

SOUTH AUSTRALIA



STATE TAXATION OFFICE

Stamp Duties

Circular No. 168
(Replaces Circular No. 126)

**STAMP DUTY REBATE FOR NEW HOME UNITS
IN THE CITY OF ADELAIDE – CONTINUATION OF SCHEME**

This Circular provides advice as to the Government's announcement of the continuation of the stamp duty rebate scheme available for new home units in the inner city area. By way of background, the rebate scheme originally applied to memoranda of transfer arising from contracts entered into between 28 May 1995 and 27 May 1998. The continued scheme will apply until further notice.

WHAT TYPE OF PROPERTY IS ELIGIBLE FOR THE REBATE?

The rebate is available on the first transfer of a new residential strata title home unit or community strata title home unit purchased in the southern portion of the City of Adelaide.

TARGET AREA

Only new home units in the area bordered by North, East, South and West Terraces are eligible for the rebate.

IT MUST BE THE FIRST SALE OF THE UNIT AND MUST NOT HAVE BEEN PREVIOUSLY OCCUPIED

To be eligible for the rebate the sale must be the original sale of the unit by the developer and the unit must not have been rented, leased or occupied at any time prior to the sale.

HOW MUCH REBATE IS AVAILABLE?

A maximum rebate of \$1500 on the stamp duty payable will be available.

Examples of the level of relief from duty are as follows.

PURCHASE PRICE OF UNIT	STAMP DUTY NORMALLY PAYABLE	LESS REBATE AMOUNT	DUTY PAYABLE IN TARGET AREA
80,000	2130	1500	630
120,000	3630	1500	2130
140,000	4430	1500	2930

FIRST HOME CONCESSION IS STILL AVAILABLE

For those purchasers who are eligible for a stamp duty concession as first home buyers as their principal residence, the first home buyer's concession is still available.

The rebate will be provided to the extent that duty would still be required to be paid up to the \$1500 maximum rebate allowance.

An example of the rebate for a first home buyer is as below.

PURCHASE PRICE OF UNIT	STAMP DUTY PAYABLE BY FIRST HOME BUYER	LESS REBATE AMOUNT	DUTY PAYABLE IN TARGET AREA
90,000	770	770	0
120,000	3180	1500	1680

RESIDENTIAL PROPERTIES PURCHASED AS INVESTMENTS QUALIFY

The rebate will be available for all new residential units that meet the criteria. Owners need not be natural persons or intend to live in the unit, consequently, units purchased as investments will be eligible.

WHEN AND HOW WILL THE REBATE BE PROVIDED?

The rebate amount will be provided at the time of stamping of the transfer. Funds will be provided by the Government to the State Taxation Office for the rebate amount at the time of stamping. The memorandum of transfer will reflect the normal duty payable.

EVIDENCE REQUIRED TO BE SUBMITTED

Application forms for the rebate are available from the State Taxation Office, and have been distributed throughout the conveyancing profession.

To receive the rebate, both the developer and the purchaser will be required to make a statutory declaration.

The developer will be required to declare that the contract, that is the subject of the rebate application, is the first completed sale of the unit and that the unit has not been leased or occupied at any time prior to the signing of the contract for sale.

The purchaser, when applying for the rebate, will need to declare that to the best of his/her knowledge the sale is the first sale of the unit and that the unit has not been occupied following the completion of construction.

REVIEW OF THE REBATE SCHEME

The continued rebate scheme will apply to memoranda of transfer arising from contracts entered into on an ongoing basis until further notice.

The extended scheme may be subject to periodic review.

FURTHER INFORMATION

Location

State Taxation Office
State Administration Centre
200 Victoria Square East
ADELAIDE SA 5000

Postal

Commissioner of State Taxation
State Taxation Office
Box 1353 GPO
ADELAIDE SA 5001

Telephone

(08) 8226 3750

Facsimile

(08) 8226 3737

Website

<http://www.treasury.sa.gov.au/tax.html>

28 May 1998

COMMISSIONER OF STATE TAXATION

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