

Information Circular No: 68

Stamp Duties Act 1923

Stamp Duty on Off-the-Plan Apartments

Issued 5 June 2014

Background

In the 2012-13 Budget, the Government announced a stamp duty concession for purchases of eligible off-the-plan apartments, with the aim of encouraging higher density inner-city living in line with the Government's 30-year plan. The concession provides a full stamp duty concession on a transfer of a new apartment or substantially refurbished apartment for a contract entered into from 31 May 2012 to 30 June 2014 (capped at stamp duty payable on a \$500 000 apartment) and a partial concession for a contract entered into from 1 July 2014 to 30 June 2016.

Further information is contained in RevenueSA [Information Circular 48](#) and [Information Circular 65](#).

Discussion

For eligible off-the-plan apartment purchase contracts with a market value of \$500 000 or less entered into from 1 July 2014 to 30 June 2016, stamp duty will be payable on the deemed unimproved value of the apartment plus the value of any construction already undertaken at the date of the relevant contract and not the full market value of the apartment.

The value of an apartment in these cases is the deemed unimproved value of an apartment set at 35% of the market value of the apartment (at contract signing), plus the value of any construction undertaken to reflect the nature of works already performed.

The Act provides for six stages of construction of a multi-storey residential development or substantial refurbishment with Stage 1 being where no work in relation to the building has been commenced and Stage 6 being where the work has been substantially completed. Stages 2, 3, 4 and 5 are construction stages to be determined by the Commissioner of State Taxation and published in the Gazette.

Accordingly, the Commissioner of State Taxation has today published a Notice in the Gazette advising that the stages of construction are as follows:

- Stage 1** No building work commenced
- Stage 2** Apartment floor slab & external walls complete (20%)
- Stage 3** Apartment internal wall frames, first fix plumbing & electrical complete (40%)
- Stage 4** Apartment wall & ceiling linings complete (60%)
- Stage 5** Apartment joinery, tiling & second fix carpentry complete (80%)
- Stage 6** Practical completion of apartment ready for occupation (100%)

Mike Walker
COMMISSIONER OF STATE TAXATION

5 June 2014

Further Information

Further information can be obtained from RevenueSA.

Location	RevenueSA State Administration Centre 200 Victoria Square East ADELAIDE SA 5000
Postal	Commissioner of State Taxation RevenueSA GPO Box 1353 ADELAIDE SA 5001
Telephone	(08) 8226 3750
Facsimile	(08) 8226 3737
Email	stamps@sa.gov.au
Website	www.revenuesa.sa.gov.au