

Rachel Stephen-Smith MLA

Minister for Health

Minister for Mental Health

Minister for Finance

Minister for the Public Service

Member for Kurrajong

RESPONSE TO QUESTION ON NOTICE

Questions on Notice Paper No 6

09 MAY 2025

Question No. 352

Ms Chiaka Barry MLA: To ask the Minister for Finance -

1. In relation to debt management arrangements across all ACT programs, where a debt holder advises they are homeless or destitute, is there any process in place to escalate the management of the debt, or ensure the individual has access to case management or financial counselling?
2. Is a debt holder's capacity to pay a determinant in the establishment of the quantum to be repaid in a repayment plan.
3. Is there a maximum repayment period for the repayment of a debt under a repayment plan.
4. If a repayment plan under the current policy settings results in repayments larger than an individual's capacity to repay, what measures are in place to recover the debt.
5. Under what circumstances would (a) interest be waived on a debt and (b) all or part of the principal be waived on a debt.
6. What is the process for an individual to seek waiver of a debt.
7. Under what circumstances would the ACT defer the recovery of a debt.
8. If a debt is deferred, does the ACT charge interest on the debt during the deferral period.
9. What is the process for an individual to seek deferral of a debt.
10. Does the ACT offer alternative methods of repayment of a debt such as working off the debt, other than for debt incurred due to a traffic offence.
11. Are there any discretionary funds available to be applied to a debt held by a homeless or destitute debtor.



Rachel Stephen-Smith MLA - The answer to the Member's question is as follows:

The following responses relate to the ACT Revenue Office.

1. When an individual taxpayer approaches ACTRO regarding a payment plan arrangement they may be encouraged to explore financial support available to them through financial counselling services.
2. No. Tax liabilities are determined under tax laws.
3. Generally, 6 months for companies and 12 months for individuals.
4. If an individual has defaulted on their tax obligations, recovery actions available under tax laws include:
 - Letter of demand;
 - Statutory charge on the title of your property;
 - Penalty tax;
 - Recovery of amounts from third parties (garnishee);
 - Notifying mortgagee of debts;
 - Sale of land (includes issuing a public notice of the properties to be sold);
 - Court proceedings.
5. Response for the respective parts are:
 - a. Refer to Commissioner Circular [GEN009.4 Interest](#) for information on interest remission. Otherwise, refer to response to question 6.
 - b. Refer to response to question 6.
6. The *Financial Management Act 1996*, (FMA) sections 130 and 131 provide for the Treasurer to grant acts of grace and waivers, respectively. This is an avenue of last resort in special circumstances that are uncommon, exceptional or extraordinary. Information on the FMA process is publicly available at <https://www.treasury.act.gov.au/publications>.
7. ACT tax law and policy provides for:
 - Rates deferral – pensioners, aged 65 or over, and hardship;
 - Duty deferral – pensioners; and
 - Lease Variation Charge deferral.Tax deferral arrangements were applied during the COVID-19 pandemic.
8. Yes.
9. Application via the ACT Revenue Office website. See:
 - <https://www.revenue.act.gov.au/home-owner-assistance/rates-assistance>
 - <https://www.revenue.act.gov.au/home-buyer-assistance/pensioner-duty-concession/pensioner-duty-deferral-scheme>
 - <https://www.revenue.act.gov.au/lvc/lvc-deferrals>.
10. No.
11. Not for tax liabilities. Refer to response to question 6.

ACTRO administers various community assistance measures including the ACT Funeral Assistant Program for ACT residents in financial hardship unable to meet the full costs of a funeral for immediate family members.

Approved for circulation to the Member and incorporation into Hansard.



Rachel Stephen-Smith MLA
Minister for Finance

Date:22/6/25.....

This response required 2hrs 20mins to complete, at an approximate cost of \$302.17.