

1993

THE PARLIAMENT OF THE COMMONWEALTH
OF AUSTRALIA

HOUSE OF REPRESENTATIVES

DEPARTURE TAX AMENDMENT BILL 1993

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Transport
and Communications, Senator the Hon. Bob Collins)



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OUTLINE

This Bill will amend the *Departure Tax Act 1978* to increase the rate of departure tax for a person departing from Australia for another country, irrespective of whether or not the person plans to return to Australia, from \$20 to \$25. The amendment will take effect from 1 January 1994.

FINANCIAL IMPACT STATEMENT

The increase in the rate of departure tax is expected to lead to an increase in revenue of approximately \$11m in 1993-4, \$28m in 1994-5, \$30m in 1995-6 and \$32m in 1996-7.

NOTES ON CLAUSES

Clause 1 - Short title etc.

1. This clause provides for the proposed Act to be cited as the *Departure Tax Amendment Act 1993*, and for the term "Principal Act" to mean the *Departure Tax Act 1978*.

Clause 2 - Commencement

2. This clause provides that the proposed Act will commence on 1 January 1994. This will enable a sufficient lead time to allow for the completion of administrative tasks associated with the increase in the departure tax and for sufficient publicity to be given to the new rate of tax before its implementation.

Clause 3 - Rate of tax

3. This clause amends section 6 of the *Departure Tax Act 1978* to increase the rate of departure tax from \$20 to \$25.

Clause 4 - Application of amendment

4. This clause provides that the amendment made by the proposed Act will apply only in relation to the departure of a person from Australia on or after 1 January 1994. In other words, this clause puts beyond doubt the fact that the increased rate of departure tax is not payable in respect of any departure from Australia before 1 January 1994.