

SOUTH AUSTRALIA



RevenueSA

General

Circular No 218

STATUTES AMENDMENT (TAXATION MEASURES) ACT 2001

The *Statutes Amendment (Taxation Measures) Act 2001* was assented to on 26 July 2001.

The Act makes amendments to give effect to certain 2001/2002 State Budget measures, as summarised below. More particular details regarding the amendments are contained in Circular No. 216, dated 31 May 2001.

PAY-ROLL TAX

The following amendments have been made to the *Pay-roll Tax Act 1971*:

- from 1 July 2001, the rate of pay-roll tax has been reduced from 6% to 5.75%;
- from 1 July 2002;
 - ◆ the pay-roll tax rate will be further reduced from 5.75% to 5.67%;
 - ◆ the pay-roll tax threshold will be increased from \$456,000 to \$504,000; and
 - ◆ the pay-roll tax base will be broadened to include:-
 - **eligible termination payments** (as defined for income tax purposes); and
 - the **grossed up value** of fringe benefits for the purposes of the *Fringe Benefits Tax Assessment Act 1986 (Cth)*.

LAND TAX

The *Land Tax Act 1936* has been amended to deliver land tax relief where the particular circumstances relating to people who are moving house or constructing a new house gives rise to a land tax liability on the principal place of residence. The Act sets out the various criteria which must be met by taxpayers before land tax relief is available.

STAMP DUTY

From 1 January 2002, an exemption from lease duty payable under the *Stamp Duties Act 1923*, will be applicable in cases where the rent reserved, averaged over the term of the lease, proposed lease, tenancy or occupancy, does not exceed \$50,000.

NON-BUDGET AMENDMENTS

The Act also makes minor amendments to the *Stamp Duties Act 1923* in order to:

- provide certainty to taxpayers that various acquisitions are not subject to *ad valorem* stamp duty under the land rich provisions (Part IV) or the land use entitlement provisions (section 62) of that Act; and
- to put beyond doubt that from 1 July 2001, the liability to duty on the “sale and purchase” of quoted marketable securities is removed.

FURTHER INFORMATION

Location

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30 July 2001

COMMISSIONER OF STATE TAXATION