



Bounty Legislation Amendment Act 1993

No. 105 of 1993

An Act to amend certain Acts providing for the payment of bounty, and for related purposes

[Assented to 22 December 1993]

The Parliament of Australia enacts:

Short title

1. This Act may be cited as the *Bounty Legislation Amendment Act 1993*.

Commencement

2.(1) The following provisions commence on the day on which this Act receives the Royal Assent:

- (a) sections 1, 2 and 4;
- (b) section 3, so far as it effects amendments of the following Acts:
 - (i) *Bounty and Capitalisation Grants (Textile Yarns) Act 1981*;
 - (ii) *Bounty (Books) Act 1986*;
 - (iii) *Bounty (Machine Tools and Robots) Act 1985*.

(2) Section 3, so far as it effects amendments of the *Bounty (Computers) Act 1984*, and section 5 commence on the 28th day after the day on which this Act receives the Royal Assent.

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Amendments of various Acts

3. The Acts specified in the Schedule are amended as set out in the Schedule.

Application provision relating to the *Bounty (Books) Act 1986*

4. The amendments of the *Bounty (Books) Act 1986* apply to claims for bounty for bountiable books for which all production processes are completed on or after 1 January 1994.

Transitional provision relating to *Bounty (Computers) Act 1984*

5. If a claim for bounty under the *Bounty (Computers) Act 1984*, whenever made, includes, in the value added to the bountiable equipment the subject of the claim, expenditure on research and development, or system design and systems engineering costs, incurred in Australia before the commencement of this section, the claim must be dealt with, so far as that expenditure or those costs are concerned, as if the amendments of the *Bounty (Computers) Act 1984* made by this Act had not been made.

SCHEDULE

AMENDMENTS OF VARIOUS ACTS

Bounty and Capitalisation Grants (Textile Yarns) Act 1981

1. Paragraph 10BB(4)(b):

Omit “that” (second occurring), substitute “than”.

Bounty (Books) Act 1986

2. Subsection 4(1) (paragraph (a) of the definition of “bountiable book”):

Omit “or”, substitute “and”.

3. Subsection 4(1) (paragraph (b) of the definition of “bountiable book”):

Omit “or 4905”, substitute “, 4904, 4905, 9503 or 9504”.

4. Subsection 4(1):

Insert the following definitions:

“ ‘**advertising**’ includes printed material in the form of logos, names of bodies corporate, trade marks and brand names:

(a) for which a fee or other consideration is paid or payable; and

(b) which is intended to draw a person’s attention to:

(i) goods or services or the provider of goods or services; or

(ii) events or the organiser of an event; or

(iii) any commercial operation or activity;

‘**educational book**’ means a book intended for, or suitable for, use in connection with education provided at or by a recognised educational institution, but does not include a book that is, wholly or substantially, a collection of examination papers, or copies of examination papers, used in past examinations;”.

5. Subsection 4(1) (definition of “bounty period”):

Omit “1993”, substitute “1997”.

6. Subsection 4(1) (definition of “children’s book”):

Add at the end “measured on a lower case ‘x’ ”.

7. Subsection 4(1) (definition of “publisher’s production cost”):

Add at the end:

SCHEDULE—continued

“and (c) the publisher’s paper cost of the book (if any);”.

8. Subsection 4(1) (definition of “textbook”):

Omit the definition.

9. Subsection 4(5):

Omit the subsection, substitute:

“(5) For the purposes of this Act, the price paid or payable by a person for:

- (a) the production of a book; or
- (b) a production process in relation to a book; or
- (c) paper or binding materials for a book;

is taken to be the amount worked out using the formula:

$$\text{Gross price} - \text{Rebate or discount}$$

where:

‘**Gross price**’ means the gross price that the person is charged for:

- (a) the production of the book; or
- (b) the production process in relation to the book; or
- (c) the paper or binding materials for the book;

as the case requires;

‘**Rebate or discount**’ means the amount of any rebate or discount allowable in relation to the gross price except:

- (a) a rebate or discount in relation to bounty; and
- (b) a rebate or discount for cash payment or prompt payment.”.

10. Paragraph 5(1)(b):

Add at the end:

“or (iii) that is a prospectus inviting subscriptions for securities in a body corporate or a proposed body corporate;”.

11. Paragraph 5(1)(c):

Omit the paragraph, substitute:

“(c) a book that is produced for a person in Australia and is:

- (i) a directory relating to telephone services; or
- (ii) a directory relating to accommodation available; or
- (iii) a timetable relating to a service;

in Australia or places in Australia;

SCHEDULE—continued

(ca) a book:

- (i) that is produced for a person in Australia; and
- (ii) that is a directory (except a directory mentioned in subparagraphs (c)(i) and (ii)); and
- (iii) whose total printed page area comprises more than 30% advertising;”.

12. Paragraphs 5(1)(e), (f), (h) and (j):

Omit the paragraphs.

13. Paragraph 5(1)(k):

Omit “a textbook”, substitute “an educational book”.

14. Paragraph 5(1)(m):

Omit “a textbook”, substitute “an educational book”.

15. Paragraphs 5(1)(r), (s) and (sa):

Omit the paragraphs, substitute:

“(s) a book that is of a kind that, if it were imported, would be a prohibited import;”.

16. Subsection 5(2):

Omit “a textbook”, substitute “an educational book”.

17. Subsection 5(3):

Omit “a textbook”, substitute “an educational book”.

18. Paragraph 11(1)(e):

After “1992”, insert “and before 1 January 1994”.

