continuity of the qualifying use; or
- 10 (c) extend the period in which qualifying use must begin.

**64G Liability for duty if use requirement not complied with**

- (1) If the use requirement for an eligible transfer is not complied with—
  - 15 (a) the eligible transfer is chargeable with duty at the rate set out in section 28(1) as if section 64B does not apply, subject to any exemption or concession other than in this Division; and
  - 20 (b) the Commissioner may reassess duty on the transfer accordingly.
- (2) A liability for duty imposed because of subsection (1) on an eligible transfer arises when the use requirement for that transfer is not complied with.
- 25

**Note**

Section 16 provides that a tax default does not occur if the duty is paid within 30 days after the liability for the duty arises.

- 30 (3) A reassessment referred to in subsection (1)(b) is authorised if more than 5 years have passed since the initial assessment was made.

**Note**

Section 9(3)(c) of the **Taxation Administration Act 1997** allows a reassessment to be made more than 5 years after the initial assessment if this is authorised by a taxation law.

**64H Transferee to notify Commissioner of change in circumstances**

- (1) A transferee who has received a reduction of duty under section 64B must lodge a written notice with the Commissioner within 30 days after becoming aware of any circumstances that may result in the use requirement not being complied with.
- (2) A failure of a transferee to comply with subsection (1) does not affect the Commissioner's power to reassess duty under section 64G or to exercise a discretion under section 64F."

**33 Duty concession—anomalous duty outcome**

After section 89E(1) of the **Duties Act 2000** insert—

- "(1A) For the purposes of subsection (1)(b), in determining the duty that would have been payable under Chapter 2, no account is to be taken of any reduction in duty under Division 5A of Part 5 of that Chapter."

**Division 8—Transitional arrangements**

**34 New clauses 45 to 55 inserted in Schedule 2**

After clause 44 of Schedule 2 to the **Duties Act 2000** insert—

**"45 State Taxation Acts Amendment Act 2019—public unit trust schemes**

Section 89B does not apply to a wholesale unit trust scheme that becomes a public unit

---

5 trust scheme if the wholesale unit trust  
scheme would not have become a public unit  
trust scheme had the amendments made by  
Division 1 of Part 2 of the **State Taxation  
Acts Amendment Act 2019** not come into  
operation.

**46 State Taxation Acts Amendment  
Act 2019—fixtures**

10 The amendments made by Division 2 of  
Part 2 of the **State Taxation Acts  
Amendment Act 2019** do not apply to a  
dutiabale transaction that occurs on or after  
the commencement of that Division under an  
arrangement made before that  
15 commencement.

**47 State Taxation Acts Amendment  
Act 2019—economic entitlements**

20 The amendments made by Division 3 of  
Part 2 of the **State Taxation Acts  
Amendment Act 2019** do not apply in  
relation to an arrangement made before the  
commencement of that Division.

**48 State Taxation Acts Amendment  
Act 2019—rate for foreign purchaser duty**

25 Section 28A, as in force immediately before  
1 July 2019, continues to apply in respect of  
any dutiabale transaction entered into on or  
after 1 July 2016 but before 1 July 2019  
under which a land-related interest in  
30 residential property is transferred to a foreign  
purchaser.



**49 State Taxation Acts Amendment  
Act 2019—agreements and arrangements  
for significant interest foreign purchaser  
acquisitions**

- 5 (1) This clause applies if—
- (a) a foreign purchaser entered into an agreement or arrangement on or after 1 July 2016 but before 1 July 2019 for the acquisition of an interest in a landholder that holds a land-related interest in residential property; and
- 10 (b) the acquisition, when made, is an acquisition of an interest referred to in section 78(1)(a)(i).
- 15 (2) Despite anything in this Act, if any duty is chargeable under Part 2 of Chapter 3 and is required to be calculated in accordance with section 86(1), that duty must be calculated in accordance with that subsection but using the rate specified under this Act that would have applied if the acquisition of the interest was made on the day the agreement or arrangement was entered into by the foreign purchaser.
- 20

**50 State Taxation Acts Amendment  
Act 2019—agreements and arrangements  
for aggregated significant interest foreign  
purchaser acquisitions**

