

SOUTH AUSTRALIA



RevenueSA

Stamp Duties

Circular No 215

**ADMINISTRATIVE SCHEME FOR RELIEF FROM STAMP DUTY IN
CONNECTION WITH THE OPENING OF A
RURAL BRANCH OF A FINANCIAL INSTITUTION**

Purpose

The purpose of this scheme is to provide relief from stamp duty on the refinancing of mortgages, as a result of the opening of a rural branch office of a financial institution in a community where there are no existing branches of any financial institution. (Financial institution means a financial institution within the meaning of the *Financial Institutions Duty Act 1983*).

This scheme is intended to provide once-only assistance for customers refinancing mortgages with the new financial institution branch, and is not intended to provide ongoing relief to all new customers. Accordingly, the scheme only applies in respect of the transfer of existing banking business, and not in respect of the establishment of new accounts.

Relief provided

Stamp Duty

Stamp duty relief will be available on the refinancing of mortgages over property, up to the amount of duty payable on the balance of the previous mortgage, and where the following criteria are met:

- the refinancing results in the previous mortgage being fully discharged
- both the new mortgage and the previous mortgage apply to the same, or substantially the same, property;
- the mortgagor under both mortgages is the same person; and
- the sole or principal reason for the refinancing is the opening of a branch office of a financial institution in the town, township or settlement (outside Metropolitan Adelaide)

closest to the mortgagor's principal residence, where no financial institution had, immediately before the opening, a branch in that town, township or settlement.

Metropolitan Adelaide is defined as that part of the State that is comprised of Metropolitan Adelaide within the meaning of the *Development Act 1993*.

(Note: Where the mortgagor is a corporation or other business entity, the mortgagor's principal residence is the place where the entity has its central management and control).

Method of Reimbursement

The duty is required to be imposed and paid to RevenueSA in the normal manner by the relevant financial institution.

An application in the approved form is to be completed by the customer, and verified by the financial institution.

Application forms should be forwarded to RevenueSA within 3 months of the opening of the new account, and should be accompanied by copies of stamped instruments or other documentation evidencing the old and replacement loan arrangements.

RevenueSA will make stamp duty reimbursements directly to the customer.

RevenueSA will provide assistance to the financial institution in complying with the requirements of the scheme.

FURTHER INFORMATION

Location

RevenueSA
Taxpayer Services
Ground Floor
State Administration Centre
200 Victoria Square East
ADELAIDE SA 5000

Postal

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RevenueSA
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