

**MINUTES OF THE
SA STATE TAXES LIAISON GROUP MEETING
HELD ON WEDNESDAY 8 MARCH 2017 AT 9:30 AM
TRAINING ROOM, LEVEL 1, STATE ADMINISTRATION CENTRE,
VICTORIA SQUARE, ADELAIDE**

1 ATTENDANCE / APOLOGIES

1.1 PRESENT FOR REVENUESA

Graeme Jackson (Chair), Matthew Fraser, Ian Grimshaw, Paul Maxwell, Ian Morris and Adam Pamula.

1.2 PRESENT FOR INDUSTRY GROUPS

Amy Bishop (The Law Society of South Australia), Rebecca Hayes (Australian Institute of Conveyancers (SA Division) Inc), Paul Ingram (The Tax Institute), Marc Romaldi (Property Council of Australia), Kate Southcott (Real Estate Institute of South Australia), Jeff Stevens (Australian Institute of Conveyancers (SA Division) Inc), Paul Tanti (Chartered Accountants Australia and New Zealand), Bernie Walrut (Law Council of Australia) and Alan Yates (CPA Australia).

1.3 APOLOGIES

Mark Christmas (RevenueSA), Sandy Donaldson (The Law Society of South Australia), Phil Dorman (Institute of Public Accountants), Kristy Ferguson (RevenueSA) and Peter Slegers (Business SA).

2 BUSINESS ARISING

2.1 REVNET

Adam Pamula advised that there was nothing to report under this Item.

2.2 UPDATE ON STATE TAX APPEALS

Paul Maxwell advised that there are five current state taxation appeals.

The Business SA payroll tax charity appeal was heard in December 2016, further oral submissions were made in February 2017 and further written submissions with respect to two other appeal decisions are due next week.

With respect to land tax (i) one land tax minor interest appeal is set down for trial in April 2017, (ii) a further minor interest appeal is close to settling, (iii) a primary production appeal is in the discovery stage and (iv) a section 13(4) appeal has its first directions hearing next week.

2.3 UPDATE ON REVIEW OF REVENUESA PUBLICATIONS AND RULINGS SUB-COMMITTEE (SEE ATTACHMENT A)

Adam Pamula advised that the Rulings Sub-Committee met twice in February 2017, following which the four draft RevenueSA stamp duty publications considered, being:

- Valuations of land, interests in land and landholder interests;
- Stamp Duty on Sale of Business Transactions;
- Transfers of property to correct an error – Section 107; and
- Deeds of Rectification,

were circulated yesterday to the Group for its consideration. Adam Pamula thanked the external Rulings Sub-Committee members and all involved in the development of the publications to date.

Adam Pamula advised with respect to the Items under Attachment A – RevenueSA Publications:

- 1.1 – A draft publication with respect to the Wagering Tax, which commences from 1 July 2017, will be circulated to the Group shortly.
- 1.2 – A revised draft publication with respect to transfers of units in a unit trust scheme which holds land was sent to Bernie Walrut, Paul Ingram and Marc Romaldi for their consideration and will be discussed at a meeting to be convened of the Rulings Sub-Committee.
- 1.3 – Minor amendments will be made to the existing Conveyances by Direction publication and circulated shortly.

Bernie Walrut enquired as to whether other publications in the Attachment can be progressed. Paul Maxwell advised that a draft publication with respect to partnership interests (Item 3.1 of Attachment A) would be circulated shortly.

Graeme Jackson advised that resources and priorities will factor into the preparation and circulation of publications and that progress has been made with certain draft publications now close to being released.

2.4 STATE BUDGET

Adam Pamula advised that the State Budget 2017-18 will be handed down on 22 June 2017.

A general discussion followed with respect to the consultation process on draft legislation and the *Statutes Amendment and Repeal (Simplify) Bill 2016*.

Graeme Jackson affirmed that where possible, RevenueSA will endeavour to provide draft legislation to the Group for comment and advised that once proposed legislation has been made public, RevenueSA welcomes comments on the legislation.

