

CHANGES TO CONVEYANCE DUTY IN THE ACT



From 18 September 2017, the ACT Government is changing the way it collects conveyance duty, also known as stamp duty. The new 'Barrier Free' model will make the process of purchasing a home faster and simpler and applies to all transactions registered on the land titles register.

Conveyance duty is a tax you pay when you buy property in the ACT, whether it's residential, commercial or rural property.

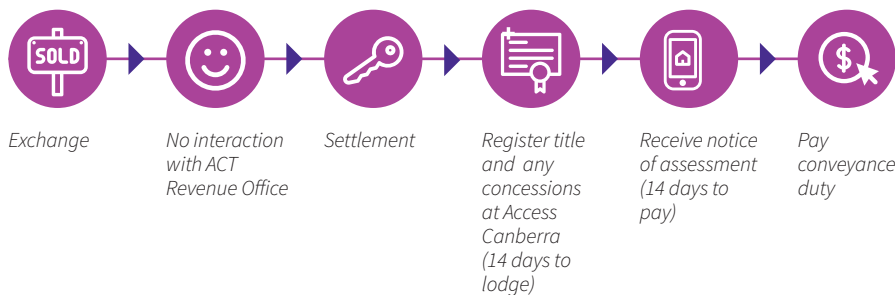
HOW IS CONVEYANCE DUTY CHANGING?

The new model will allow property buyers to pay the duty after settlement, with the payment being due within 14 days after title registration with Access Canberra.

Property buyers and solicitors will be able to calculate the duty payable and determine eligibility for home buyer assistance schemes and a range of other concessions and exemptions online. The ACT Revenue Office website will provide questionnaires, information sheets and calculators to assist you with this.

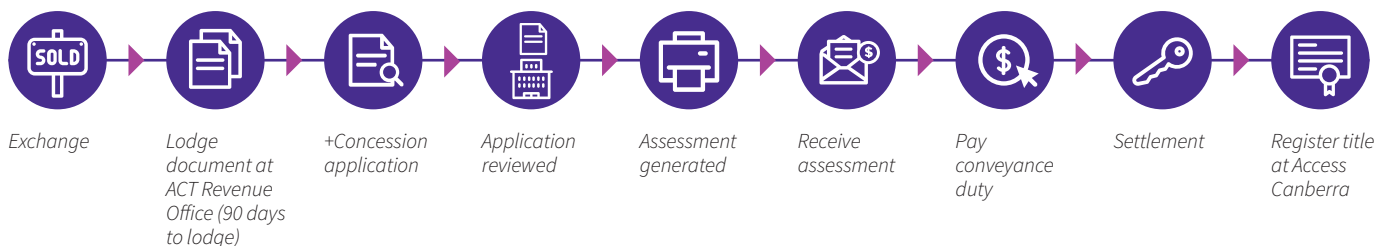
The changes will make the payment process a lot simpler, greatly reducing touch points with government. After the title is registered a Notice of Assessment will be delivered to your nominated email address. Once you receive the Notice of Assessment, payments can be made online using BPAY or Electronic Funds Transfer.

NEW BARRIER FREE MODEL



The new 'Barrier Free' model will make the process of purchasing a home a lot faster and simpler.

OLD CONVEYANCING MODEL



WHAT IS THE NEW PROCESS FOR A CONVEYANCING TRANSACTION?

1. **Exchange contracts** on your new property.
2. **Settlement** occurs when your solicitor or bank provide the funds to the seller in exchange for the signed transfer documents for the property.
3. **Your solicitor or bank will register the title** (within 14 days of settlement) in your name with Access Canberra. You can also lodge your own documents for title registration.
4. Include the **concession code** on the transfer form if you are claiming a concession/exemption.
5. Access Canberra registers the title, and the **ACT Revenue Office is notified** of the transaction.
6. The ACT Revenue Office will issue an electronic **Notice of Assessment** to your nominated email address.
7. **Payment of duty** is required within 14 days of title registration.
8. **The ACT Revenue Office will verify** transactions to ensure that concession/exemptions have been correctly claimed and the correct amount of duty was paid.

WHEN WILL THE CHANGES HAPPEN?

The ACT Revenue Office is developing a new IT system and transforming existing business processes to suit a digital environment.

The changes will come into effect on the 18 September 2017. For further information and to keep up to date with latest news, please visit our website www.revenue.act.gov.au/barrierfree

The ACT Government is gradually reducing stamp duty as part of the Government's tax reform.

WILL IT CHANGE THE AMOUNT OF DUTY I PAY?

No, the amount of duty you pay will depend on the property's purchase price or market value, whichever is higher. The rate of duty is dependent on the execution date of the contract, grant or transfer for your transaction. You can use the online duty calculator to get an estimate of the duty you owe.

HOW DO I PAY DUTY?

Once the Barrier Free model commences, payments will no longer be made at the Access Canberra counter. Payments must be made online using the **BPAY** or **Electronic Funds Transfer** details listed on your Notice of Assessment.

HOW IS MY EXISTING TRANSACTION AFFECTED?

If the contract was executed before the commencement of the Barrier Free model, the old conveyancing rules apply (e.g. duty must be paid within 90 days of signing the contract).



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