

ABSENTEE LANDOWNERS LEVY (AMENDMENT) BILL 2013
EXPLANATORY MEMORANDUM

This Bill seeks to make provision for the situation faced by some residents who may under the existing provisions be required to pay the absentee landowners levy by reason of having to take employment off the Island and leave family members in the family home. The Bill seeks to establish a status of “exempt person” who is not liable to pay the levy.

The Bill provides –

Clauses 1 -3 are the usual preliminary provisions setting out the short title of the Bill, its commencement and description of the principal Act to be amended.

Clause 4 provides a Schedule of amendments to the principal Act.

Item 1 inserts a definition of an “exempt person”.

Item 2 inserts provision with the effect that an absentee is a person who has been absent from Norfolk Island for a period or periods aggregating 183 days or more but this does not apply to a company (dealt with in a separate provision) or an exempt person.

Item 3 inserts a provision that has the effect that an exempt person is not liable for payment of the levy.

Item 4 has the effect of removing from the Minister the power to declare that the delay in the sale of property in a deceased estate has been done in order to avoid the levy as it is considered redundant because the estate has 2 years to dispose of the property and if the delay is longer the exemption automatically ceases.

Item 5 inserts new clauses 6A and 6B to make provision for qualification and application for classification as an exempt person.

Proposed clause 6A provides that a person who might otherwise be required to pay the levy may apply for exemption in a particular year if the person was absent from the island during the levy year and has after the levy year but within 60 days after the end of that year –

- to apply to the Minister to be recognised as an exempt person, and
- to satisfy the Minister that the applicant –
 - was absent for reason of employment and was in fact employed or actively seeking employment;
 - had a dependant family (defined in subclauses (3) and (4)) residing in a family home on land the subject of an assessment;
 - had continued during the levy year to be a member of the Norfolk Island Healthcare Fund and was not in breach of payment of the levy;
 - did not when leaving the island declare an intention to leave permanently.

The section provides that if and when the Minister informs the applicant that the application is granted the person is, thereupon, an exempt person.

The new provision goes on to enable the Minister to revoke the exemption if the applicant has wrongfully avoided liability by way of falsely declaring land to be occupied by a dependant family or by manipulating the occupation of a home in order to obtain the exemption.

If the Minister does revoke an exemption then he may cause an assessment to issue whereupon the person assessed must pay the assessment and any penalty interest as if the person had been in default of payment of assessment from the levy day.

The new clause makes it an offence to make an untrue statement in an application for exemption or to arrange affairs in such a way that the Minister revokes the exemption.

A further new clause, 6B, requires persons responsible for the collection and maintenance of information concerning the arrival and departure of persons to provide, when requested, information to the Minister for the purposes of the Act and to do so despite the provisions of any other Act to the contrary.

3 December 2013