19. After paragraph 11(1)(e):

Insert:

“and (f) if the book is produced on or after 1 January 1994 and before 1 January 1995—10.8%; and

(g) if the book is produced on or after 1 January 1995 and before 1 January 1996—9.0%; and

(h) if the book is produced on or after 1 January 1996 and before 1 January 1997—7.2%; and

(i) if the book is produced on or after 1 January 1997—4.5%;”.

20. Subsection 11(2):

Omit the subsection.

SCHEDULE—continued

21. Subsection 14(2):

Omit the subsection, substitute:

“(2) A claim may not be made for an amount of bounty for bountiable goods if the net publisher’s production cost for those books is less than \$3,700.

Note: For ‘net publisher’s production cost’ see subsection (7).”.

22. Section 14:

Add at the end:

“(7) In this section:

‘**net publisher’s production cost**’, in relation to a book, means the publisher’s production cost for the book less any amount of bounty that would be payable in respect of the book.”.

Bounty (Computers) Act 1984

23. Subsection 3(1) (subparagraph (a)(ii) of the definition of “manufacturer”):

Omit the subparagraph.

24. After section 3:

Insert:

Interpretation—research and development

“3A.(1) In this Act, a reference to research and development is a reference to a systematic, investigative or experimental activity:

- (a) that is carried out in Australia either in registered premises or on behalf of a manufacturer with registered premises; and
- (b) the object of which is the manufacture, within the bounty period, of bountiable equipment:
 - (i) containing new or improved materials or products; or
 - (ii) incorporating new or improved processes; or
 - (iii) applying new or improved system design or systems engineering other than design or engineering undertaken to meet the unique requirements of an individual customer.

“(2) For the purposes of subsection (1), the following activities are not to be treated as systematic, investigative or experimental activities:

- (a) market research, market testing (including consumer surveys), market development or sales promotion;
- (b) quality control;
- (c) the making of cosmetic modifications or stylistic changes to products, processes or production methods;

SCHEDULE—continued

(d) management studies or efficiency surveys.”.

25. Subsection 6(2):

Omit the subsection, substitute:

“(2) If, in an accounting period of a manufacturer of bountiable equipment:

- (a) the manufacturer meets expenditure on research and development in Australia in respect of bountiable equipment; and
- (b) the bountiable equipment is of a kind that is, or is likely to be, manufactured in Australia by the manufacturer within the bounty period;

the factory cost incurred by the manufacturer in that accounting period in connection with the process or processes in the manufacture of bountiable equipment carried out at registered premises includes that expenditure but no other factory cost includes that expenditure.”.

26. Paragraph 6(5)(c):

Omit “design, research or development”, substitute “research and development”.

27. Paragraph 13(2)(d):

Omit the paragraph, substitute:

“(d) be lodged with a Collector for a State or Territory, or with the Comptroller-General, at any time within 12 months after the manufacture of the bountiable equipment is completed.”.

28. Paragraph 14(2)(d):

Omit the paragraph, substitute:

“(d) be lodged with a Collector for a State or Territory, or with the Comptroller-General, at any time within 12 months after the manufacture of the bountiable equipment is completed.”.

29. Paragraph 15(2)(d):

Omit the paragraph, substitute:

“(d) be lodged with a Collector for a State or Territory or with the Comptroller-General.”.

30. Paragraph 16(2)(d):

Omit the paragraph, substitute:

“(d) be lodged with a Collector for a State or Territory or with the Comptroller-General.”.

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SCHEDULE—continued

“(1A) The purposes of attending before the Collector or authorized officer are:

- (a) to answer questions; and
- (b) to produce the accounts, books, documents or other records, referred to in the notice;

that relate to:

- (c) the manufacture (including the cost of manufacture) of bountiable equipment; or
- (d) the conduct of research and development.”.

Bounty (Machine Tools and Robots) Act 1985

34. Subsection 7(2A):

Omit the subsection.

[*Minister’s second reading speech made in—
Senate on 31 August 1993
House of Representatives on 27 October 1993*]

SCHEDULE—continued

31. Section 21:

Repeal the section, substitute:

Accounts

“21.(1) A person who has lodged a claim for bounty under section 13 must keep all accounts, books, documents or other records:

- (a) that record and explain particulars of the claim; and
- (b) that are necessary to enable the Comptroller-General to substantiate the claim;

until 3 years after the claim is lodged.

Penalty: 30 penalty units.

“(2) A person who has received an advance on account of bounty under section 12 must keep all accounts, books, documents and other records that record particulars of the advance, and of any claims for bounty to which the advance is applied, until 3 years after the last such claim is lodged.

Penalty: 30 penalty units.

“(3) This section does not require the keeping of any record:

- (a) by a company that has gone into liquidation and that has been dissolved; or
- (b) of a kind declared by the regulations to be a record to which this section does not apply.”.

32. Paragraph 24(1)(f):

Omit the paragraph, substitute:

“(f) inspect any accounts, books, documents and other records relating to:

- (i) the manufacture (including the cost of manufacture) of bountiable equipment; or
- (ii) the conduct of research and development;”.

33. Subsection 25(1):

Omit the subsection, substitute:

“(1) A Collector or an authorized officer may, by notice signed by him or her, require a person whom he or she believes on reasonable grounds to be capable of giving information relevant to the operation of the Act in relation to:

- (a) the manufacture (including the cost of manufacture) of bountiable equipment; or
- (b) the conduct of research and development;

to attend before him or her at the time and place specified in the notice for the purposes set out in subsection (1A).