

Update: Some NSW Stamp Duties to go



Fleming Muntz
Solicitors



Summary

The progressive abolition of several types of stamp duty in NSW is very welcome, but we have to wait for more than five years to enjoy all the benefits.

Timetable for abolition

The previously announced schedule for eliminating several stamp duties in NSW has been confirmed in legislation. The timetable is:-

- Hire of goods – 1 July 2007
- Duty on Leases – 1 January 2008
- Transfer of unlisted shares and units – 1 January 2009
- Mortgage duty – halved from 1 January 2010 and eliminated from 1 January 2011
- Sale of business assets other than land – 1 July 2012

What are the benefits?

Once complete, this will be a welcome simplification for many common commercial transactions. It also brings NSW progressively into line with other states.

Businesses will save money on plant hire, leases, mortgages and business acquisitions. Investors will save when acquiring unlisted shares and units. Consumers will enjoy the abolition of mortgage duty and might even find that it's cheaper to hire DVDs.

What are the problems?

For leases, there will be no refund for duty paid prior to 1 January 2008, since it will be the date of first execution of the lease that determines whether duty will be payable. Lease premiums will still attract duty, at the same rate as land transfers.

For unlisted shares and units, the land-rich provisions remain.

End result

After 1 July 2012, there should be just three main headings for stamp duty:-

- Land and interests in land-rich entities;
- Motor vehicles; and
- Insurance premiums.

How can Fleming Muntz help?

Fleming Muntz can provide expert advice on stamp duty for all commercial transactions, as well as planning opportunities for the abolitions.

Important fine print

This update is for general information only. It is not a complete guide to the area of law. Competent advice should be obtained before taking any action.

We resent unwanted email as much as anyone – if you would prefer not to receive any further updates, please telephone us on (02) 6021 2222 or email to fmlaw@flemingmuntz.com.au.

For more information, please contact:



Ian Byles
B Sc LLB (hons)
Notary Public
Accredited Specialist Business Law
Telephone: (02) 6021 2222
Email: ijb@flemingmuntz.com.au

**Solicitors for New South Wales
and Victoria**

568 Kiewa Street
Albury New South Wales
Australia

PO Box 910
Albury NSW 2640

fmlaw@flemingmuntz.com.au
www.flemingmuntz.com.au

Facsimile (02) 6041 1804
Telephone (02) 6021 2222

