

SOUTH AUSTRALIA



STATE TAXATION OFFICE

Stamp Duty

Circular No. 5

FIRST HOME CONCESSION

INCREASED CONCESSION

By Stamp Duties Act Amendment (No.2), 1989 (No. 52 of 1989) the Stamp Duties Act was amended to provide a stamp duty concession of \$80,000 to first home buyers and offence provisions were introduced into the first home concession area.

Applications made on or after 9 August, 1989, by persons meeting the requirements of the section 7 c of the Stamp Duties Act will be exempt from stamp duty on the first \$80,000 of purchase price. Monies in excess of \$80,000 will attract duty at normal ad valorem rates. Thus the maximum concession is now \$2,130.

The examples below illustrate the concession:-

<i>Purchase Price</i>	<i>Normal Ad Valorem Duty</i>	<i>Concession</i>	<i>Duty Payable</i>
\$70,000	1,780	1,780	nil
\$80,000	2,130	2,130	nil
\$100,000	2,830	2,130	700

NEW APPLICATION FORM

A new application form has been prepared to assist applicants. The form is easier to follow than the previous form and notes to assist applicants are included on the back page.

Stocks of the new form are available from the Stamp Duties Office.

OFFENCE PROVISIONS

Included in the 1989 amendment were provisions for prosecution of persons making false or misleading statements in relation to first home concessions applications.

A penalty of \$5,000 is included in section 71c (2b).

The Office will actively pursue cases that fall into this category.

COMPLIANCE MONITORING

To ensure that the concession is only being received by first home owners who meet the requirements of the legislation this office will continue inspection programmes to ensure maximum compliance. This will involve contact with the persons receiving the concession and the person lodging the application for concession. Inspectors from this Office may also visit properties to ensure that the applicant is residing in the property.

11 December, 1990

COMMISSIONER OF STAMPS

Historical Use Only