

EXPOSURE DRAFT

2010-2011

The Parliament of the
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

EXPOSURE DRAFT (28/07/2011)

Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment Bill 2011

No. , 2011

(Climate Change and Energy Efficiency)

***A Bill for an Act to amend the *Ozone Protection and
Synthetic Greenhouse Gas (Manufacture Levy) Act
1995*, and for related purposes***

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1 **A Bill for an Act to amend the Ozone Protection**
2 **and Synthetic Greenhouse Gas (Manufacture Levy)**
3 **Act 1995, and for related purposes**

4 The Parliament of Australia enacts:

5 **1 Short title**

6 This Act may be cited as the *Ozone Protection and Synthetic*
7 *Greenhouse Gas (Manufacture Levy) Amendment Act 2011*.

8 **2 Commencement**

9 (1) Each provision of this Act specified in column 1 of the table
10 commences, or is taken to have commenced, in accordance with
11 column 2 of the table. Any other statement in column 2 has effect
12 according to its terms.

13

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Commencement information

Column 1	Column 2	Column 3
Provision(s)	Commencement	Date/Details
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	
2. Schedule 1	1 July 2012. However, if section 3 of the <i>Clean Energy Act 2011</i> does not commence before 1 July 2012, the provision(s) do not commence at all.	

1 Note: This table relates only to the provisions of this Act as originally
2 enacted. It will not be amended to deal with any later amendments of
3 this Act.

4 (2) Any information in column 3 of the table is not part of this Act.
5 Information may be inserted in this column, or information in it
6 may be edited, in any published version of this Act.

7 **3 Schedule(s)**

8 Each Act that is specified in a Schedule to this Act is amended or
9 repealed as set out in the applicable items in the Schedule
10 concerned, and any other item in a Schedule to this Act has effect
11 according to its terms.
12

Schedule 1—Amendments

Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Act 1995

1 Title

Omit “a levy”, substitute “levies”.

2 After section 2

Insert:

2A Definitions

In this Act:

benchmark average auction charge has the same meaning as in the *Clean Energy Act 2011*.

carbon unit has the same meaning as in the *Clean Energy Act 2011*.

fixed charge year has the same meaning as in the *Clean Energy Act 2011*.

flexible charge year has the same meaning as in the *Clean Energy Act 2011*.

issue, in relation to a carbon unit, has the same meaning as in the *Clean Energy Act 2011*.

vintage year has the same meaning as in the *Clean Energy Act 2011*.

2B Carbon dioxide equivalence of an amount of an SGG

For the purposes of this Act, the carbon dioxide equivalence of an amount of an SGG is the amount of the SGG multiplied by a value specified in the regulations in relation to that kind of SGG.

3 After section 3

Insert:

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Schedule 1 Amendments

3A Manufacture levy—SGGs

- (1) If:
- (a) a controlled substances licence allows the licensee to manufacture SGGs; and
 - (b) the licensee manufactures an SGG during a quarter during which the licence is in force;
- levy is imposed on the licensee in respect of that manufacture.
- (2) Subsection (1) does not apply to the manufacture of an SGG in circumstances that are prescribed for the purposes of paragraph 13(1A)(b) of the *Ozone Protection and Synthetic Greenhouse Gas Management Act 1989*.
- (3) For the purposes of this section, if a licence is in force for only part of a particular quarter, that part is taken to be a quarter.
- (4) The amount of levy imposed by subsection (1) on a licensee in respect of the manufacture of an SGG in a quarter is the amount ascertained in accordance with the regulations.
- (5) The amount ascertained in accordance with the regulations must equal the amount worked out using the following formula:

$$\left[\begin{array}{l} \text{Number of tonnes} \\ \text{of the carbon} \\ \text{dioxide equivalence} \\ \text{of the SGG} \end{array} \times \begin{array}{l} \text{Applicable} \\ \text{charge} \end{array} \right] + \left[\begin{array}{l} \text{Number of} \\ \text{tonnes} \\ \text{of the SGG} \end{array} \times \begin{array}{l} \text{Prescribed} \\ \text{rate} \end{array} \right]$$

where:

applicable charge means:

- (a) if the quarter is in a fixed charge year—the per unit charge applicable under subsection 100(1) of the *Clean Energy Act 2011* for the issue of a carbon unit with a vintage year of that fixed charge year; or
- (b) if the quarter is in a flexible charge year—the benchmark average auction charge for the previous financial year.

prescribed rate means the rate prescribed by the regulations.

- (6) The prescribed rate must not exceed \$165 per tonne.

4 Paragraph 4(1)(a)

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Amendments **Schedule 1**

1 After “or substances”, insert “(other than an SGG)”.

2 Note: The heading to section 4 is altered by adding at the end “—**substances other than**
3 **SGGs**”.

4 **5 Subsection 4(2)**

5 Repeal the subsection.

6 **6 Paragraph 4(4)(b)**

7 Repeal the paragraph.

8 **7 Section 5**

9 After “section”, insert “3A or”.

10 **8 Application of amendments**

11 (1) Section 3A of the *Ozone Protection and Synthetic Greenhouse Gas*
12 *(Manufacture Levy) Act 1995* as amended by this Act applies in relation
13 to the manufacture of an SGG during:

14 (a) the quarter beginning on 1 July 2012; or

15 (b) a later quarter.

16 (2) The amendments of section 4 of the *Ozone Protection and Synthetic*
17 *Greenhouse Gas (Manufacture Levy) Act 1995* made by this Act apply
18 in relation to the manufacture of a substance during:

19 (a) the quarter beginning on 1 July 2012; or

20 (b) a later quarter.