P. M. No. 80/1969

PREMIERS' CONFERENCE ON RECEIPTS DUTY TAX

Statement by the Prime Minister, Mr. John Gorton

The purpose of today's meeting was to discuss the problem posed by the recent decision of the High Court regarding the validity of the receipts duty tax levied by the States.

It is the intention of the States, in order to obtain a definite and final decision, to take another case to the High Court to decide whether this tax is still held to be invalid in some or all circumstances.

Both the States and the Commonwealth hope that in this important matter a final decision can be arrived at as soon as possible.

Further, at the request of all the State Premiers, the Prime Minister and Treasurer agreed to put to Cabinet a proposal that, in the event of the present taxes being found invalid in some or all respects, the Commonwealth should pass legislation, on a uniform basis, imposing a like tax and enabling the States to receive it. This would prevent the loss of revenue to the States which would otherwise occur during the present financial year.

If this were done, it would be sought to make the Commonwealth legislation retrospective to the date of this statement.

CANBERRA 18 November 1969