



RevenueSA
October 2019

Stamp Duties Act 1923 Rewrite

Summary of feedback – Round 1 Consultation

Background

In the 2017/2018 Federal Budget, the Commonwealth Government committed to working with state and territory governments to reduce the burden of government regulation on small businesses and the broader economy. It established the Small Business Regulatory Reform Agreement (SBRRA) to focus on:

- regulatory reform that reduces the costs of compliance;
- delivering programs that align with current policy and administrative practices; and
- identifying known deficiencies, administration concerns and improvements to the online user experience.

As a result, the Department of Treasury and Finance submitted four reforms to the Commonwealth that met this criteria, including a rewrite of the *Stamp Duties Act 1923* (the Act) and *Stamp Duty Regulations 2013*. The appetite for this change has been driven by:

- small businesses, lawyers, conveyancers and industry associations seeking reform;
- identifying that some provisions are outdated; and
- acknowledging expert advice is often required to interpret the Act, even for a simple property transaction, leading to a higher end-user cost.

The main purpose and focus of the Rewrite is to achieve:

- reduced compliance costs for taxpayers;
- facilitate the efficient administration of the legislation;
- introduce an improved structure and a contemporary drafting style that is easy to understand, providing certainty to taxpayers in relation to their duty obligations;
- consolidate and simplify the Act post the abolition of various stamp duties over recent years;
- remove archaic language and Latin references by adopting a plain English drafting style; and
- take the opportunity to clarify existing complex provisions (without altering the existing underlying policy).

Consultation process

RevenueSA sought views and input on the Rewrite of the Act through an open and transparent consultation process.

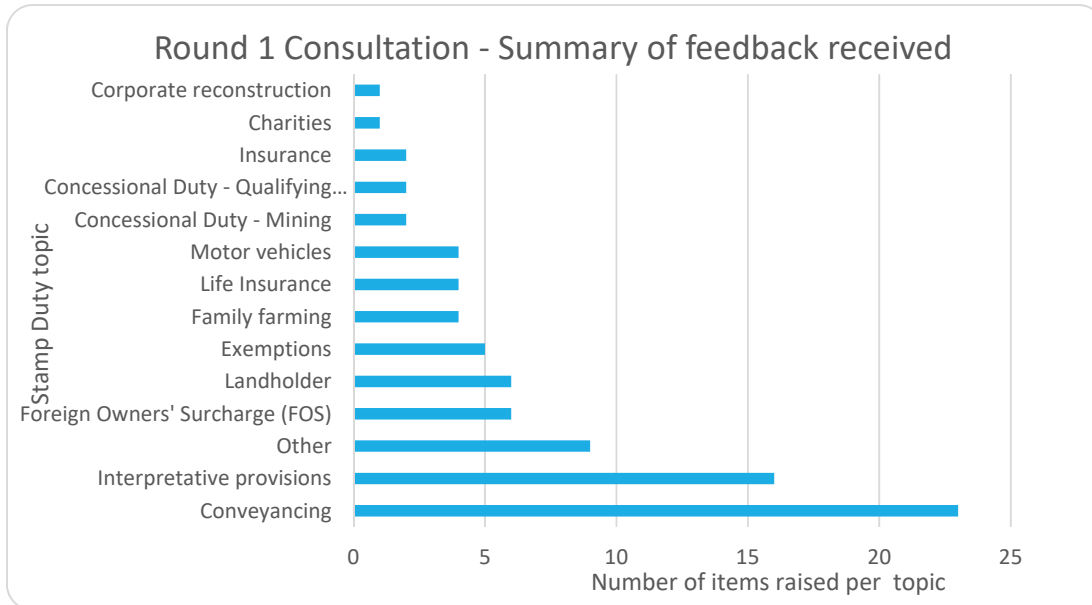
A workshop was held on 10 May 2019 at RevenueSA involving a group of 34 industry and professional body representatives. The purpose of the workshop was to provide an update on the status of the Rewrite, highlight areas of the Act identified as requiring focus and to invite further discussion and consultation. Following the workshop, those representatives in attendance were given the opportunity to provide feedback directly to the project team via email.

In addition, via the YourSay website the general public and broader business community were able to provide comment and feedback. Awareness of the YourSay engagement was facilitated through a number of communication channels, including social media platforms (LinkedIn, Facebook, Twitter), emails to RevenueSA subscribers and broadcast to RevenueSA online users.

Summary of Findings

The first round of external consultation closed on 26 July 2019. We received feedback and submissions from 13 individuals and groups, representing various industries and the general public. There were 400 views of the YourSAy engagement and the discussion paper was downloaded 60 times.

The following chart displays the key themes for review received through the external consultation:



The main themes raised through the feedback on Stamp Duty included:

- Clarity around the treatment of certain transactions and definitions;
- Creating consistency with other jurisdictions in the way stamp duty is charged and administered;
- Removing obsolete provisions.

There were also a number of matters raised which would require a change in stamp duty policy. These matters will be subject to further analysis and consideration.

Next steps

The feedback from the consultation process will be used to develop the content and structure of the new Act.

Following the preparation of a draft Bill by Parliamentary Counsel, there is a planned second round of external consultation with the industry and professional body representatives who participated in the initial workshop in May 2019. It is anticipated that the final Bill will be ready for introduction into Parliament in early 2020.

Thank you to all of the individuals and organisations that submitted feedback to us. It is important to RevenueSA that we work collaboratively with all stakeholders as we progress this project.