

Ex gratia Mortgage Stamp Duty Drought Relief

This relief is available to persons who are taking out new loans, refinancing existing loans or borrowing further funds from their current lender, as a result of the drought, and subject to the eligibility criteria overleaf.

Applicant details (the owner of the land)

Name: _____

Address: _____

Postcode: _____

ABN: _____

If more than one owner

Name: _____

Address: _____

Postcode: _____

Security details

CT / CL / Other Security: _____

Address / Location of property: _____

Mortgage details

Mortgagee: _____

Mortgagor: _____

Provide details of the purpose of the loan advance: ** (for explanations of these, please refer next page)

1. Home acquisition or improvement purposes (Total Security Home) \$ _____
2. Working capital to fund normal operating costs (Total Operating Security).. \$ _____
3. Other purpose security (Total Other Security)..... \$ _____

TOTAL ADVANCE \$

DECLARATION

I/we certify that the loan amount stated at 1 above will be used for additional working capital and to fund normal operating costs of my/our farm enterprise as a consequence of the drought, and I/we acknowledge that additional borrowings for purposes such as further land acquisitions are ineligible for the relief.

Applicant (Print name)	Signature	Date
Applicant (Print name)	Signature	Date

If more than two persons are required to complete this application, please attach an addendum.

FINANCIAL INSTITUTION DETAILS

I _____ advise that on behalf of
(Print name of Financial Institution Officer) (Position held within the Financial Institution)

_____ Telephone () _____
(Financial Institution name & contact details)

support this application on the basis that finance referred to in 1 above has been provided as a direct result of the affect of the drought, and will be used for additional working capital and to fund normal operating costs of the applicant's farm enterprise.

The mortgage stamp duty relief is available for farmers in their own right, and includes corporate entities, and/or family trust arrangements that may own the land/operate the farm.

The mortgage stamp duty relief applies to the stamp duty payable on borrowings of **working capital to fund normal operating costs** of the farm enterprise as a consequence of the drought and may be documented in the form of:

- an increase to an existing mortgage;
- a refinance mortgage with another lender (to the extent the existing stamp duty exemption for refinancing does not apply); and
- a new mortgage with the farmer's existing or different lender.

The mortgage stamp duty relief is only available in relation to loans applied for between 25 October 2006, and **1 July 2009**.

In order to be considered for the relief an applicant must be engaged in the "business of primary production": This is the business of agriculture, pasturage, horticulture, viticulture, apiculture, poultry farming, dairy farming, forestry or any other business consisting of the cultivation of soils, the gathering of crops, the rearing of livestock, but excludes the propagation and harvesting of fish or other aquatic organisms.

The business of primary production must be:

- a significant commercial activity that is or will be profitable;
- operated with repetition and regularity;
- an activity organised and carried out in a systematic/business like manner;
- a considerable size and scale;
- not considered a hobby, recreation or sporting activity; and
- registered for GST and have an ABN.

****Explanations**

1. A mortgage taken out for the purposes of securing a loan that has been or is to be applied for **home acquisition or improvement** is exempt from stamp duty (Total Security Home). A loan will be considered to be applied for **home acquisition or improvement** purposes to the extent that it is used for one or more of the following purposes:
 - purchasing land on which residential premises have been, or are to be built, that the mortgagor (or, if there are two or more mortgagors, at least one of them) intends to occupy as his or her sole principal place of residence;
 - building, or making additions or improvements to, residential premises that the mortgagor (or, if there are two or more mortgagors, at least one of them) occupies or intends to occupy as his or her sole or principal place of residence; or
 - repaying a loan previously taken out for one or more of the above purposes; and the mortgagor/s are natural persons.
2. The relief only applies to borrowings of working capital to fund normal operating costs of the farm enterprise as a consequence of the drought (Total Operating Security).
3. The relief does **not** apply to borrowings for capital items such as further land, property improvements, vehicles, plant and equipment, acquisitions or investments including farm management deposits. These types of borrowings should be included here. (Other purpose security).