

Document Type:	Conveyance of Land
Document Name:	Exemptions
Exemption Provision:	Liquidator in Specie Distribution

Introduction

This Document Guide Note refers to a conveyance of land pursuant to Section 71(5)(b).

Transfers *in specie* of land, owned by a company in liquidation, made by the liquidator to a shareholder of the company, that is in liquidation, are deemed by Section 71(5)(b) not to be transfers operating as a voluntary disposition *inter vivos*.

The land can be transferred to any one or more shareholders of the company that is in liquidation regardless of how many shares, or class of shares that are held by the shareholders.

The consideration panel of the transfer may recite 'by way of *in specie* distribution' or similar.

You will need to indicate whether the land is used as **residential** or **non-residential**. For further advice on this refer to the [Document Guide](#) Page.

A transfer of land to a shareholder of a company that is in liquidation, who takes the property as a trustee of a trust is not precluded from this exemption by Section 71(6) as the shareholder does not have a beneficial interest in the property prior to the transfer. Further, the liquidator is acting as an agent of the company and not as a trustee.

What documents can I self-determine under this document type?

The document can be in the form of:

- LTO Form T1 - Transfer; or
- any document that conveys land by way of *in specie* distribution.

What types of transactions can I self-determine under this document type?

A transfer *in specie* of land owned by a company in liquidation made by a liquidator to a shareholder of the company that is in liquidation is deemed **suitable** for self-determination under this document type where:

- the transferor is the company in liquidation;

- the transferee is a shareholder of the company; and
- the conveyance is by way of *in specie* distribution and **not** for any consideration.

The following similar transactions cannot be self-determined under this document type:

The document must be **submitted to the Commissioner for assessment** and the value of the land declared in the document where:

- the land is transferred to a shareholder and another party; or
- the land is transferred in consideration of amounts owing by the company that is in liquidation to that shareholder (i.e. in lieu of repayment of a debt).

A transfer of land from a trustee to a beneficiary is not self-determined under this document type and must be **submitted to the Commissioner for assessment**.

What evidence do I need to retain for audit purposes?

For audit purposes, you will need to retain the following documentation either in paper form or electronic form:

- a copy of the documents;
- evidence that a stamp duty determination has been made (i.e. Certificate of Stamp Duty, Document ID or stamped document);
- a statement or statutory declaration from the liquidator stating:
 - the name of the liquidator;
 - that the land conveyed is an asset of the company;
 - that provision has been made for payment of all debts of the company;
 - the names of all of the shareholders of the company; and
 - that the transaction is **not** by way of sale.

What Section(s) of the *Stamp Duties Act 1923* applies?

- Section 71(5)(b)
- Schedule 2, General Exemption 29

What stamp duty is payable on this document?

This document is exempt from stamp duty.

Example

Conveyance of Land by way of *in specie* distribution

Cooke-Page Pty Ltd owns land at Mt Gambier. Cooke-Page Pty Ltd has five shareholders, Ann, Bob, Carol, Dave and Elen. The company has gone into voluntary liquidation and Tim has been appointed liquidator.

Tim, as liquidator executes a transfer of land to Ann and Bob as an *in specie* distribution.

As the requirements of Section 71(5)(b) have been satisfied, the Transfer is self-determined under this document type as **Exempt**.

Version History

Version No.	Release Date
1	May 2018
2	November 2018
3	July 2019