- 25 (1) This clause applies if—
- 30 (a) a foreign purchaser entered into an agreement or arrangement on or after 1 July 2016 but before 1 July 2019 for the acquisition of an interest in a landholder that holds a land-related interest in residential property; and
- 35

- (b) the acquisition, when made, is an acquisition of an interest referred to in section 78(1)(a)(ii), or after it is made, becomes an interest of that kind.
- 5 (2) Despite anything in this Act, if any duty is chargeable under Part 2 of Chapter 3 and is required to be calculated in accordance with section 86(3), that duty must be calculated in accordance with that subsection but using the rate specified under this Act that would have applied if the acquisition of the interest was made on the day the agreement or arrangement was entered into by the foreign purchaser.
- 10
- 15 **51 State Taxation Acts Amendment Act 2019—agreements and arrangements for foreign purchaser acquisitions of further interests**
- (1) This clause applies if—
- 20 (a) a foreign purchaser entered into an agreement or arrangement on or after 1 July 2016 but before 1 July 2019 for the acquisition of an interest in a landholder that holds a land-related interest in residential property; and
- 25 (b) the acquisition, when made, is an acquisition of a further interest in the landholder referred to in section 78(1)(b).
- 30 (2) Despite anything in this Act, if any duty is chargeable under Part 2 of Chapter 3 and is required to be calculated in accordance with section 86(4), that duty must be calculated in accordance with that subsection but using the rate specified under this Act that would have applied if the acquisition was made on the
- 35
-

day the agreement or acquisition was entered into by the foreign purchaser.

**52 State Taxation Acts Amendment Act 2019—corporate reconstructions**

- 5 (1) The old provisions apply in respect of an eligible transaction (within the meaning of section 250A as in force immediately before 1 July 2019) if the agreement or arrangement for the eligible transaction was entered into before 1 July 2019.
- 10 (2) Without limiting subclause (1), the Commissioner may—
- 15 (a) on application, grant an exemption under the old provisions in respect of an eligible transaction the agreement or arrangement for which was entered into before 1 July 2019; and
- 20 (b) revoke or deal with the exemption under the old provisions as if they had not been amended by the **State Taxation Acts Amendment Act 2019**.
- 25 (3) Despite the **State Taxation Acts Amendment Act 2019**, an exemption granted by the Commissioner under the old provisions that is in effect immediately before 1 July 2019—
- 30 (a) continues in effect on and after that day; and
- (b) the old provisions continue to apply to the exemption.
- (4) In this clause—
- old provisions* means Division 1 of Part 2 of Chapter 11 as in force immediately before 1 July 2019.
-

**53 State Taxation Acts Amendment Act 2019—corporate consolidations**

- 5
- (1) The old provisions apply in respect of an eligible transaction (within the meaning of section 250DC as in force immediately before 1 July 2019) if the agreement or arrangement for the eligible transaction was entered into before 1 July 2019.
- 10
- (2) Without limiting subclause (1), the Commissioner may—
- 15
- (a) on application, grant an exemption under the old provisions in respect of an eligible transaction the agreement or arrangement for which was entered into before 1 July 2019; and
- (b) revoke or deal with the exemption under the old provisions as if they had not been amended by the **State Taxation Acts Amendment Act 2019**.
- 20
- (3) Despite the **State Taxation Acts Amendment Act 2019**, an exemption granted by the Commissioner under the old provisions that is in effect immediately before 1 July 2019—
- 25
- (a) continues in effect on and after that day; and
- (b) the old provisions continue to apply to the exemption.
- (4) In this clause—
- 30
- old provisions** means Division 1A of Part 2 of Chapter 11 as in force immediately before 1 July 2019.

