

# Taxation Administration (Amounts Payable—Duty) Determination 2017 (No 1)

## Disallowable instrument DI2017–79

made under the

***Taxation Administration Act 1999*, section 139 (Determination of amounts payable under tax laws)**

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### Part 1 Preliminary

#### 1 Name of instrument

This instrument is the *Taxation Administration (Amounts Payable—Duty) Determination 2017 (No 1)*.

#### 2 Commencement

This instrument commences on 7 June 2017.

#### 3 Definitions

In this instrument:

***chapter 3 transaction***—see the Duties Act, section 76.

***commercial purpose*** means a purpose other than a residential purpose, a primary production purpose or a home business—see the Duties Act, section 6 and, in relation to a home business, see the *Planning and Development Act 2007*, section 247 (3).

**Examples—commercial purpose:**

1. industrial use - warehouses, factories.
2. business use - offices, restaurants, cafes, hotels or commercially run accommodation such as student accommodation, retirement villages, caravan parks.
3. retail use - shops, shopping centres, retail outlets.

*Note* An example is part of the instrument, is not exhaustive and may extend, but does not limit, the meaning of the provision in which it appears (see *Legislation Act 2001*, s 126 and s 132).

***dutiable amount***, for a dutiable transaction, means the dutiable value of the dutiable property subject to the transaction.

***dutiable property***—see the Duties Act, section 10.

***dutiable transaction***—see the Duties Act, section 7 (2).

***dutiable value***—see the Duties Act, section 20.

***Duties Act*** means the *Duties Act 1999*.

## Part 2 Determination of amounts payable (Transfer rate)—Duties Act, s 31

### 4 Application

This part applies to a dutiable transaction of dutiable property used, or that will be used, wholly for purposes other than a commercial purpose.

**Examples—dutiable property used, or that will be used, wholly for purposes other than a commercial purpose:**

1. Ms Winter buys a house to reside in.
2. Mr Zhang buys farm land and intends to use part of it for cultivation of crops and the rest for grazing (primary production purposes).
3. Ms Spring buys a home and will use part of the house to run her bookkeeping business.

*Note* An example is part of the instrument, is not exhaustive and may extend, but does not limit, the meaning of the provision in which it appears (see *Legislation Act 2001*, s 126 and s 132).

### 5 Amounts payable (Transfer rate)

For the purposes of section 31 of the Duties Act, the duty chargeable or payable on the *dutiable amount* listed in column 1 of Table 1 is the rate of duty listed in column 2 opposite that amount.

**Table 1—Amounts payable (Transfer rate)—Duties Act, s 31**

column 1 <i>Dutiable amount</i>	column 2 Rate of duty
Less than or equal to \$200 000	\$1.40 for every \$100, or part of \$100, of the <i>dutiable amount</i> , or \$20, whichever is the greater
More than \$200 000 but not more than \$300 000	\$2 800 plus \$2.40 for every \$100, or part of \$100, of the <i>dutiable amount</i> that is more than \$200 000
More than \$300 000 but not more than \$500 000	\$5 200 plus \$3.80 for every \$100, or part of \$100, of the <i>dutiable amount</i> that is more than \$300 000
More than \$500 000 but not more than \$750 000	\$12 800 plus \$4.78 for every \$100, or part of \$100, of the <i>dutiable amount</i> that is more than \$500 000
More than \$750 000 but not more than \$1 000 000	\$24 750 plus \$6.30 for every \$100, or part of \$100, of the <i>dutiable amount</i> that is more than \$750 000
More than \$1 000 000 but not more than \$1 454 999	\$40 500 plus \$6.80 for every \$100, or part of \$100, of the <i>dutiable amount</i> that is more than \$1 000 000
\$1 455 000 and over	A flat rate of \$4.91 per \$100 applied to the total transaction value

## Part 3 Determination of amounts payable (Commercial Transfer rate)—Duties Act, s 31

### 6 Application

This part applies to:

- (1) a dutiable transaction of dutiable property used, or that will be used, partly or wholly for a commercial purpose; and

- (2) a chapter 3 transaction for which duty is chargeable or payable at a rate specified under the Duties Act for a transfer of property—see the Duties Act, section 90.

