

# Duties (Time for Payment) Determination 2017 (No 1)

**Notifiable instrument DI2017–481**

made under the

*Duties Act 1999*, s 16 (When does duty become payable?)

## EXPLANATORY STATEMENT

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### Commencement

This notifiable instrument commences on 18 September 2017.

### Background

The *Revenue Legislation Amendment Act 2017* (the 2017 Act) will make extensive amendments to taxation legislation including the *Duties Act 1999* (the Duties Act) to adopt a ‘Barrier Free’ model for the collection of conveyance duty.

The Barrier Free model moves the trigger date for payment from the date of exchange of contracts to the point that a buyer acquires the title to the property, which occurs after settlement.

Certain transactions fall outside the Barrier Free model: for example, declarations of trust, commercial leases with a premium, transactions involving land use entitlements, and transactions involving options to purchase land.

In these cases section 15 of the Duties Act (as amended by the 2017 Act) will generally require the taxpayer to lodge the instrument affecting the dutiable transaction directly with the Commissioner within 90 days of the liability arising.

Section 16 will specify the ‘trigger’ that makes duty payable for a dutiable transaction. Once payment has triggered, section 16 (2) of the Duties Act provides that the duty must be paid within 14 days of the triggering event.

The Commissioner for ACT Revenue (the Commissioner) can determine a longer period than 14 days by notifiable instrument.

## Determination

Sections 15 (1) and 16 (2) of the Duties Act interact in such a way that, for most non-Barrier Free transactions, there will be 90 days for lodgement but only 14 days for payment.

To meet the intention of the Barrier Free model this instrument's purpose is to extend the time for payment from 14 to 90 days to match the timeframe for lodgement.

Section 3 of the instrument states that this instrument applies to transactions which are not Barrier Free transactions, defined as transactions to which section 15 (1) or (2) (b) of the Duties Act apply.

Section 15 (1) provides the 90 day timeframe for lodgement as a default for dutiable transactions.

Section 15 (2) (b) provides that the lodgement may be made electronically under section 239 of the Duties Act in the same period.

This instrument does not affect Barrier Free transactions, meaning transactions about which the Registrar-General must tell the Commissioner under the *Land Titles Act 1925*. Under section 15 (2) (a) of the Duties Act, the 90-day timeframe does not apply to them.

It also does not affect cancelled agreements giving effect to a subsale, which retain the 14 day time limit for both lodgement and payment under section 15 (3) of the Duties Act.

Section 4 extends the time to pay for an applicable transaction under section 16 (2) of the Duties Act to align it with the time of lodgement under section 15 (1) and (2) (b) – that is, 90 days from the date of liability.

Authorised by the Commissioner for ACT Revenue  
Kim Salisbury

7 September 2017