

MINUTES
SA STATE TAXES LIAISON GROUP
WEDNESDAY 13 MARCH 2024 (9.30AM)
FAHEY MEETING ROOMS, LEVEL 4, STATE ADMINISTRATION
CENTRE

1. ATTENDANCE/APOLOGIES

PRESENT FOR REVENUESA

Julie Holmes (Chair), Kelly Tattersall, Ben Tuffnell, Paul Maxwell, Mark Christmas and Kristy Ferguson

PRESENT FOR INDUSTRY GROUPS

Andrea Heading (Real Estate Institute of South Australia), Lee Jurga (Property Council of Australia), Marissa Mackie (Law Society of South Australia), Josh Pascale (Business SA), Julie Van der Velde (CPA Australia) and Bernie Walrut (Law Council of Australia)

APOLOGIES

Paul Ingram (The Tax Institute), Peter Slegers (Business SA) and Jeff Stevens (Australian Institute of Conveyances (SA Division))

2. BUSINESS ARISING

2.1. Update on Action Register (see Attachment A)

- Action Item 27

Paul Maxwell reported that RevenueSA is continuing to work through submissions made by Bernie Walrut and a meeting will be scheduled before the end of March 2024 to discuss those submissions.

New Action: Paul Maxwell to schedule a meeting before the end of March 2024 to discuss the further submissions.

- Action Item 29

No further update. The review of Circular No: 156 remains on hold pending the outcome of a current High Court matter.

Bernie Walrut advised that he was yet to review the latest developments on this issue but once he has he will report back to RevenueSA.

- Action Item 30

Paul Maxwell reported that a revised draft Revenue Ruling had been circulated for consideration and comments. To date, no written comments have been received.

Bernie Walrut suggested that a meeting to discuss the revised draft Revenue Ruling be held and that discussions on this issue be incorporated in any meeting held in regard to Circular 265 – Stamp Duty – Sale of Retirement Villages (refer to the New Action under Action Item 27 above).

New Action: Refer to the New Action under Action Item 27 above.

- Action Item 2022-4

No further update. Mark Christmas reported that he would contact Paul Ingram directly to discuss this issue further.

New Action: Mark Christmas to contact Paul Ingram directly to discuss this issue further.

- Action Item 2023-1

Paul Maxwell reported that he had re-circulated the email allowing STLG members one final opportunity for comments and also the opportunity to include any new stamp duty issues that they consider require clarification. No further comments were received and, in the absence of any matter having priority, RevenueSA will progress in an orderly manner.

- Action Item 2023-5

Completed. Bernie Walrut has provided a copy of his paper 'What is An Assessment in the Digital Age'.

RevenueSA is still awaiting advice from the Crown Solicitor's Office in regard to this issue.

- Action Item 2023-6

No further update. Bernie Walrut advised that he was yet to prepare submissions for the Treasurer seeking a review into this issue.

- Action Item 2023-7

Paul Maxwell advised that all but one (out of four) of the HomeBuilder Grant ("HBG") matters heard by the South Australian Civil and Administrative Tribunal ("SACAT") had now been published. The remaining matter of Jacob Cherini v RevenueSA and the Treasurer, which was handed down in December 2023, has not been published but is summarised on RevenueSA's website. It was however noted that the time taken for SACAT to publish matters does vary significantly as does whether they are published at all.

Paul Maxwell further advised that his advice from the Crown Solicitor's Office is that RevenueSA should not publish SACAT Orders until SACAT themselves publish them. Should applicant's or their representatives require not yet published Orders for the purposes of litigation they can request them from the Crown Solicitor's Office as part of any litigation.

A general discussion took place about the above and it was agreed that Bernie Walrut would, with the support of all STLG members, write to either SACAT directly or the relevant Minister to express the importance to all parties of publishing all Orders in a timelier manner.

New Action: Bernie Walrut to write to SACAT or the relevant Minister on this issue.

- Action Item 2023-8

Completed. Bernie Walrut provided his submission to RevenueSA on 7 March 2024 in regard to the payroll tax amnesty. RevenueSA is currently considering this submission.

- Action Item 2023-9

Completed. Paul Maxwell reported that he had circulated the revised draft Circular No: 87 to STLG members for their consideration and any comments. No comments were received and RevenueSA progress the revised draft Circular once it has considered comments received from the Motor Trade Association.

- Action Item 2023-10

Completed. Kelly Tattersall reported that RevenueSA had reviewed its communications in regard to the banking transition and the payment of land tax certificates and updated its website to confirm that there will be no impact resulting from the banking change, if you purchase Certificates of Emergency Services Levy and Land Tax for property settlements, and make payment on those Certificates.

