

SOUTH AUSTRALIA



RevenueSA

Stamp Duties

Circular No. 176

STAMP DUTIES ACT 1923

STAMP DUTY (SHARE BUY-BACKS) ACT 1998

The *Stamp Duties (Share Buy-Backs) Amendment Bill 1998* was tabled on 28 October 1998 and amends the *Stamp Duties Act 1923* to ensure that both existing and future assessments of duty in relation to share buy-back schemes are dutiable.

The need for the amendment Bill arose from a recent decision of the Victorian Supreme Court of Appeal (in Coles Myer Ltd v Commissioner of State Revenue). That decision effectively held that the transfers associated with share buy back schemes were not strictly "transfers" and hence were not subject to duty in that State. Whilst it is our legal advice that share buy-backs remained liable in this State, it was considered prudent to put the matter beyond doubt following the uncertainty created by the Victorian decision.

The proposed changes to the *Stamp Duties Act 1923* will not impose any new obligations, but simply maintain the status quo in this State and provide consistency and certainty for taxpayers and their representatives.

FURTHER INFORMATION

Location

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30 October 1998

A/COMMISSIONER OF STATE TAXATION

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