**54 State Taxation Acts Amendment Act 2019—exchange of stapled ownership interests for ownership interests in a unit trust scheme**

- 5
- (1) The old provisions apply in respect of a relevant acquisition to which section 83 applies made in the course of, or as a result of, a roll-over (within the meaning of section 250DH) if the agreement or arrangement for the relevant acquisition was entered into before 1 July 2019.
- 10
- (2) Without limiting subclause (1), the Commissioner may—
- 15
- (a) on application, grant an exemption under the old provisions in respect of a relevant acquisition to which section 83 applies made in the course of, or as a result of, a roll-over (within the meaning of section 250DH) the agreement or arrangement for which was entered into before 1 July 2019; and
- 20
- (b) revoke or deal with the exemption under the old provisions as if they had not been amended by the **State Taxation Acts Amendment Act 2019**.
- 25
- (3) Despite the **State Taxation Acts Amendment Act 2019**, an exemption granted by the Commissioner under the old provisions that is in effect immediately before 1 July 2019—
- 30
- (a) continues in effect on and after that day; and
- 35
- (b) the old provisions continue to apply to the exemption.
-

(4) In this clause—

*old provisions* means Division 1B of Part 2 of Chapter 11 as in force immediately before 1 July 2019.

5

**55 State Taxation Acts Amendment Act 2019—penalties and interest under Division 2 of Part 2 of Chapter 11**

10

Despite the repeal of Division 2 of Part 2 of Chapter 11 by the **State Taxation Acts Amendment Act 2019**, that Division as in force immediately before 1 July 2019 continues to apply in relation to any exemption that is revoked—

15

- (a) under Division 1, 1A or 1B of Part 2 of Chapter 11 as in force immediately before 1 July 2019; or
- (b) under Division 1, 1A or 1B of Part 2 of Chapter 11 as continued under clauses 52, 53 or 54."

## **Part 3—Amendment of Land Tax Act 2005**

### **Division 1—Principal place of residence exemption**

#### **35 Principal place of residence exemption**

(1) For section 54(3) of the **Land Tax Act 2005**  
5 **substitute—**

"(3) In addition to land of an owner that is used  
and occupied as a person's principal place of  
residence (*the PPR land*), land is also  
exempt land if—

- 10 (a) the land is owned by the owner of the  
PPR land; and
- (b) the land is contiguous with the PPR  
land or separated from the PPR land  
15 only by a road or railway or other  
similar area across or around which  
movement is reasonably possible; and
- (c) the land enhances the PPR land; and
- (d) the land is used solely for the private  
benefit and enjoyment of the person  
20 who uses and occupies the PPR land  
and has been so used—
- (i) since 1 July in the year preceding  
the tax year; or
- 25 (ii) if the owner or trustee became the  
owner of the land on or after  
1 July in the year preceding the  
tax year, so used and occupied  
since a later date during that year;  
and
- 30 (e) the land does not contain a separate  
residence; and
- (f) both the land and the PPR land are  
wholly in regional Victoria.
-

- 5 (3A) In addition to land of an owner that is used  
and occupied as a person's principal place of  
residence (*the PPR land*), land is also  
exempt land if—
- 5 (a) the land is owned by the owner of the  
PPR land; and
- (b) the land and the PPR land are both units  
in the same strata subdivision; and
- 10 (c) the land is used primarily for one or  
both of the following purposes—
- (i) parking a motor vehicle;
- (ii) a storage facility; and
- (d) the land does not contain a separate  
residence; and
- 15 (e) the land is used for the purposes  
specified in paragraph (c) by the person  
who uses and occupies the PPR land  
and has been so used—
- 20 (i) since 1 July in the year preceding  
the tax year; or
- (ii) if the owner or trustee became the  
owner of the land on or after  
1 July in the year preceding the  
tax year, so used and occupied  
25 since a later date during that  
year."
- (2) After section 54(4) of the **Land Tax Act 2005**  
**insert—**
- 30 "(5) In this section—  
*regional Victoria* has the same meaning as  
in section 18(8) of the **First Home  
Owner Grant Act 2000**;
-



*strata subdivision* has the same meaning as in the **Transfer of Land Act 1958**."

## **Division 2—Absentee owner surcharge**

### **36 What is the rate of land tax?**

5                   In section 35(1A) of the **Land Tax Act 2005**, for "6.5%" **substitute** "7%".

### **37 Land tax surcharge for absentee trusts**

10                   (1) In section 46IA(1) of the **Land Tax Act 2005**, in the first formula set out in that subsection, for "1.5%" **substitute** "2%".

