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AUSTRALIAN CAPITAL TERRITORY (TRANSFER OF
MARKETABLE SECURITIES) BILL 1986

Date introduced: 15 October 1986
House: House of Representatives
Presented by: Hon. Chris Hurford, M.P., Minister
Assisting the Treasurer

DIGEST OF BILL

Purpose

To impose a charge on the registration by companies incorporated in the ACT of marketable securities listed outside the ACT.

Background

The measures to be introduced by this Bill were announced by the Treasurer on 10 June 1986 to terminate the 'Darwin Shuffle' as it relates to the ACT. Under the scheme, companies registered in the ACT were able to avoid ACT stamp duty by registering the transfer of securities outside the ACT. This Bill will eliminate the practice by imposing a rate of duty on such transfers equal to the rate that applies to transfers in the ACT.

Main Provisions

The Bill will be deemed to operate from 5 p.m. on 10 June 1986 (clause 2).

Clause 4 will impose the tax on the registration of marketable securities outside the ACT.

The rate of tax will be 15 cents for each \$25 or part thereof of the unencumbered value of the security (clause 5).

Clause 6 provides for a number of exemptions to the new tax. The major exemptions are for securities on which stamp duty has or will be paid under another law, transfers by a local government body or a public authority, transfers

of securities to public hospitals, benevolent institutions, religious bodies or public education institutions, and the transfer to a beneficiary under a will or intestacy.

The Governor-General will be able to make regulations to further the Bill (clause 7).

For further information, if required, contact the Economics and Commerce Group.

18 February 1987

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This Digest does not have any official legal status. Other sources should be consulted to determine the subsequent official status of the Bill.



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