

Land Administration Fees (Amendment) Bill 2014

Explanatory Memorandum

The purpose of this Bill is to separate fees that are payable upon instruments evidencing transactions covered by the Act. At present fees are levied (section 4(1)) upon instruments dealing with land (including shares in defined companies owning land) at high levels (33 fee units or 4% of the land value whichever is greatest). These fees are not however payable in respect of certain exempt transaction including those involving the Administration, charities and community organisations and those exempt by regulation (section 6). At present the only transactions exempt by regulation are those involving deceased estates.

The Act also provides for payment of a small registration fee of 3.3 fee units that recovers some of the administration costs of the registration process but does so only in respect of transactions that are not exempt transactions (subsection 4(8)). Because instruments concerning deceased estates are exempt by regulation they do not pay the fee.

It is intended that transactions involving deceased estates should be liable to pay the fee for registration of the transaction but should continue to be exempt from the higher level fees of subsection 4(1).

In order to do this subsection 4(8) is removed to a separate section because as it stands it is not possible to lawfully prescribe that deceased estate transaction is exempt from the fees under subsection 4(1) but not the registration fee.

The Bill consists of 4 clauses

Clauses 1 2, and 3 are the usual clause providing the name of the Act, the commencement and the name of the Act being amended,

Clause 4 removes from section 4 the provision (subsection (8)) that levies a registration fee of 3.3 fee units on all transactions other than those referred to in subsections (1) and (7). A new section 6B is inserted that levies the registration fee of 3.3 fee units on all instruments except those that are exempted, however paragraph 6(f), which allows for the exemption of prescribed transactions, is *not* included as a transaction that can be excluded from the registration fee of 3.3 fee units. The intended effect is that the transactions of deceased estates that are prescribed by regulation will pay the registration fee but not the fee under section 4(1).

2 June 2014