

SOUTH AUSTRALIA



STATE TAXATION OFFICE

Stamp Duties

Circular No. 15

STAMP DUTY ON THE CONVEYANCE OF PROPERTY TAXI CAB/HIRE BUSINESSES

The Stamp Duties Act, 1923 provides that any written agreement for the sale of any estate or interest in any property shall be chargeable with stamp duty. Additionally, where a change in legal or beneficial ownership of certain property is not effected or evidenced in writing, then a Statement must be lodged at the Stamp Duties Office (instead of the written agreement). Stamp Duty must also be paid on this Statement.

Consequently, any sale of a taxi cab or hire car business is liable for the payment of stamp duty within two months of the date of the agreement. This includes the transfer of goodwill and plant and equipment associated with the transfer of a taxi cab or hire car licence.

If such written Agreements or Statements (instruments) are not lodged for stamping within the time required by the Act (two months from the date of execution of the Agreement or Statement) the instrument is also liable to penalty.

From the date of this Circular until **31 January, 1992**, where instruments are produced to this Office for assessment and stamping the penalty otherwise payable will be remitted in full (providing there has been no deliberate attempt to avoid or evade duty). No penalties will be applied to instruments relating to transfers of taxi cab/hire car businesses or licenses in this period.

Instruments produced during this period will be liable for duty at ad valorem rates based upon the value of the property being conveyed. The Commissioner may elect to treat any consideration passing between the parties as being the value of the property being conveyed. Where no evidence of value is shown (or if it is believed to be an amount which does not truly reflect the value of the property) then the Commissioner may assess the duty based upon a valuation.

Instruments that remain unstamped after 31 January, 1992 will incur a penalty of 10 per cent of the amount of unpaid duty for each month for which the instrument remains unstamped.

In addition, should the instrument remain unstamped **all parties who executed** the instrument are liable for prosecution under Section 24(4) of the Stamp Duties Act, 1923. Failure to present instruments for stamping within the time required is an offence and upon conviction severe penalties may apply.

Lodgement for stamping can be made at the Stamp Duties Office, State Administration Centre, 200 Victoria Square between the hours of 9.00 am and 4.00 pm. Enquiries in relation to procedural matters can be directed to Mr Wright on telephone 226 3717. Lodgement can also be effected by mail to GPO Box 1353, Adelaide, 5001.

4 November, 1991

COMMISSIONER OF STAMPS

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