

# Historical Only

SOUTH AUSTRALIA



RevenueSA

Stamp Duty

Circular No. 214

## **REGULATIONS UNDER SECTION 67(2)(d) AGGREGATION PROVISION EXCLUSION STAMP DUTIES ACT 1923**

Section 67 (“the aggregation provisions”) of the *Stamp Duties Act 1923* (“the Act”) provides for the aggregation of duty where two or more instruments arising from a single contract of sale or together form or arise from, substantially one transaction or a series of transactions.

An instrument is not subject to section 67 when the instrument is excluded from the operation of the section by the Regulations [section 67(2)(d)].

The *Stamp Duty Regulations 1991* have been amended, effective from 19 April 2001, to exclude acquisitions of managed interests in hotel, motel, resort or managed apartment complex developments from the aggregation provisions of the Act.

These developments generally take the form of a registered managed investment scheme, regulated under Chapter 5C of the Corporations Law. In these schemes, unrelated investors purchase title to suites or apartments in the hotel and also enter into an obligatory management agreement with a hotel operator who manages the suites/apartments. Revenue generated from the operation of the hotel is pooled and distributed to the suites'/apartments' owners according to their interest in the scheme.

Although the individual suites/apartments may be sold to unrelated investors, the management arrangements are such that without the Regulations under section 67, the Commissioner of State Taxation cannot be satisfied that no arrangement or understanding exists between the purchasers and that the parcels of property conveyed are to be used separately and independently from each other.

Effective from 19 April 2001, an instrument arising from a series of transactions involved in the sale of suites or apartments in hotel, motel, resort or managed apartment complexes, which constitute a managed investment scheme, will be excluded from the operation of section 67 of the Act.

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Copies of the Regulations (No 34 of 2001) can be obtained from Information SA, Australis Centre, 77 Grenfell Street, Adelaide, during business hours.

## **FURTHER INFORMATION**

### ***Location***

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State Administration Centre  
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27 April 2001

COMMISSIONER OF STATE TAXATION