                    (2) In section 46IA(1A) of the **Land Tax Act 2005**, in the first formula set out in that subsection, for "1.5%" **substitute** "2%".

### **38 Land tax for absentee fixed trust if beneficial interests notified to Commissioner**

15                   (1) In section 46IB(1)(b)(ii) of the **Land Tax Act 2005**, in the formula set out in that subparagraph, for "1.5%" **substitute** "2%".

20                   (2) In section 46IB(3)(b) of the **Land Tax Act 2005**, in the first formula set out in that paragraph, for "1.5%" **substitute** "2%".

                    (3) In section 46IB(4)(a) of the **Land Tax Act 2005**, in the formula set out in that paragraph, for "1.5%" **substitute** "2%".

### **39 Land tax for absentee unit trust scheme if unitholdings notified to Commissioner**

25                   (1) In section 46IC(1)(b)(ii) of the **Land Tax Act 2005**, in the formula set out in that subparagraph, for "1.5%" **substitute** "2%".

30                   (2) In section 46IC(3)(b) of the **Land Tax Act 2005**, in the first formula set out in that paragraph, for "1.5%" **substitute** "2%".

- (3) In section 46IC(4)(a) of the **Land Tax Act 2005**, in the formula set out in that paragraph, for "1.5%" **substitute** "2%".

**40 Land tax for beneficiary/trustees**

- 5 (1) In section 46ID(3)(a) of the **Land Tax Act 2005**, in the formula set out in that paragraph, for "1.5%" **substitute** "2%".
- (2) In section 46ID(5)(a) of the **Land Tax Act 2005**, in the formula set out in that paragraph, for "1.5%" **substitute** "2%".
- 10

**41 Land tax for PPR land if nominated PPR beneficiary**

- In section 46IF(2A)(a)(ii) and (b) of the **Land Tax Act 2005**, in the formulas set out in those paragraphs, for "1.5%" **substitute** "2%".
- 15

**42 Land tax surcharge for related absentee corporations**

- In section 50A(2) of the **Land Tax Act 2005**, in the formula set out in that subsection, for "1.5%" **substitute** "2%".
- 20

**43 Rate of land tax on land held by absentee owners for 2017, 2018 and 2019**

- (1) In the heading to clause 4.2 of Schedule 1 to the **Land Tax Act 2005**, for "**2017 and subsequent years**" **substitute** "**2017, 2018 and 2019**".
- 25
- (2) In clause 4.2 of Schedule 1 to the **Land Tax Act 2005**, for "2017 and each subsequent year" **substitute** "2017, 2018 and 2019".

**44 New clause 4.3 of Schedule 1 inserted**

In Part 4 of Schedule 1 to the **Land Tax Act 2005**, after clause 4.2 **insert—**

**"4.3 Rate of land tax on land held by absentee owners for 2020 and subsequent years**

The rate of land tax on land held by an absentee owner for 2020 and each subsequent year is set out in Table 4.3.

**TABLE 4.3**

<i>Item</i>	<i>Column 1 Taxable value not less than</i>	<i>Column 2 Taxable value less than</i>	<i>Column 3 Rate of land tax</i>
	\$	\$	
1	0	250 000	Nil
2	250 000	600 000	\$5275 and 2.2% of the taxable value that exceeds \$250 000
3	600 000	1 000 000	\$12 975 and 2.5% of the taxable value that exceeds \$600 000
4	1 000 000	1 800 000	\$22 975 and 2.8% of the taxable value that exceeds \$1 000 000
5	1 800 000	3 000 000	\$45 375 and 3.3% of the taxable value that exceeds \$1 800 000
6	3 000 000		\$84 975 and 4.25% of the taxable value that exceeds \$3 000 000

".

**45 Rate of land tax on land held by owner subject to an absentee trust for 2017, 2018 and 2019**

- 5
- (1) In the heading to clause 5.2 of Schedule 1 to the **Land Tax Act 2005**, for "2017 and subsequent years" substitute "2017, 2018 and 2019".
- (2) In clause 5.2 of Schedule 1 to the **Land Tax Act 2005**, for "2017 and each subsequent year" substitute "2017, 2018 and 2019".