2.2. Update on State Tax Appeals

Paul Maxwell advised that the following had occurred since the last STLG meeting:

- Judgment in the payroll tax matter involving Trinity College Gawler Inc. was handed down on 20 December 2023. A summary of the outcome is on RevenueSA's website;
- Judgment in the casino duty matter involving SkyCity Adelaide Pty Ltd was handed down on 22 February 2024. A summary of the outcome is on RevenueSA's website;
- A HBG matter is being heard by the SACAT today. The dispute is centred on the fact that the approved building works were not completed within the 18 month period; and
- There have been three (3) new appeals lodged with the SACAT. Two (2) matters relate to the HBG whilst the third matter relates to a land use code dispute for Emergency Services Levy purposes.

2.3. Land Tax Update including the Land Tax Review Outcome

Land Tax

Kelly Tattersall reported that:

- Land Tax Assessments for the 2023-2024 financial year have been issued since 4 November 2023;
- A small number of complex land tax ownerships are yet to be assessed and, where a liability exists billed, since the introduction of the legislative changes in 2020-21.
- As new information is received by RevenueSA a small number of prior year assessments (i.e. for previous financial years back to the 2020-21 financial year) are created for ownerships previously not assessed.
- To enable RevenueSA to undertake 2023-24 financial year land tax billing as scheduled in November 2023, landowners who have:
 - remaining instalments for their 2022-23 land tax assessment; or
 - not received their 2020-21, 2021-22 or 2022-23 land tax assessment, or any unpaid land tax for previous financial years,

will see the outstanding liability amount added to the first quarterly instalment of their 2023-24 land tax assessment.

- A landowner who has difficulty making the payment due dates as set out in their assessments (in particular, where the first instalment is large) can contact RevenueSA and request:
 - to pay their land tax equally over the 2023-24 instalments or an extended instalment arrangement.
 - RevenueSA will work with individual taxpayers to put in place a payment plan that suits their individual financial circumstances.
- The next major system release will involve corporate grouping where retrospective reassessments are required due to corporate group movements.

Kelly Tattersall reminded STLG members that any individual matters of concern can be sent directly to her.

Land Tax Review Outcome

Julie Holmes reported that the final report into the review of amendments to the *Land Tax Act 1936* was laid on the table in the House of Assembly on 22 February 2024.

Bernie Walrut asked if any of the policy and administrative issues raised as part of the stakeholder engagement would be acted upon. A general discussion took place in this regard and it was agreed that Bernie Walrut would prepare a list of those policy and administrative issues raised to facilitate further discussion.

New Action: Bernie Walrut to prepare a list of those policy and administrative issues raised as part of the stakeholder engagement to facilitate further discussion.

2.4. Payroll Tax Amnesty for Medical Centres Update

Julie Holmes reported that:

- As of 13 March 2024, 283 registrations of interest in being involved in the amnesty have been received by RevenueSA.
- All medical practices registered for the amnesty have now been contacted by their case manager, requesting information about how the medical practice is structured and the number of contractor GPs engaged by the medical practice and copies of those contracts. RevenueSA is working through those registrations of interest with medical practices to ensure they understand their obligations.
- Currently, approximately 200 medical practices have been reviewed and assessed as relevant contracts and are therefore liable for payroll tax. RevenueSA began sending exit correspondence to those medical practices that have been reviewed and assessed on 6 March 2024 and expects to finish by the end of this week (15 March 2024). The exit correspondence includes objection rights.
- At this stage, RevenueSA expects to predominantly advise medical practices that their submitted agreements are taxable as relevant contracts, and covered by the amnesty until 30 June 2024.

A general discussion took place regarding technical issues such as what RevenueSA's position is where the money flows directly from patients to practitioners, genuine tenancy contracts and grouping.

3. New Business

3.1. Banking Transition [RevenueSA]

Julie Holmes reminded STLG members that, as part of a whole of government change, from Monday 11 December 2023 RevenueSA has been banking with the ANZ Bank instead of the Commonwealth Bank.

3.2. Upcoming RevenueSA Online Education Webinars [RevenueSA]

Kristy Ferguson advised that RevenueSA is conducting three webinars across March – May 2024 as follows:

- Webinar 1: Accessing RevenueSA Online and general usage
- Webinar 2: Self-determining documents in RevenueSA Online

- Webinar 3: Lodging documents for the assessment of the Commissioner of State Taxation

Further information can be found on the RevenueSA website.

4. Any Other Business

No other business was raised.