**Examples—dutiable property used, or that will be used, partly or wholly for a commercial purpose:**

1. Mr Smith buys land on which there is an existing office building.
2. Mr Jones buys land on which there is an existing building comprised of a suite of offices on the ground floor, and three levels of apartments on levels one, two and three.
3. Ms Chen buys land on which there is an existing farm. She plans to build chalets on part of the land from which to run her bed and breakfast business, while retaining the remainder of the land as a farm.
4. Baker Pty Ltd buys an old warehouse with the intention of converting it into an apartment tower and shopping complex.

*Note* An example is part of the instrument, is not exhaustive and may extend, but does not limit, the meaning of the provision in which it appears (see *Legislation Act 2001*, s 126 and s 132).

## 7 Amounts payable (Commercial Transfer rate)

For the purposes of section 31 of the Duties Act, the duty chargeable or payable on the *dutiable amount* listed in column 1 of Table 2 is the rate of duty listed in column 2 opposite that amount.

**Table 2—Amounts payable (Commercial Transfer rate)—Duties Act, s 31**

<b>column 1</b> <i>Dutiable amount</i>	<b>column 2</b> <b>Rate of duty</b>
Less than or equal to \$200 000	\$0.70 for every \$100, or part of \$100, of the <i>dutiable amount</i> , or \$20, whichever is the greater
More than \$200 000 but not more than \$300 000	\$1 400 plus \$1.20 for every \$100, or part of \$100, of the <i>dutiable amount</i> that is more than \$200 000
More than \$300 000 but not more than \$500 000	\$2 600 plus \$1.90 for every \$100, or part of \$100, of the <i>dutiable amount</i> that is more than \$300 000
More than \$500 000 but not more than \$750 000	\$6 400 plus \$2.39 for every \$100, or part of \$100, of the <i>dutiable amount</i> that is more than \$500 000
More than \$750 000 but not more than \$1 000 000	\$12 375 plus \$3.15 for every \$100, or part of \$100, of the <i>dutiable amount</i> that is more than \$750 000
More than \$1 000 000 but not more than \$1 499 999	\$20 250 plus \$3.40 for every \$100, or part of \$100, of the <i>dutiable amount</i> that is more than \$1 000 000
\$1 500 000 and over	A flat rate of \$5.00 per \$100 applied to the total transaction value

## Part 4 Determination of amounts payable—Duties Act, various other sections

### 8 Definition

In this part:

*relevant amount* means—

- (a) for property to which the Duties Act, section 33 (1) (a) or (b) (Certain business assets) applies that is the subject of a dutiable transaction—the dutiable value of the property, or

- (b) for a contract of general insurance to which the Duties Act, section 178 (Rate of duty) applies—the premium paid in relation to the contract; or
- (c) for a policy of life insurance to which the Duties Act, section 185 (1) (Rates of duty) applies—the sum insured; or
- (d) for a policy of temporary or term insurance to which the Duties Act, section 185 (2) applies—the first year’s premium for the policy; or
- (e) for a life insurance rider to which the Duties Act, section 185 (3) applies—the first year’s premium for the rider; or
- (f) for disability income insurance to which the Duties Act, section 185 (4) applies—the premium paid to effect the insurance.

## 9 Amounts payable (other sections)

For the purposes of each provision of the Duties Act listed in column 1 of Table 3, the rate of duty chargeable or payable on the *relevant amount* in relation to each provision is the rate of duty listed in column 2 opposite that provision for the relevant period listed in column 3.

**Table 3 Amounts payable—Duties Act (other sections)**

column 1 Duties Act provision	column 2 Rate of duty	column 3 Period
s 33 (1)	60 cents for every \$100, or part of \$100, of the <i>relevant amount, paragraph (a)</i> (property)	On or after 7 June 2017
s 178	0% of the <i>relevant amount, paragraph (b)</i> (general insurance)	7 June – 30 June 2017, inclusive
s 185 (1)	Nil on the <i>relevant amount, paragraph (c)</i> (life insurance)	7 June – 30 June 2017, inclusive
s 185 (2)	Nil on the <i>relevant amount, paragraph (d)</i> (temporary or term insurance)	7 June – 30 June 2017, inclusive
s 185 (3)	Nil on the <i>relevant amount, paragraph (e)</i> (life insurance rider)	7 June – 30 June 2017, inclusive
s 185 (4)	Nil on the <i>relevant amount, paragraph (f)</i> (disability income insurance)	7 June – 30 June 2017, inclusive

## 10 Revocation

This instrument revokes *Taxation Administration (Amounts Payable—Duty) Determination 2016 (No 2)* DI2016-139.

Andrew Barr MLA  
Treasurer  
31 May 2017