**46 New clause 5.3 of Schedule 1 inserted**

10 In Part 5 of Schedule 1 to the **Land Tax Act 2005**, after clause 5.2 insert—

**"5.3 Rate of land tax on land held by owner subject to an absentee trust for 2020 and subsequent years**

15 The rate of land tax for land held by an owner subject to an absentee trust for 2020 and each subsequent year is set out in Table 5.3.

**TABLE 5.3**

<i>Item</i>	<i>Column 1 Taxable value not less than</i>	<i>Column 2 Taxable value less than</i>	<i>Column 3 Rate of land tax</i>
	\$	\$	
1	0	25 000	Nil
2	25 000	250 000	\$582 and 2.375% of the taxable value that exceeds \$25 000
3	250 000	600 000	\$5926 and 2.575% of the taxable value that exceeds \$250 000
4	600 000	1 000 000	\$14 938 and 2.875% of the taxable value that exceeds \$600 000

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Part 3—Amendment of Land Tax Act 2005

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<i>Item</i>	<i>Column 1 Taxable value not less than</i>	<i>Column 2 Taxable value less than</i>	<i>Column 3 Rate of land tax</i>
	\$	\$	
5	1 000 000	1 800 000	\$26 438 and 3·175% of the taxable value that exceeds \$1 000 000
6	1 800 000	3 000 000	\$51 838 and 2·7614% of the taxable value that exceeds \$1 800 000
7	3 000 000		\$84 975 and 4·25% of the taxable value that exceeds \$3 000 000

---

".

## **Part 4—Amendment of Payroll Tax Act 2007**

### **Division 1—Regional employers**

#### **47 Meaning of *regional employer***

5 (1) For section 3A(1) of the **Payroll Tax Act 2007**  
substitute—

"(1) A *regional employer* is an employer who  
meets the requirements specified in  
subsection (2)."

10 (2) The note at the foot of section 3A of the **Payroll  
Tax Act 2007** is repealed.

#### **48 Repeal of section 12A**

Section 12A of the **Payroll Tax Act 2007** is  
repealed.

### **Division 2—Parental leave**

#### **49 Definitions—domestic partner and spouse**

15 (1) In section 3 of the **Payroll Tax Act 2007** insert  
the following definitions—

"*domestic partner* of a person means—

20 (a) a person who is in a registered domestic  
relationship with the person; or

(b) a person to whom the person is not  
married but with whom the person is  
living as a couple on a genuine  
domestic basis (irrespective of gender);

25 *spouse* of a person means a person to whom the  
person is married;"

(2) At the end of section 3 of the **Payroll Tax Act 2007** insert—

"(2) For the purposes of the definition of *domestic partner* in subsection (1)—

- 5 (a) *registered domestic relationship* has the same meaning as in the **Relationships Act 2008**; and
- 10 (b) in determining whether persons who are not in a registered domestic relationship are domestic partners of each other, all the circumstances of their relationship are to be taken into account, including any one or more of the matters referred to in section 35(2)
- 15 of the **Relationships Act 2008** as may be relevant in a particular case."

**50 Division 4 of Part 4 substituted**

For Division 4 of Part 4 of the **Payroll Tax Act 2007** substitute—

20 **"Division 4—Parental leave**

**53 Parental leave**

Wages are exempt wages as provided for in Division 2A of Part 3 of Schedule 2."

25 **51 Groups arising from tracing of interests in corporations**

- (1) In section 73(4) of the **Payroll Tax Act 2007**, the definition of *domestic partner* is **repealed**.
- (2) Section 73(5) of the **Payroll Tax Act 2007** is **repealed**.

