

Document Class: EXEMPTIONS
Document Name: Mortgage
Document Description: To Exempt Authority
Document Code: EX

Introduction

This guide note applies to a mortgage to an “exempt authority”.

An exemption applies to mortgages where the mortgagor is exempt from stamp duty under its own enabling legislation or some other legislation.

If there is any doubt as to whether the exemption applies then the document must be submitted to RevenueSA to obtain the Opinion of the Commissioner of State Taxation.

The onus is on the taxpayer to prove that the document is exempt from stamp duty.

The following similar transactions cannot be stamped under this document heading:

If the mortgagor is **not** an “exempt authority” and the liability secured by the document **exceeds \$400** – refer to the document heading:

- [Mortgages – Prime Mortgage – Land \(MP\)](#)
- [Mortgages – Prime Mortgage – Other \(M\)](#)
- [Mortgages - Prime Mortgage - SA Land \(Proportional\) \(M\)](#)

If the Mortgagor is **not** an “exempt authority” and the liability secured by the document **does not exceed \$400** – refer to the document heading:

- [Exemptions – Mortgage – Security < or = \\$400 \(EX\)](#)

What *documents* can I stamp under this document heading?

- a LTO Form M1 - Memorandum of Mortgage; or
- any other document that is defined as a mortgage eg. debenture, bill of sale, lien etc.

What types of *transactions* can I stamp under this document heading?

A mortgage is deemed **suitable** for self-stamping under this document heading where:

- the mortgagor is exempt from stamp duty under its own enabling legislation or some other legislation.

What stamp duty is payable on this document?

The document is “Exempt” from stamp duty.

What evidence do I need to retain for audit purposes?

For audit purposes, you will need to retain the following documentation:

- a copy of the stamped document; and
- evidence of the mortgagor’s exempt status.

Example 1 – Mortgage to Exempt Authority

A financial institution has lent the Commonwealth of Australia \$10 million.

The Commonwealth of Australia is exempt from the payment of State taxes, fees and charges under its own legislation.

The mortgage document is “Exempt” from stamp duty.

What section of the SD Act applies?

The document is **not** exempt under the SD Act. The exemption is prescribed in the mortgagor’s enabling legislation or some other legislation.