



Anti–Money Laundering and Counter–Terrorism Financing (Transitional Provisions and Consequential Amendments) Bill 2006

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Law and Bills Digest Section

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Anti-Money Laundering and Counter-Terrorism Financing (Transitional Provisions and Consequential Amendments) Bill 2006

Date introduced: 1 November 2006

House: House of Representatives

Portfolio: Justice and Customs

Commencement: The whole of the Act had commenced by 14 December 2006.

Purpose

The Anti-Money Laundering and Counter-Terrorism Financing (Transitional Provisions and Consequential Amendments) Bill 2006 (the Bill) contains consequential amendments related to the Anti-Money Laundering and Counter-Terrorism Financing Bill 2006 (the AML/CTF Bill). The Bills Digest on the AML/CTF Bill can be accessed [here](#).

As a result of the AML/CTF Bill, a number of consequential amendments were made to existing Commonwealth legislation to allow operation of provisions in the AML/CTF Bill.

The most important amendment is to the *Financial Transaction Reports Act 1988* (FTR Act). The FTR Act, as amended by the Financial Transaction Reports Act Amendment Bill 2006, will continue in force after the AML/CTF Bill has been enacted. The amended FTR Act is designed to operate parallel to the AML/CTF Bill. The amended FTR Act will apply to cash dealers who are not reporting entities under the AML/CTF Bill.

The Bill passed on 7 December 2006, and became Act No. 170 of 2006.

Financial implications

The Bill has no direct financial impact but note the impact of the AML/CTF Bill as set out in the [Bills Digest](#).

Main provisions

Part 1 contains amendments to the following Acts that are mainly of a technical nature, especially changing the title of Director to 'AUSTRAC CEO':

- *Administrative Decisions (Judicial Review) Act 1977*
- *Anti-Terrorism Act (No. 2) 2005*

Warning:

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- *Australian Securities and Investments Commission Act 2001*
- *Commonwealth Electoral Act 1918*
- *Corporations Act 2001*
- *Crimes Act 1914*
- *Criminal Code Act 1995*
- *Financial Management and Accountability Regulations 1997*
- *Financial Transaction Reports Act 1988*
- *Financial Transaction Reports Amendment Act 2006*
- *Freedom of Information Act 1982*
- *Inspector-General of Intelligence and Security Act 1986*
- *Law Enforcement Integrity Commissioner Act 2006*
- *Privacy Act 1988*
- *Proceeds of Crime Act 2002*
- *Surveillance Devices Act 2004*

Part 2 contains the transitional provisions.

Item 25 amends subsection 400.1(1) of the Criminal Code to insert the new definition *foreign indictable offence*. It means an offence against a law of a foreign country constituted by conduct that, if it had occurred in Australia, would have constituted an offence against:

- (a) a law of the Commonwealth; or
- (b) a law of a State or Territory connected with the offence;

that may be dealt with as an indictable offence (even if it may, in some circumstances, be dealt with as a summary offence).

Item 51 amends subsection 3(1) of the *Financial Transaction Reports Act 1988* to insert the new definition *designated service transaction*. If:

- (a) a reporting entity provides, or commences to provide, a designated service to a customer (within the meaning of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*); and

- (b) the provision of the service involves a transaction;

the transaction is a *designated service transaction*.

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Item 157 amends Section 338 (after paragraph (e) of the definition of *serious offence*) of the *Proceeds of Crime Act 2002* to insert offences against certain sections of the AML/CTF Bill.

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