

SOUTH AUSTRALIA



STATE TAXATION OFFICE

Land Tax

**Circular No. 48
(formerly LT Circular No. 4)**

**LAND TAX ENQUIRY SYSTEM
(CERTIFICATES OF LAND TAX PAYABLE PURSUANT TO
SECTION 66a OF THE LAND TAX ACT, 1936)
EFFECTIVE FROM 1 JULY, 1991**

The current computerised system for providing details of land tax owing on a particular property to purchasers or their agents was introduced to overcome inherent problems in the previous manual system. These problems included:-

- non-availability of “multiple holding” tax at certain times during the financial year
- and
- lack of protection for the purchaser from the liability for tax unpaid at the time of enquiry or for any subsequent increase in tax.

The current system alleviates these problems in that-

- 1 In processing enquiries made at any time within a financial year either the actual tax or a “provisional tax” is calculated and supplied for the current year.
- 2 If the actual tax or “provisional tax” and any arrears of tax are paid within a specified period (currently 90 days from the date of issue of the certificate of outstanding land tax) the purchaser is released from any further liability for land tax on the land which accrued prior to the date of issue of the certificate, e.g. late registration of additional properties into vendor’s ownership, increases in valuation subsequent to issue of certificates of land tax charges.

PROVISIONAL TAX

The “provisional tax” is calculated on the total value of the vendor’s land holdings recorded on the computer file at the time of the enquiry. In the early part of a financial year, the records may not include some transfers of land which occurred late in the preceding financial year; in addition

changes in valuations can occur throughout the financial year. If these situations result in the “provisional tax” being understated, provided the amount shown on the certificate of outstanding land tax is paid within the required time, the difference in tax because of the additional property(ies)/increased values in the ownership will be recoverable from the vendor only. If the “provisional tax” is overstated, any overpayment may be credited to tax outstanding on the vendor’s other land or if there are no such outstandings, a refund will be made to the person who paid the provisional tax.

CERTIFICATE ISSUED FOR WHOLE OF LAND IN AN ASSESSMENT

Information is available only in respect of the whole of the land included in an assessment. The tax advised in respect of the whole of an assessment must be paid in full in order to release any portion from liability.

VALID TO DATE

The “valid to” date shown on the Certificate of Land Tax Charges is the date by which payment must be made for the purchaser to be protected from any alteration to the amount payable as shown thereon. As previously stated, because of the possibility of alteration to a “provisional tax” as a result of changes in the records of a vendor’s total land holding or alterations to taxable values, the certificates will expire if the amount advised is not paid by the “valid to” date.

PROTECTION TO PURCHASERS

It should be noted that protection to a purchaser is given only in respect of tax due to 30 June of the financial year in which the certificate is issued, i.e. if settlement will not be held until after 30 June a new certificate must be obtained for the purchaser to receive full protection.

APPLICATION FOR STATEMENTS OF LAND TAX CHARGES

Applications can be lodged by post or directly to the Land Tax Counter Cashier who will receipt such applications upon payment of a prescribed fee, currently \$15.00 **for each assessment** subject to enquiry. Enquiries are **not** processed immediately. A “Certificate of Land Tax Charges” will be available **after 10.00 am on the day following the receipt of the request** for information where additional information is not required by the Land Tax Office. Certificates prepared in response to postal applications will be posted the day following receipt unless additional information is required.

Provision exists for genuine **urgent** on-the-spot certificates, e.g. where settlement is to be held within the next two or three days. These situations should be kept to a minimum.

The application form is receipted as evidence of payment of the search fee. The application form is retained by the State Taxation Office for reference in case of future dispute after the “Certificate” has been issued. It should be noted that, where convenient for brokers, etc., a number of blank application forms can be submitted for receipting purposes for future use. The date of receipting is immaterial to the issue of a certificate and the blank forms can be used at individual broker’s pleasure.

When brokers wish to make payment of the amount payable as shown on the certificate, **the actual certificate issued must be returned to the State Taxation Office** for verification of the amount due and “valid to” date and for receipting purposes. This is absolutely **vital** for the system for work effectively and prevent delays to the enquirer.

The certificate will be returned to the broker etc., with the cash register imprint upon it.

PLEASE NOTE THAT LAND TAX INFORMATION IS NOT SUPPLIED BY TELEPHONE

Should you wish to discuss any aspects of the system please contact Mr N A Brett (226 3753) Manager, Land Tax Office or Mrs A Tooze (226 3746) Supervisor, Taxpayer Enquiry Section.

AGENTS SHOULD NOTE

- 1 A check should be made to ensure that the certificate of land tax payable is in respect of the property subject to sale.
 - 2 The purchaser will only be protected from liability for any additional charge on the land, accruing and due before the date of the certificate of land tax payable, if the amount shown on the certificate is paid to the State Taxation Office by the date for payment shown on the front of the certificate.
 - 3 **THE PURCHASER IS ONLY PROTECTED IN RESPECT OF THE TAX FOR THE FINANCIAL YEAR IN WHICH THE CERTIFICATE OF LAND TAX PAYABLE IS ISSUED.** If the change in ownership, usually the date of settlement, will not occur on or before 30 June, another certificate is required in respect of the next financial year or requests for certificates should not be made **until after 30 June** .
 - 4 Notwithstanding payment of the amount of land tax shown on the certificate, **the owner as at 30 June last** will remain liable for any additional land tax raised on the property for the financial year in which the certificate is issued.
 - 5 The State Taxation Office cannot accept responsibility for apportioning the tax in the circumstances that only portion of the property is being sold. Tax in respect of the whole of the assessment must be paid in full in order to discharge any portion from liability.
 - 6 The date for payment shown on the certificate of land tax payable applies only to the purchaser and does not override the owner’s account due date.
- The owner is required to pay land tax by the due date on the account received to prevent late payment penalty.

- 7 “DD / / “ shown in the bottom right hand corner of the main portion of the certificate of land tax payable refers to the owner’s account due date and is not relevant to the purchaser.

8 November, 1991

COMMISSIONER OF STAMPS

Historical Use Only