

SOUTH AUSTRALIA



RevenueSA

Stamp Duties

Circular No. 251

STAMP DUTY RELIEF FOR LOWER EYRE PENINSULA BUSHFIRES

On Friday 21 January 2005, The Premier of South Australia, Mike Rann, announced that the Government would waive certain fees and stamp duty charges to help the victims of the 11 January 2005 bushfire that occurred within the Council areas of Lower Eyre Peninsula and Tumby Bay (“the Bushfire”).

This Circular sets out the details of the administrative arrangements now put in place to provide relief from stamp duty and other related charges to victims of the Bushfire.

MORTGAGE REFINANCING

The Government is providing once only *ex gratia* mortgage stamp duty relief and is waiving mortgage registration charges for Bushfire victims who are refinancing existing loans or taking out new loans from recognised financial institutions as a consequence of the Bushfire.

Financial institutions will assess and certify the *bona fides* of a Bushfire affected customer who takes out a loan specifically related to the impact of the Bushfire on the customer’s property.

The relief will apply only to loans taken out or refinanced with a recognised financial institution in the period from the Bushfire to 31 December 2005.

An applicant must satisfy the Commissioner of State Taxation (“the Commissioner”) that the mortgage for which the relief is sought has been taken out directly as a consequence of the impact of the Bushfire on the applicant’s property. The Commissioner will be satisfied of this in the first instance where the financial institution providing the finance, supports the application for relief on the basis that the mortgage has been entered into as a direct result of the effect of the Bushfire on the mortgagee’s property.

Examples where ex gratia relief will be provided.

Person A's farm has been damaged by the Bushfire. Person A takes out a new loan to repair the farm and the new mortgage is secured by the damaged property.

Company B's farming property has been damaged by the Bushfire. Company B refinances its existing arrangement with the bank, and the mortgage is secured by either the Bushfire damaged property and/or other property owned by the company.

Farm machinery which is subject to a finance agreement has been destroyed by the Bushfire and Person C must enter into a new agreement to replace the destroyed machinery.

Registration Fees

The Registrar-General will waive any Lands Titles Office or General Registry Office fees payable in relation to mortgages that are eligible for relief.

Applications

Applications must be made directly to RevenueSA using an Application for the Opinion of the Commissioner of State Taxation form and the Application Form at Annexure A. Applications will be processed within one business day.

The relevant mortgage will be stamped, and a second stamp will be affixed to the mortgage identifying that *ex gratia* relief has been provided as a result of the Bushfire.

The specially stamped mortgage can then be lodged with the Lands Titles Office where it will be registered and the relevant registration fees waived.

Documents that qualify for relief should NOT be processed via RevNet.

REPLACEMENT OF MOTOR VEHICLES

The Government will also provide *ex gratia* relief to Bushfire victims for taxes and charges associated with the replacement of vehicles.

The relief will apply to the replacement of vehicles destroyed in the Bushfire and will be available to all vehicles registered as replacements up to and including 31 December 2005.

Relief will apply to motor vehicles used on a public road, farm vehicles that are required to be registered and any other self-propelled or trailed vehicle that was destroyed in the fire where a replacement is required to be registered.

The *ex gratia* relief will be provided in relation to:

- any stamp duty payable on an application to register a new vehicle or an application to transfer the registration of a second-hand motor vehicle; and
- costs associated with the registration of the replacement vehicle such as:

- Annual registration charge
- Administration fee
- Emergency Services Levy on mobile property
- Compulsory third party (CTP) insurance premiums
- Stamp duty on CTP premiums

Applicants must provide sufficient information to TransportSA/ServicesSA to satisfy the Registrar of Motor Vehicles that the vehicle being registered is replacing a vehicle destroyed by the Bushfire.

If the vehicle was registered at the time of the fire, the registration number of the vehicle to be replaced must be provided, together with any evidence that the vehicle was destroyed (eg police report, insurance claim form).

If the vehicle was not registered at the time of the fire, evidence that the vehicle was destroyed should be provided (eg police report, insurance claim form).

In the absence of any evidence that the vehicle was destroyed, a declaration setting out in full the details of the vehicle destroyed should be provided to the Registrar of Motor Vehicles.

However, where the destroyed vehicle did not have a residential/garaging address within the zone affected by the Bushfire, an applicant for relief must provide evidence that the vehicle in question has been destroyed. A declaration will not be sufficient in these circumstances.

A vehicle purchased to replace a vehicle that has not been registered for over two years prior to the Bushfire will not be eligible for *ex gratia* relief.

Applications can be made in person at any branch of Registration and Licensing.

FURTHER INFORMATION

Location

RevenueSA
State Administration Centre
200 Victoria Square East
ADELAIDE SA 5000

Postal

Commissioner of State Taxation
RevenueSA
GPO Box 1353
ADELAIDE SA 5001

Telephone

(08) 8226 3750

Facsimile

(08) 8226 3737

Website

<http://www.revenuesa.sa.gov.au>

E-mail

revenuesa@saugov.sa.gov.au

Annexure A



ABN 19 040 349 865

Assessing & Taxpayer Assistance

GPO Box 1353
 ADELAIDE SA 5001
 Telephone: (08) 8226 3750
 Facsimile: (08) 8226 3737
 E-mail: stamps@saugov.sa.gov.au
 Internet: www.revenuesa.sa.gov.au

Relief from stamp duty for loan finance/refinancing

This relief is available to persons who are taking out new loans or refinancing existing loans from *bona fide* financial institutions as a result of property damage attributable to the January 2005 bushfire located in the District Councils of Lower Eyre Peninsula and Tumby Bay ("the Bushfire").

Applicant details (the owner of the land)If more than one owner

Name:

Name:

Address:

Address:

Postcode:

Postcode:

Land details

CT / CL:

Address / location of property:

Mortgage details

Mortgagee:

Mortgagor:

CT / CL / Other security:

Loan amount: \$

Is this a "Home Mortgage"? (See definition overleaf) Yes No

Please indicate if this is a new loan or a further advance: New loan Further advance

DECLARATION

I/we certify that the above mortgage has been taken out as a direct result of the effect of the Bushfire on/to my property.

 Applicant (Print name)

 Signature

 Date

 Applicant (Print name)

 Signature

 Date

If more than two persons are required to complete this application, please attach an addendum.

FINANCIAL INSTITUTION DETAILS

I _____ advise that on behalf of
 (Print name of Financial Institution Officer) (position held within the Financial Institution)

 (Financial Institution name)
 support this application on the basis that finance has been provided as a direct result of the effect of the Bushfire on/to the applicant's property.

Definition of “home mortgage”

The *Stamp Duties Act 1923* provides that a mortgage is a **home mortgage** if the mortgagor is a natural person and the whole of the amount secured by the mortgage has, or is to be used for any of the following purposes:

- purchasing land on which a home that the mortgagor intends to occupy as his or her sole or principal place of residence has been, or is to be, built;
- building, or making additions or improvements to, a home that the mortgagor occupies or intends to occupy as his or her sole or principal place of residence;
- repaying a loan previously taken out for one or more of the above purposes.

If the amount secured by the mortgage has or is to be used for some purpose in addition to a purpose mentioned above, the mortgage will not be considered a home mortgage.

Home means any residential premises.

Historical Use Only

Definition of “home mortgage”

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- building, or making additions or improvements to, a home that the mortgagor occupies or intends to occupy as his or her sole or principal place of residence;
- repaying a loan previously taken out for one or more of the above purposes.

If the amount secured by the mortgage has or is to be used for some purpose in addition to a purpose mentioned above, the mortgage will not be considered a home mortgage.

Home means any residential premises.

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