**52 New Division 2A inserted in Part 3 of Schedule 2**

After Division 2 of Part 3 of Schedule 2 to the  
**Payroll Tax Act 2007 insert—**

**"Division 2A—Parental leave**

5 **17A Meaning of *primary caregiver* and  
*secondary caregiver***

(1) For the purposes of this Division—

(a) the *primary caregiver* for a child is—

10 (i) in the case of a child yet to be  
born, the person who is pregnant  
with the child; or

(ii) otherwise, the parent of the child  
who has the principal role of  
providing care and attention to the  
child; and

15 (b) the *secondary caregiver* for a child is a  
spouse, or domestic partner, of a  
primary caregiver for the child.

20 (2) For the purposes of this Division there can  
only be one primary caregiver for a child at  
any one time.

**17B Parental leave**

25 (1) Wages are exempt wages if they are paid or  
payable to an employee in respect of leave  
for the employee's role as primary caregiver  
or secondary caregiver for a child (other than  
sick leave, recreation leave, annual leave or  
any similar leave).

30 (2) It is immaterial whether the leave is taken  
before or after the child is born or, in the  
case of adoption, before or after the child is  
adopted.



(3) The exemption is limited to wages paid or payable in respect of a maximum of 14 weeks leave in relation to any one child.

(4) In subclause (3)—

5

(a) a reference to 14 weeks leave includes a reference to an equivalent period of leave at a reduced rate of pay; and

10

(b) a reference to wages paid or payable in respect of a period of leave is a reference to the total wages that would normally have been paid or payable for that period of leave.

**Example**

15

For a part-time employee, the exemption may apply to wages paid or payable for leave that extends to 28 weeks at half of the part-time rate of pay that would normally apply to the employee.

20

(5) The exemption does not apply to any part of wages paid or payable in respect of leave for the employee's role as primary caregiver or secondary caregiver that comprises a fringe benefit.

**17C Administrative requirements for exemption**

25

(1) An employer wishing to claim an exemption under this Division for an employee in respect of leave for the employee's role as a primary caregiver must obtain and keep a statutory declaration by the employee stating—

30

(a) that the employee is a primary caregiver for a child; and

(b) that the employee—

(i) is pregnant with the child; or

- 5
- (ii) was pregnant with the child and the date of birth of the child; or
- (iii) is the parent of the child who has the principal role of providing care and attention to the child.
- 10
- (2) An employer wishing to claim an exemption under this Division for an employee in respect of leave for the employee's role as a secondary caregiver must obtain and keep a statutory declaration by the employee stating—
- (a) that the employee is a secondary caregiver for a child; and
- 15
- (b) that the employee is a spouse, or domestic partner, of the person who is the primary caregiver for the child.

**Note**

20

Section 55 of the **Taxation Administration Act 1997** requires these records to be kept for at least 5 years unless the Commissioner of State Revenue authorises earlier destruction."

**53 New clause 20 inserted in Schedule 3**

After clause 19 of Schedule 3 to the **Payroll Tax Act 2007** insert—

25

**"20 State Taxation Acts Amendment Act 2019**

- 30
- (1) The exemption under Division 2A of Part 3 of Schedule 2 does not apply to wages paid to an employee on or after 1 July 2019 in respect of any period of leave taken by the employee before that date.
- 35
- (2) The exemption under Division 4 of Part 4 continues to apply despite its repeal to wages paid to an employee on or after 1 July 2019 in respect of any period of leave taken by the employee before that date."
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**Division 3—Amendment of thresholds and tax rates**

**54 Thresholds**

(1) For section 86(6)(c) of the **Payroll Tax Act 2007** substitute—

- 5           "(c) for the financial year commencing on 1 July 2018, 2019 or 2020—\$12 500 per week;
- (d) for the financial year commencing on 1 July 2021—\$12 980 per week;
- 10           (e) for the financial year commencing on 1 July 2022 and each subsequent financial year—\$13 461 per week."

(2) In clause 1 of Schedule 1 to the **Payroll Tax Act 2007**, in the definition of *TA* or *threshold amount*, for paragraph (d) substitute—

- 15           "(d) for the financial year commencing on 1 July 2018, 2019 or 2020—\$650 000;
- (e) for the financial year commencing on 1 July 2021—\$675 000;
- 20           (f) for the financial year commencing on 1 July 2022 and each subsequent financial year—\$700 000."

