



New South Wales

Duties Amendment (Abolition of Vendor Duty) Act 2005 No 66

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New South Wales

Duties Amendment (Abolition of Vendor Duty) Act 2005 No 66

Act No 66, 2005

An Act to amend the *Duties Act 1997* to abolish vendor duty, and duty on the disposal of interests in land rich landholders, on and from 2 August 2005. [Assented to 29 September 2005]

The Legislature of New South Wales enacts:

1 Name of Act

This Act is the *Duties Amendment (Abolition of Vendor Duty) Act 2005*.

2 Commencement

This Act is taken to have commenced on 2 August 2005.

3 Amendment of Duties Act 1997 No 123

The *Duties Act 1997* is amended as set out in Schedule 1.

Schedule 1 Amendments

(Section 3)

[1] Chapter 4, note

Insert after the heading to Chapter 4:

Note. This Chapter charges duty (known as vendor duty) on certain transactions. Vendor duty was introduced in 2004 and applied to certain transactions occurring on or after 1 June 2004 (see clause 40 of Schedule 1). Vendor duty was abolished on and from 2 August 2005. Accordingly, vendor duty remains chargeable only on certain transactions that occurred before that abolition date.

[2] Section 145 Introduction

Insert after section 145 (1):

- (1A) The duty charged by this Chapter is abolished on and from 2 August 2005. However, the duty remains chargeable on certain dutiable transactions that occurred before 2 August 2005.

[3] Section 146 Transactions on which vendor duty is charged

Insert “that occurs before 2 August 2005” after “a transfer of land-related property” in section 146 (1) (a).

[4] Section 146 (1) (b)

Insert “, but only if the transaction occurs before 2 August 2005” after “the following transactions”.

[5] Section 161

Omit the section. Insert instead:

161 Cancelled agreements

- (1) An agreement for sale or transfer is not liable to vendor duty under this Chapter if the Chief Commissioner is satisfied that:
- (a) the agreement has been cancelled, and
 - (b) the agreement was not cancelled to avoid liability for vendor duty by means of a subsequent agreement to transfer (or by means of a transfer of) the same land-related property to the transferee or to any associated person of the transferee on or after 2 August 2005.
- (2) If vendor duty has been paid on an agreement that is not liable to vendor duty under this Chapter because of this section, the Chief Commissioner must reassess and refund the duty if an application for a refund is made within:

- (a) 5 years after the initial assessment, or
 - (b) 12 months after the agreement is cancelled,
whichever is the later.
- (3) In this section:
cancelled means rescinded, annulled or otherwise terminated without completion.

[6] Section 162 Cancelled transfers

Omit section 162 (1). Insert instead:

- (1) A transfer of land-related property that is effected by a written instrument is not liable to vendor duty under this Chapter if the Chief Commissioner is satisfied that:
 - (a) the transfer instrument has been cancelled or abandoned, and
 - (b) the transfer instrument was not cancelled or abandoned to avoid liability for vendor duty by means of a subsequent transfer of the same land-related property to the transferee or to any associated person of the transferee on or after 2 August 2005.

[7] Section 163 Overview

Insert after “Chapter 4.” in the note to section 163:

As vendor duty was abolished on and from 2 August 2005, duty is chargeable under Part 3 only on a disposal by a person of an interest in a land rich landholder that was made before that date.

[8] Section 163N What is a “relevant disposal”?

Insert after section 163N (1):

- (1A) However, the disposal is a relevant disposal only if it was made before 2 August 2005.

[9] Schedule 1 Savings, transitional and other provisions

Insert at the end of clause 1 (1):

Duties Amendment (Abolition of Vendor Duty) Act 2005

[Second reading speech made in—

Legislative Assembly on 13 September 2005

Legislative Council on 21 September 2005]

BY AUTHORITY