2.5 OTHER TAXATION ISSUES

3.5.1. STATUTES AMENDMENT AND REPEAL (SIMPLIFY) BILL 2016

Adam Pamula advised that the *Statutes Amendment and Repeal (Simplify) Bill 2016* passed the Upper House on 2 March 2017 and was returned to the Lower House for consideration of minor non-tax related amendments.

Bernie Walrut raised concerns with respect to the Bill. It was agreed that he his concerns would be discussed with RevenueSA out of session.

3 NEW BUSINESS

3.1 CONSULTATION WITH SA STATE TAXES LIAISON GROUP MEMBERS

Graeme Jackson advised that he recently wrote to all of the Group member organisations, with Group member representatives being copied in, and that he has met or will shortly meet with all the organisations, who are welcome to discuss any issues they may have.

3.2 WAGERING TAX

Adam Pamula advised that the Wagering Tax, to commence on 1 July 2017, will be administered by RevenueSA and that draft Regulations and a publication will be circulated to relevant industry participants and the Group shortly.

3.3 REVENUESA RESPONSES AND REASONS FOLLOWING ON FROM SUBMISSIONS

Bernie Walrut advised of concerns with respect to taxpayer submissions that were not being responded to appropriately by RevenueSA and that letters and assessments were often lacking in detail.

Graeme Jackson advised that taxpayers are entitled to proper responses and full reasons for any decisions made, though RevenueSA will not necessarily respond to all submissions that are made, and that this will be reiterated to appropriate staff. Any examples provided by the Group of insufficient responses were welcomed.

3.4 DUTY CALCULATIONS UNDER PART 4 OF THE *STAMP DUTIES ACT 1923*

Bernie Walrut advised of concerns with respect to the calculation of duty under Part 4 of the *Stamp Duties Act 1923*, principally in terms of the order by which duty is calculated. It was agreed that he will provide further submissions and examples on this to RevenueSA out of session.

3.5 LAND TAX ASSESSMENTS

Bernie Walrut advised of issues arising from holds being placed on the recovery of land tax assessed and further land tax assessments being issued whilst an objection is being considered.

Graeme Jackson advised that as a matter of practice, holds are placed on land tax ownerships whilst objections or other complaints are being considered, though taxpayers are welcome to advise RevenueSA that they do not want holds to be placed in order to continue receiving land tax assessments.

4 NEXT MEETING

Wednesday 8 June 2017, 9:30 am

Training Room, Level 1, State Administration Centre.

The meeting closed at 10:07 am.

Signed as a true and correct record of proceedings.



Graeme Jackson
CHAIRPERSON

16 / 3 / 2017

ATTACHMENT A – REVENUESA PUBLICATIONS

1. Draft publications for the Rulings Sub-Committee
 - 1.1. Wagering Tax
 - 1.2. Stamp Duty – Transfer of units in a unit trust scheme which holds land
 - 1.3. Stamp Duty – Conveyance by Direction
2. Draft publications progressed to the SA State Taxes Liaison Group
 - 2.1. Stamp Duty – Stamp Duty on Business Sales post 18 June 2015
 - 2.2. Valuation of Land Issues
 - 2.3. Stamp Duty – Deeds of Rectification
 - 2.4. Circular 19 – Transfers to correct an error
3. New potential publications for consideration
 - 3.1. Stamp Duty – Partnership Interests
 - 3.2. Section 71(6) of the *Stamp Duties Act 1923*
 - 3.3. Stamp Duty – Unit Trust: Issues And Redemptions
 - 3.4. Early Engagement and Alternative Dispute Resolution
4. Draft publications on hold
 - 4.1. Section 13(4) of the *Land Tax Act 1936*
5. Other existing publications requiring review
 - 5.1. Circular 61 – Section 71E of the *Stamp Duties Act 1923*. Obligation of a person to lodge a statement with the Commissioner
 - 5.2. Circular 109 – Stamp Duties (Concessions) Amendment Act 1994 – Family Farm Transfers
 - 5.3. Circular 156 – Access to documents held by solicitors and legal professional privilege – Guidelines
 - 5.4. Circular 265 – Stamp Duty – Sale of Retirement Villages
 - 5.5. Circular 282 – Domestic Partners