

019 ~~Mr DEPUTY SPEAKER (Mr Hoolihan): Order! Before I close matters of public interest, the member for Nanango indicated that she would seek leave to table certain documents. She has tabled the documents without leave being sought. Is leave granted?~~

~~Leave granted.~~

## LAND TAX BILL

### First Reading

**Hon. AP FRASER** (Mount Coot-tha—ALP) (Treasurer and Minister for Employment and Economic Development) (12.30 pm): I present a bill for an act about land tax and for related purposes. 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:* Land Tax Bill.

*Tabled paper:* Land Tax Bill, explanatory notes.

### Second Reading

**Hon. AP FRASER** (Mount Coot-tha—ALP) (Treasurer and Minister for Employment and Economic Development) (12.30 pm): I move—

That the bill be now read a second time.

The Land Tax Act was enacted in 1915 and many of the core substantive and exemption provisions have been in the legislation from the outset. In the almost 100 years since then, there have been numerous amendments in response to various changes in policy and commercial practices. Today the legislation reflects outdated drafting practices.

As part of the Office of State Revenue's ongoing program of legislation modernisation, stage 1 of modernising land tax legislation occurred last year when the standard administration provisions of the Taxation Administration Act 2001 were extended to land tax. This bill completes modernisation by repealing the Land Tax Act 1915 and replacing it with modern legislation drafted in plain English and restructured to simplify the provisions.

The bill retains the existing land tax base, policy and tax rates. This is a rewrite of the existing law and practice only. Consistent with longstanding arrangements, land tax will continue to be based on the value of land determined under the Valuation of Land Act 1944.

A number of beneficial changes are being incorporated in the bill. Capping arrangements which applied for three financial years ending 2009-10 are being extended for 2010-11. Under these arrangements, the value on which land tax is levied is limited to 150 per cent of the value which applied for the previous year. A new extended payment option will be available from 2010-11 onwards, as announced in the 2009-10 state budget. Taxpayers will have the option of paying land tax by either a single payment within 90 days of assessment issue or three equal instalments within 45, 90 and 150 days of assessment issue.

The current land tax legislation contains an outdated anti-avoidance provision. As part of the modernisation process, this bill includes a new general anti-avoidance provision modelled on contemporary provisions in other state and Commonwealth taxation legislation, including the Duties Act 2001. This will provide greater certainty about the types of avoidance schemes targeted by the provision.

The Duties Act 2001, the Payroll Tax Act 1971 and the Land Tax Act 1915 each contain similar provisions providing tax exemptions for charitable institutions in certain circumstances. This bill simplifies these provisions by moving to the Taxation Administration Act 2001 the provisions about which institutions qualify for exemption. This will provide a single registration which will reduce red tape for these institutions. The bill also includes consequential amendments to the Duties Act 2001 and the Payroll Tax Act 1971 reflecting this change. Other conditions relating to these exemptions will remain in the relevant revenue statute.

A number of significant drafting changes in the bill will make the law clearer and easier for taxpayers to understand. This will make the law more certain, assisting both compliance and administration. For example, the current law makes a distinction between exemptions and deductions, both of which have the effect of ensuring land tax is not imposed on the relevant property. The bill eliminates the distinction and replaces it with a concept of exempt land. In addition, all exemptions are located in one part of the bill.

The bill also makes a number of consequential amendments to other acts to reflect the repeal of the Land Tax Act 1915 and its replacement by this bill, when enacted. I commend the bill to the House.

Debate, on motion of Mr Nicholls, adjourned.

## ~~REVENUE AND OTHER LEGISLATION AMENDMENT BILL~~

### ~~Second Reading~~

~~Resumed from 9 March (see p. 660), on motion of Mr Fraser~~

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

~~**Mr NICHOLLS** (Clayfield LNP) (12.34 pm): Last night I read through the legislation and, while contemplating it, I had an unnerving experience. One is almost reminded of the old joke that begins 'I was on my way to the Colosseum'. At about 8.15 or 8.30 last night I jumped into the lift on level 9 and, obviously prying around to see what he could get into, I saw the Treasurer, as well as the Under Treasurer, Mr Bradley, and a host of other Treasury advisers.~~

~~**Mr Finn:** They were trying to find the birthday party.~~

~~**Mr NICHOLLS:** They had been up for a birthday party, exactly. As I walked in, the Treasurer said, 'Well, this is weird.' I have to say that it was one of those rare occasions when I did very much agree with him. More than anything else, I wondered where they were coming from. I did wonder if I had the opportunity to ask some questions about budget planning being undertaken or whether there was some other cunning plan going on. I will reveal the secrets of the lift at a later time.~~

~~This bill is an omnibus bill dealing with 11 statutes in total. It amends six revenue statutes and five other statutes primarily dealing with the asset sales process. It comes in two sections. When the bill is passed, much of the work undertaken under its auspices will 'protect the revenue', as the old saying goes. That is, it will protect revenue collection. I make it clear that the LNP supports the proper payment of taxes by all taxpayers. If everyone pays their fair share, no one has to pay more than they otherwise ought to.~~

~~It enshrines in legislation administrative rulings that have been in place for some considerable time. I guess as we go through the question will have to be asked: why have the administrative rulings that have been made by executive fiat by the commissioner of revenue taken so long to find their way into legislation? Is there a reason or is it simply a matter of convenience to bring them all under one piece of legislation? The bill will streamline debt collection practices across the various revenue acts by bringing them under a single taxation act—that is, the Taxation Administration Act, which was amended only in the last 12 months—and makes consequential changes to facilitate all of those.~~

~~The second purpose of the legislation is to make transitional arrangements to facilitate the asset sales process. Essentially those changes will facilitate the continuation of the superannuation arrangements of employees who are employed by those assets that are being sold so that they will be able to continue in the QSuper scheme, as I understand it. It will also cover some other employees should there be any changes in their employment arrangements. Predominantly, it looks after people who will be employed by private enterprise after the asset sales.~~

~~The bill also amends the Infrastructure Investment (Asset Restructuring and Disposal) Act. That is the bill which became an act at 4 o'clock in the morning of the week in which we debated the budget and which put in place the powers to facilitate the government's privatisation agenda. These amendments are another attempt to perpetrate a con on the people of Queensland. This follows the statement made in December last year by the Premier and the Treasurer that this is a privatisation that does not really involve selling everything off because we are only giving a 99-year lease, so the right to toll on the Gateway and Logan motorways will only be a 99-year lease and the state of Queensland will still own the underlying asset.~~

~~It is the same with Forestry Plantations Queensland, where the statement was made that what is being sold is only the right to gather the timber as opposed to the underlying land, and similarly with Queensland Rail. That is really a furphy. As anyone would know if they had observed the privatisation of assets, a 99-year lease is as good as giving away the farm, which is what is occurring here. We only need to look at the operators of Brisbane Airport to understand that is the case. That land is still owned by the Commonwealth, but the business and everything that occurs on it, including the development and the borrowings that fund that development, is based on a leasehold of that property. So the LNP will be opposing this section of the bill in relation to the changes to the property law act that facilitate the sale and disposal of the assets by lease rather than by, if you like, the freehold transfer of the whole undertaking and ownership.~~

~~This sale process has been a rushed process. It was rushed when it was brought to the budget in 2009. It is done without the consent of the voters of Queensland. In fact, it is done almost to spite the voters of Queensland and particularly, so far as the sale of Queensland Rail is concerned, there are~~