5. Next Meeting

19 June 2024

ATTACHMENT A – ACTION REGISTER

Item	Date of Meeting	Action	Who	Status as at 13 March 2024	Due Date
27	04/12/2019 [Historical Action Item]	Publication: Circular 265 – Stamp Duty – Sale of Retirement Villages	RevenueSA	Bernie Walrut provided his further submissions on 29 May 2023. New Action: Paul Maxwell to schedule a meeting before the end of March 2024 to discuss the further submissions.	31 March 2024
29	04/12/2019 [Historical Action Item]	Publication under consideration by RevenueSA: Circular 156 – Access to documents held by solicitors and legal professional privilege – Guidelines.	RevenueSA/ Bernie Walrut	On hold. To be considered once the outcome of a current High Court matter is known and considered by the Federal Government. Bernie Walrut to review the latest developments on the issue and report back to RevenueSA.	On-going
30		RevenueSA to draft a new Revenue Ruling in regard to Exemption 33 for consideration by the Rulings Sub-Committee.	RevenueSA	Paul Maxwell circulated the revised draft Revenue Ruling. New Action: Refer to the New Action under Action Item 27 above.	Completed 31 March 2024
2022-4	7/9/2022	RevenueSA to review and consider the appropriateness of self-determining mining tenement acquisitions and the associated necessary system changes	RevenueSA	RevenueSA to review and consider prioritisation. Continues to be on the forward work program. New Action: Mark Christmas to contact Paul Ingram directly to discuss this issue further.	June 2024
2023-1	19/4/2023	RevenueSA to review Action Items 2, 24-26, 28, 33 and 35-36 and provide a status update for each matter and circulate to the Group to allow consideration of the priority that should be given to each, including section 71A of the SDA.	RevenueSA	Paul Maxwell re-circulated the email and allow STLG members one final opportunity for comments and also the opportunity to include any new stamp duty issues that they consider require clarification by 15 December 2023.	Completed
2023-5	12/7/2023	RevenueSA will review the issue of transactions lodged via RevenueSA Online being deemed to be non-assessments and report back to the STLG.	RevenueSA/ Bernie Walrut	Advice is being sought from the Crown Solicitor's Office in regard to this issue. Bernie Walrut to send a copy of his paper, What is An Assessment in the Digital Age.	Completed
2023-6	12/7/2023	RevenueSA to review why the Emergency Services Levy is not administered under the TAA.	RevenueSA	Bernie Walrut to prepare submissions for the Treasurer seeking a review into this issue.	Pending
2023-7	6/12/2023	RevenueSA to seek advice from the Crown Solicitor's Office in regard to whether Tribunal Orders can be released even when not published.	RevenueSA	Paul Maxwell to seek advice from the Crown Solicitor's Office in regard to whether the Orders can be released.	Completed

				New Action: that Bernie Walrut to write to either SACAT directly or the relevant Minister to express the importance to all parties of publishing all Orders in a timelier manner.	June 2024
2023-8	6/12/2023	Bernie Walrut to prepare submissions to go directly to the Treasurer about the legality of the payroll tax amnesty for medical practices.	Bernie Walrut	Bernie Walrut to prepare submissions to go directly to the Treasurer about the legality of the amnesty.	Completed – submissions received 7 March 2024
2023-9	6/12/2023	Paul Maxwell to circulate the revised draft Circular No: 87 to STLG members for their consideration and any comments.	RevenueSA	Paul Maxwell to circulate the revised draft Circular No: 87 to STLG members for their consideration and any comments.	Completed
2023-10	6/12/2023	RevenueSA to provide clarity about the effect of the banking change on payments for land tax certificates.	RevenueSA	RevenueSA to review and provide further clarity about the effect of the banking change on payments for land tax certificates.	Completed
2024-1	13/3/2024	Land Tax Review Outcome	RevenueSA	New Action: Bernie Walrut to prepare a list of those policy and administrative issues raised as part of the stakeholder engagement to facilitate further discussion.	June 2024

ATTACHMENT B – REVENUESA PUBLICATIONS AND UPDATES

1. Publications to reviewed now that the stamp duty rewrite is not progressing
 - 1.1. Stamp Duty – Residential land used for long term accommodation and discretionary trusts that are foreign trusts
 - 1.2. Section 71(6) of the SDA
 - 1.3. Stamp Duty – Unit Trust: Issues And Redemptions
 - 1.4. Circular 61 – Section 71E of the SDA. Obligation of a person to lodge a statement with the Commissioner
 - 1.5. Circular 109 – *Stamp Duties (Concessions) Amendment Act 1994* – Family Farm Transfers
 - 1.6. Circular 282 – Domestic Partners
2. New potential publications for consideration
3. Draft publications on hold
4. Other existing publications under consideration by RevenueSA
 - 4.1. Circular 265 – Stamp Duty – Sale of Retirement Villages
 - 4.2. Circular 156 – Access to documents held by solicitors and legal professional privilege – Guidelines
 - 4.3. Review of Information Circular 1 – RSA Publication Process
 - 4.4. DRAFT Revenue Ruling – Exemption from Duty – Charitable and Religious Bodies
5. Recent Updates
 - 5.1. Land Tax publications released
 - 5.2. Stamp duty relief for eligible first home buyers applications can now be lodged for assessment in RevenueSA Online