SOUTH AUSTRALIA

STATE TAXATION OFFICE

Stamp Duties   **Circular No. 90**

STAMP DUTY REBATE ON NEW MEDIUM DENSITY DWELLINGS

The Government recently announced a stamp duty rebate scheme for certain new medium density housing developments in metropolitan Adelaide.

The scheme will be administered by the Commissioner of Stamps and will operate in respect of conveyances entered into from 18 October, 1993 until 17 October, 1995 inclusive. The following provides a guide to the operation of the scheme.

WHAT TYPES OF DEVELOPMENT QUALIFY?

The scheme is aimed at **newly** constructed medium density dwellings. These types of dwellings must be either new residential strata title units or new dwellings on allotments of 350 square metres or less.

WHAT AREAS OF ADELAIDE QUALIFY FOR THE REBATE?

The rebate is available in three zones with different criteria and levels of rebate applying to each zone. Details of the zones are as follows:-

   Zone 1 covers the City of Adelaide

   Zone 2 is the area bounded by the northern boundaries of Port Adelaide, Enfield and Campbelltown Local Government Areas to the eastern edge of   the Hills Face Zone and that line itself in a south westerly direction until it   reaches the coast but excluding the Zone 1 area..

   Zone 3 is the remainder of the Metropolitan Area based on the definition of Metropolitan Adelaide as defined in the Development Act, 1993.

A map of this area is available from the Stamp Duties Office..

HOW MUCH ASSISTANCE IS AVAILABLE?

A maximum rebate of stamp duty of $3000 is available.

In Zone 1 the rebate will be 100% of the stamp duty payable on the new medium density dwelling up to the maximum of $3000.

In Zone 2 the rebate will be 80% of the stamp duty payable on the new medium density dwelling up to the maximum of $3000.

In Zone 3 the rebate will apply to specific projects where the Treasurer believes that those projects will make a significant contribution to urban renewal. The rebate for approved projects in Zone 3 will be 80% of the stamp duty payable up to the maximum of $3000.

WHEN AND HOW WILL THE REBATE BE PROVIDED?

As the rebate will be provided **after** stamp duty is paid on the property conveyance, home buyers should still include stamp duty in their financial calculations for their property settlement.

To obtain the rebate the applicant will need to provide evidence to satisfy the rebate criteria. This will include:-

- the date of completion of construction;
- allotment/unit size and details;
- a photocopy of the stamped memorandum of transfer.

The processing of the application for stamp duty rebate for a new medium density dwelling will take approximately six weeks.

EXAMPLES OF THE LEVEL OF REBATE AVAILABLE

VALUE OF NEW HOME PURCHASE	STAMP DUTY	REBATE AT 80% WITH A MAXIMUM OF $3000	REBATE AT 100% WITH A MAXIMUM OF $3000
$80,000	$2130	$1704	$2130
$120,000	$3630	$2904	$3000
$140,000	$4430	$3000	$3000
$190,000	$6430	$3000	$3000

FIRST HOME BUYERS

Persons buying their first home are also eligible to apply for a first home concession. However, the maximum benefit payable under the combined schemes will be $3000.

VACANT LAND

The rebate only applies to new residential dwellings and no rebate applies to vacant land purchases in the target areas.

ZONE 3 PROJECT SUBMISSIONS

As indicated earlier, a rebate may be available for medium density housing developments in Zone 3 if the Treasurer regards those projects as making a significant contribution to urban development. Specific criteria and the application process will be published following consultation with the Housing Industry and Local Government.

APPLICATION FORMS AND PROCEDURE

Application forms for the Stamp Duty New Medium Density Dwelling Rebate are available from the Stamp Duties Office (Torrens Building, **(Now State Administration Building)** Victoria Square, East, Adelaide) and also have been distributed throughout the conveyancing profession.

Enquiries in relation to this scheme can be made to the Refunds and Rebates Section of the Stamp Duties Office on telephone number 226 3736.

26   October, 1993   COMMISSIONER OF STAMPS