

<b>Document Class:</b>	<b>ADJUDGED</b>
<b>Document Name:</b>	<b>Transfer of Lease</b>
<b>Document Description:</b>	<b>Pursuant to Conveyance of Business</b>
<b>Document Code:</b>	<b>ADJ</b>

### Introduction

This guide note applies to a transfer of the lessee's interest in a lease of land of the business premises (whether registered or unregistered) pursuant to a conveyance of business. It does **not** apply to a transfer of a Crown Lease because these documents must be stamped under the document heading:

- [Conveyance of Land – For Consideration – Conveyance of Land](#) (CL); or
- [Conveyance of Land – For No consideration – Conveyance of Land](#) (VC).

The transfer of lease of the business premises to the purchaser will be “Adjudged Duly Stamped” provided the transfer of lease is drawn **pursuant** to the sale of business and for no further consideration and the document evidencing the conveyance of business has been stamped with *ad valorem* stamp duty.

Pursuant to the transfer of the lease the purchaser of the business becomes the new tenant (lessee) of the business premises.

If the parties (ie. the vendor and purchaser of the business) enter into an Assignment of Lease, either in Deed or Agreement form, and it does **not** include any new covenants then this document will also be “Adjudged Duly Stamped” under this document heading.

If another party (eg. the landlord) enters into the Assignment of Lease, either in Deed or Agreement form, and/or the document includes new covenants, then the document must **not** be stamped under this document heading. Refer to the appropriate document heading:

- [Others – Agreement](#) (A); or
- [Others – Deed](#) (EX).

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

The document can be in the form of:

- a LTO Form T3 – Transfer of Mortgage, Encumbrance or Lease; or
- a Deed or Agreement between the vendor and the purchaser of the business evidencing the assignment of lease of land.

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

A transfer of a lessee's interest in a lease pursuant to a conveyance of business is deemed **suitable** for self-stamping under this document heading where:

- *ad valorem* stamp duty has been paid on the document evidencing the conveyance of business.

**What stamp duty is payable on this document?**

No stamp duty payable, the document is “Adjudged Duly Stamped”.

**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 documents (being both the document evidencing the conveyance of the business and the Transfer of Lease).

**Example 1 – Transfer of Lease pursuant to a Conveyance of Business**

Sam and Pam have purchased a florist business in the Westfield Shopping Centre, Marion from Scott Brown.

The parties have executed a contract for sale and purchase of the business and a Transfer of Lease.

The contract for sale and purchase of the business has been stamped with *ad valorem* conveyance stamp duty under the appropriate document heading.

The Transfer of Lease is “Adjudged Duly Stamped”.

**What section of the SD Act applies?**

Section 31(2)