



Sales Tax Laws Amendment Act 1990

No. 55 of 1990

An Act to amend the law relating to sales tax

[Assented to 16 June 1990]

BE IT ENACTED by the Queen, the Senate and the House of Representatives of the Commonwealth of Australia, as follows:

PART 1—PRELIMINARY

Short title

1. This Act may be cited as the *Sales Tax Laws Amendment Act 1990*.

Commencement

2. This Act is taken to have commenced on 9 May 1990.

PART 2—AMENDMENT OF THE SALES TAX (EXEMPTIONS AND CLASSIFICATIONS) ACT 1935

Principal Act

3. In this Part, “Principal Act” means the *Sales Tax (Exemptions and Classifications) Act 1935*¹.

Second Schedule

4. The Second Schedule to the Principal Act is amended by omitting item 61.

Fourth Schedule

5. The Fourth Schedule to the Principal Act is amended by omitting from sub-item 1 (2) “item 61 in the Second Schedule” and substituting “item 1 in the Sixth Schedule”.

Fifth Schedule

6. The Fifth Schedule to the Principal Act is amended by omitting from item 3 “item 61 in the Second Schedule” and substituting “item 1 in the Sixth Schedule”.

Insertion of Sixth Schedule

7. After the Fifth Schedule to the Principal Act the Schedule set out in Schedule 1 to this Act is inserted.

PART 3—AMENDMENT OF OTHER ACTS

Amendment of other Acts

8. The Acts specified in Schedule 2 are amended as set out in that Schedule.

PART 4—APPLICATION OF AMENDMENTS

Application of amendments

9. The amendments made by this Act apply in relation to transactions, acts and operations effected or done in relation to goods after the commencement of this Act.

SCHEDULE 1

Section 7

**NEW SCHEDULE TO BE INSERTED IN THE SALES TAX
(EXEMPTIONS AND CLASSIFICATIONS) ACT 1935**

“SIXTH SCHEDULE

Section 6B

Item No.	Specification of Goods
1.	<p>(1) Motor vehicles (including vehicles known as four-wheel drive vehicles) that are motor cars or station wagons</p> <p>(2) Sub-item (1) does not apply in relation to a transaction, act or operation effected or done in relation to a motor vehicle unless the sale value of the motor vehicle for the purposes of the relevant Sales Tax Assessment Act exceeds the amount calculated using the formula:</p> $\frac{1}{1 - \text{Statutory fraction}} + \left(\frac{\text{Sales tax rate}}{\text{rate}} \right)$ <p>where:</p> <p>‘Depreciation limit’ means:</p> <p>(a) in the case of a transaction, act or operation effected or done in the period that commenced on 1 May 1990 and ends on 30 June 1990—\$42,910; or</p> <p>(b) in the case of a transaction, act or operation effected or done in the period of 12 months commencing on 1 July 1990 or a period of 12 months commencing on any subsequent 1 July—the motor vehicle depreciation limit as determined under section 57AF of the <i>Income Tax Assessment Act 1936</i> in relation to the year of income that commences on that 1 July;</p> <p>‘Statutory fraction’ means 0.225 or such other decimal fraction as the Commissioner determines by notice in writing served on the taxpayer;</p> <p>‘Sales tax rate’ means the rate of sales tax imposed by the <i>Sales Tax Act (No. 1) 1930</i>, as in force at the time when the transaction, act or operation is effected or done, in respect of goods covered by the Fifth Schedule, being that rate expressed as a decimal fraction</p> <p>(3) Sub-item (1) does not apply to motor vehicles that are specially fitted out for transporting disabled persons seated in wheelchairs”.</p>

SCHEDULE 2

Section 8

AMENDMENTS OF OTHER ACTS

Sales Tax Act (No. 11A) 1985

Paragraph 6 (c):

Omit “or Fifth”, substitute “, Fifth or Sixth”.

Sales Tax Act (No. 11B) 1985

Paragraph 6 (c):

Omit “or Fifth”, substitute “, Fifth or Sixth”.

NOTE

1. No. 60, 1935, as amended. For previous amendments, see No. 41, 1936; No. 78, 1938; No. 32, 1939; Nos. 29 and 76, 1940; No. 32, 1941; No. 6, 1942; Nos. 35 and 44, 1943; No. 31, 1944; No. 36, 1945; Nos. 12 and 67, 1946; No. 65, 1947; No. 42, 1948; No. 54, 1949; No. 37, 1950; No. 42, 1951; No. 44, 1952; No. 53, 1953; No. 45, 1954; No. 5, 1956; No. 71, 1957; Nos. 17 and 92, 1959; Nos. 65 and 88, 1960; Nos. 1 and 76, 1961; No. 4, 1962; No. 44, 1963; No. 30, 1965; Nos. 26 and 62, 1966; No. 78, 1970; Nos. 67 and 87, 1972; Nos. 17, 181 and 216, 1973; No. 24, 1975; Nos. 21, 29, 80 and 175, 1976; No. 107, 1978; Nos. 3, 94 and 157, 1979; No. 142, 1981; Nos. 64, 93 and 115, 1982; Nos. 63, 84 and 136, 1983; Nos. 81, 123 and 165, 1984; Nos. 65 and 67, 1985; Nos. 28, 76 and 98, 1986; Nos. 42, 135 and 140, 1987; Nos. 78, 89 and 152, 1988; Nos. 63 and 72, 1989; and No. 18, 1990.

[Minister's second reading speech made in—
House of Representatives on 15 May 1990
Senate on 22 May 1990]