

LAND TAX AMENDMENT BILL

EXPLANATORY NOTE

THIS Bill amends the Land Tax Act 1976 to give effect to the Budget announcements in respect of land tax.

Clause 1 relates to the Short Title.

Clause 2 applies the Bill to the land tax for the 1984-1985 year and subsequent years.

Clause 3: Subclauses (1) and (3) withdraw the land tax exemption for independent superannuation funds.

Subclause (2) exempts from land tax the land on which the principal place of abode of the owner stands. The maximum land area qualifying for this exemption is 4500 square metres, except where, having regard to the size and character of the residence erected on the land and the nature of the land, a greater area is required.

Hon. Mr Falloon

LAND TAX AMENDMENT

ANALYSIS

Title	2. Application
1. Short Title	3. Exemption of certain classes of land

A BILL INTITULED

An Act to amend the Land Tax Act 1976

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:

1. Short Title—This Act may be cited as the Land Tax Amendment Act 1983, and shall be read together with and deemed part of the Land Tax Act 1976* (hereinafter referred to as the principal Act).

10 **2. Application**—This Act shall apply with respect to the land tax for the year of assessment commencing on the 1st day of April 1984 and for every subsequent year.

3. Exemption of certain classes of land—(1) Section 27 (1) of the principal Act (as amended by section 3 of the Land Tax Amendment Act 1981) is hereby amended by repealing paragraph (k).

(2) The said section 27 (1) (as so amended) is hereby further amended by adding the following paragraph:

20 “(p) Land owned by a taxpayer which is used as the site of the taxpayer’s residence (being a house, flat, town-house, home unit or similar dwelling) which is occupied as the principal place of abode of the taxpayer:

*1976, No. 64

Amendments: 1977, No. 59; 1978, No. 21; 1981, No. 17; 1982, No. 139

“Provided that, where the area of the land so owned and used is, as the case may be,—

“(i) Greater than 4500 square metres; or

“(ii) Where the area that, in the opinion of the Commissioner, is required for the reasonable 5 occupation of the land (having regard to the size and character of the residence erected on that land and the nature of the land) exceeds 4500 square metres, greater than that area that is so required,— the exemption provided by this paragraph shall not 10 extend to so much of that land as, in area, exceeds 4500 square metres or, as the case may be, that area that is so required.”

(3) The following enactments are hereby consequentially repealed:

(a) The definition of the expression “superannuation fund” 15 in section 2 of the principal Act (as inserted by section 2 of the Land Tax Amendment Act 1977);

(b) Section 2 of the Land Tax Amendment Act 1977.