(3) In clause 1A of Schedule 2 to the **Payroll Tax Act 2007**, in the definition of *base deductible amount*, for paragraph (c) substitute—

- 25           "(c) for a month in the financial year commencing on 1 July 2018, 2019 or 2020—\$54 166;
- (d) for a month in the financial year commencing on 1 July 2021—\$56 250;
- 30           (e) for a month in the financial year commencing on 1 July 2022 and each subsequent financial year—\$58 333."

**55 Tax rates for regional employers**

(1) In clause 1 of Schedule 1 to the **Payroll Tax Act 2007**, in the definition of **R**, for paragraph (f) **substitute**—

5           "(f) for the financial year commencing on 1 July 2018 or 1 July 2019—

          (i) 2.425% in the case of a regional employer; and

          (ii) 4.85% in any other case;

10           (g) for the financial year commencing on 1 July 2020—

          (i) 2.02% in the case of a regional employer; and

          (ii) 4.85% in any other case;

15           (h) for the financial year commencing on 1 July 2021—

          (i) 1.62% in the case of a regional employer; and

          (ii) 4.85% in any other case;

20           (i) for the financial year commencing on 1 July 2022 or any subsequent financial year—

          (i) 1.2125% in the case of a regional employer; and

          (ii) 4.85% in any other case."

25           (2) In clause 2 of Schedule 2 to the **Payroll Tax Act 2007**—

          (a) in paragraph (f)—

          (i) after "2018" **insert** "and before 1 July 2020";

30           (ii) in subparagraph (ii), for "case." **substitute** "case;"

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(b) after paragraph (f) **insert**—

"(g) for wages paid or payable on or after  
1 July 2020 and before 1 July 2021—

5

(i) 2.02% in the case of a regional  
employer; and

(ii) 4.85% in any other case;

(h) for wages paid or payable on or after  
1 July 2021 and before 1 July 2022—

10

(i) 1.62% in the case of a regional  
employer; and

(ii) 4.85% in any other case;

(i) for wages paid or payable on or after  
1 July 2022—

15

(i) 1.2125% in the case of a regional  
employer; and

(ii) 4.85% in any other case."

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## Part 5—Amendment of Valuation of Land Act 1960

### 56 Definitions

5 Section 2(8) and (9) of the **Valuation of Land Act 1960** are repealed.

### 57 Supplementary valuation

Sections 13DF(2)(g) and 13L(2)(f) of the **Valuation of Land Act 1960** are repealed.

### 58 Determination of objection

10 After section 21(7) of the **Valuation of Land Act 1960** insert—

15 "(8) Despite section 14(2) of the **Interpretation of Legislation Act 1984**, on an objection to the site value of any land contained in a general valuation or supplementary valuation as at 1 January 2018 or any later date, including an objection on foot at the commencement of this subsection, no account is to be taken of section 2(8) or (9) (as in force at the date of the valuation)—

20 (a) by the valuer to whom the objection is referred in determining whether an adjustment in the site value is justified; or

25 (b) by the valuer-general in determining whether a recommended adjustment in the site value is correct."

### 59 Grounds of review or appeal

30 After section 24(2) of the **Valuation of Land Act 1960** insert—

"(3) Despite section 14(2) of the **Interpretation of Legislation Act 1984**, on a review or appeal in relation to the site value of any

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land contained in a general valuation or supplementary valuation as at 1 January 2018 or any later date, including a review or appeal on foot at the commencement of this subsection, no account is to be taken by VCAT or the Court (as the case requires) of section 2(8) or (9) (as in force at the date of the valuation) in determining the correct site value of the land."

## **Part 6—Repeal of this Act**

### **60 Repeal of this Act**

This Act is **repealed** on 1 July 2020.

#### **Note**

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The repeal of this Act does not affect the continuing operation of the amendments made by it (see section 15(1) of the **Interpretation of Legislation Act 1984**).

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## **Endnotes**

### **1 General information**

See [www.legislation.vic.gov.au](http://www.legislation.vic.gov.au) for Victorian Bills, Acts and current authorised versions of legislation and up-to-date legislative information.